

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 March 23, 2025

OR

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

For the transition period from _____ to _____

Commission file number: 001-32242

Domino's Pizza, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)
30 Frank Lloyd Wright Drive
Ann Arbor, Michigan
(Address of Principal Executive Offices)

38-2511577
(I.R.S. Employer
Identification No.)

48105
(Zip Code)

(734) 930-3030

(Registrant's Telephone Number, Including Area Code)

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

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Each Exchange on Which Registered</u>
Domino's Pizza, Inc. Common Stock, \$0.01 par value	DPZ	The Nasdaq Stock Market LLC

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

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

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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 April 21, 2025, Domino's Pizza, Inc. had 34,241,477 shares of common stock, par value \$0.01 per share, outstanding.

Domino's Pizza, Inc.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

Domino's Pizza, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(Unaudited)

(In thousands)	March 23, 2025	December 29, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 304,320	\$ 186,126
Restricted cash and cash equivalents	197,412	195,370
Accounts receivable, net	302,837	309,104
Inventories	73,236	70,919
Prepaid expenses and other	38,528	40,363
Advertising fund assets, restricted	99,601	103,396
Total current assets	1,015,934	905,278
Property, plant and equipment:		
Land and buildings	104,355	104,793
Leasehold and other improvements	196,227	191,718
Equipment	398,077	390,542
Construction in progress	16,336	22,717
	714,995	709,770
Accumulated depreciation and amortization	(420,069)	(408,591)
Property, plant and equipment, net	294,926	301,179
Other assets:		
Operating lease right-of-use assets	217,097	210,302
Goodwill	12,117	11,578
Capitalized software, net	156,119	155,025
Investment in DPC Dash	106,726	82,699
Deferred income tax assets, net	25,722	23,432
Other assets	48,978	47,520
Total other assets	566,759	530,556
Total assets	\$ 1,877,619	\$ 1,737,013
Liabilities and stockholders' deficit		
Current liabilities:		
Current portion of long-term debt	\$ 1,149,764	\$ 1,149,679
Accounts payable	123,086	85,898
Operating lease liabilities	42,194	39,920
Insurance reserves	24,646	25,658
Dividends payable	61,429	2,246
Advertising fund liabilities	97,403	101,567
Other accrued liabilities	198,238	207,494
Total current liabilities	1,696,760	1,612,462
Long-term liabilities:		
Long-term debt, less current portion	3,825,995	3,825,659
Operating lease liabilities	188,547	181,983
Insurance reserves	32,667	33,229
Other accrued liabilities	46,338	45,971
Total long-term liabilities	4,093,547	4,086,842
Stockholders' deficit:		
Common stock	342	343
Additional paid-in capital	892	1,272
Retained deficit	(3,906,833)	(3,956,474)
Accumulated other comprehensive loss	(7,089)	(7,432)
Total stockholders' deficit	(3,912,688)	(3,962,291)
Total liabilities and stockholders' deficit	\$ 1,877,619	\$ 1,737,013

The accompanying notes are an integral part of these condensed consolidated financial statements.

Domino's Pizza, Inc. and Subsidiaries
Condensed Consolidated Statements of Income
(Unaudited)

(In thousands, except per share data)	Fiscal Quarter Ended	
	March 23, 2025	March 24, 2024
Revenues:		
U.S. Company-owned stores	\$ 91,598	\$ 92,649
U.S. franchise royalties and fees	151,000	150,518
Supply chain	669,924	659,214
International franchise royalties and fees	75,559	71,966
U.S. franchise advertising	123,975	110,300
Total revenues	1,112,056	1,084,647
Cost of sales:		
U.S. Company-owned stores	76,911	76,458
Supply chain	591,998	586,319
Total cost of sales	668,909	662,777
Gross margin	443,147	421,870
General and administrative	109,077	101,024
U.S. franchise advertising	123,975	110,300
Refranchising loss	—	133
Income from operations	210,095	210,413
Other income (expense)	24,027	(18,699)
Interest income	3,945	3,739
Interest expense	(45,585)	(45,846)
Income before provision for income taxes	192,482	149,607
Provision for income taxes	42,831	23,783
Net income	\$ 149,651	\$ 125,824
Earnings per share:		
Common stock - basic	\$ 4.37	\$ 3.62
Common stock - diluted	\$ 4.33	\$ 3.58

The accompanying notes are an integral part of these condensed consolidated financial statements.

Domino's Pizza, Inc. and Subsidiaries
Condensed Consolidated Statements of Comprehensive Income
(Unaudited)

(In thousands)	<u>Fiscal Quarter Ended</u>	
	<u>March 23, 2025</u>	<u>March 24, 2024</u>
Net income	\$ 149,651	\$ 125,824
Currency translation adjustment	343	(1,125)
Comprehensive income	<u>\$ 149,994</u>	<u>\$ 124,699</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

Domino's Pizza, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(In thousands)	Fiscal Quarter Ended	
	March 23, 2025	March 24, 2024
Cash flows from operating activities:		
Net income	\$ 149,651	\$ 125,824
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	20,362	19,869
Refranchising loss	—	133
Loss on sale/disposal of assets	266	90
Amortization of debt issuance costs	1,210	1,266
Benefit for deferred income taxes	(2,290)	(3,757)
Non-cash equity-based compensation expense	10,381	11,338
Excess tax benefits from equity-based compensation	(1,569)	(8,104)
Benefit for losses on accounts and notes receivable	(57)	(8)
Unrealized (gain) loss on investments	(24,027)	18,699
Changes in operating assets and liabilities	34,244	(9,961)
Changes in advertising fund assets and liabilities, restricted	(9,095)	(31,925)
Net cash provided by operating activities	179,076	123,464
Cash flows from investing activities:		
Capital expenditures	(14,745)	(20,181)
Other	(1,225)	(1,305)
Net cash used in investing activities	(15,970)	(21,486)
Cash flows from financing activities:		
Repayments of long-term debt and finance lease obligations	(646)	(13,525)
Proceeds from exercise of stock options	7,529	10,774
Purchases of common stock	(50,000)	(25,000)
Tax payments for restricted stock upon vesting	(8,158)	(6,700)
Payments of common stock dividends and equivalents	(617)	(343)
Net cash used in financing activities	(51,892)	(34,794)
Effect of exchange rate changes on cash	296	(672)
Change in cash and cash equivalents, restricted cash and cash equivalents	111,510	66,512
Cash and cash equivalents, beginning of period	186,126	114,098
Restricted cash and cash equivalents, beginning of period	195,370	200,870
Cash and cash equivalents included in advertising fund assets, restricted, beginning of period	80,928	88,165
Cash and cash equivalents, restricted cash and cash equivalents and cash and cash equivalents included in advertising fund assets, restricted, beginning of period	462,424	403,133
Cash and cash equivalents, end of period	304,320	203,894
Restricted cash and cash equivalents, end of period	197,412	209,752
Cash and cash equivalents included in advertising fund assets, restricted, end of period	72,202	55,999
Cash and cash equivalents, restricted cash and cash equivalents and cash and cash equivalents included in advertising fund assets, restricted, end of period	\$ 573,934	\$ 469,645

The accompanying notes are an integral part of these condensed consolidated financial statements.

Domino's Pizza, Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements
(Unaudited; tabular amounts in thousands, except share and per share amounts)

March 23, 2025

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. Additionally, the condensed consolidated balance sheet at December 29, 2024 has been derived from the audited consolidated financial statements at that date but does not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. Certain captions have been conformed to the current period presentation. For further information, refer to the consolidated financial statements and footnotes for the fiscal year ended December 29, 2024 included in the Company's 2024 Annual Report on Form 10-K, filed with the Securities and Exchange Commission on February 24, 2025 (the "2024 Form 10-K").

In the opinion of management, all adjustments, consisting of normal recurring items, considered necessary for a fair statement have been included. Operating results for the first quarter ended March 23, 2025 are not necessarily indicative of the results that may be expected for the fiscal year ending December 28, 2025.

2. Segment Information

The Company has three reportable segments: (i) U.S. stores; (ii) supply chain; and (iii) international franchise.

The Company's operations are organized by management on the combined basis of line of business and geography. The U.S. stores segment includes operations with respect to all franchised and Company-owned stores throughout the U.S. The supply chain segment primarily includes the distribution of food and, to a lesser extent, other products, from the Company's supply chain center operations in the U.S. and Canada. The international franchise segment includes operations related to the Company's franchising business in foreign markets. The Company's chief operating decision maker is its Chief Executive Officer, and he evaluates the performance of the Company's segments and allocates resources to them based on revenues and earnings before interest, taxes, depreciation, amortization and other, referred to as Segment Income. The Company uses Segment Income to determine future business objectives and targets and for long-range planning for the reportable segments, as well as to evaluate their operating performance.

The tables below summarize the financial information, including revenues, significant segment expenses, Segment Income and capital expenditures, concerning the Company's reportable segments for the first quarters ended March 23, 2025 and March 24, 2024. Intersegment revenues are comprised of sales of food and, to a lesser extent, other products, from the supply chain segment to the Company-owned stores in the U.S. stores segment. Intersegment sales prices are market based.

The Company adopted *Accounting Standards Update ("ASU") 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures ("ASU 2023-07")* in the fourth quarter of 2024. The Company has included the relevant interim disclosures retrospectively for all periods presented in the condensed consolidated financial statements.

	Fiscal Quarter Ended March 23, 2025			
	U.S. Stores	Supply Chain	International Franchise	Total
U.S. Company-owned stores	\$ 91,598	\$ —	\$ —	\$ 91,598
U.S. franchise royalties and fees	151,000	—	—	151,000
Supply chain	—	697,910	—	697,910
Supply chain - intersegment revenues	—	(27,986)	—	(27,986)
International franchise royalties and fees	—	—	75,559	75,559
U.S. franchise advertising	123,975	—	—	123,975
Segment revenues	\$ 366,573	\$ 669,924	\$ 75,559	\$ 1,112,056
Cost of sales - food	27,211	471,616	—	498,827
Cost of sales - labor	29,181	61,882	—	91,063
Cost of sales - other ⁽¹⁾	17,752	49,347	—	67,099
U.S. franchise advertising	123,975	—	—	123,975
General and administrative ⁽²⁾	36,636	14,259	11,780	62,675
Segment Income	\$ 131,818	\$ 72,820	\$ 63,779	\$ 268,417
Segment capital expenditures ⁽³⁾	\$ 976	\$ 5,510	\$ —	\$ 6,486

	Fiscal Quarter Ended March 24, 2024			
	U.S. Stores	Supply Chain	International Franchise	Total
U.S. Company-owned stores	\$ 92,649	\$ —	\$ —	\$ 92,649
U.S. franchise royalties and fees	150,518	—	—	150,518
Supply chain	—	686,642	—	686,642
Supply chain - intersegment revenues	—	(27,428)	—	(27,428)
International franchise royalties and fees	—	—	71,966	71,966
U.S. franchise advertising	110,300	—	—	110,300
Segment revenues	\$ 353,467	\$ 659,214	\$ 71,966	\$ 1,084,647
Cost of sales - food	26,642	469,937	—	496,579
Cost of sales - labor	29,674	62,218	—	91,892
Cost of sales - other ⁽¹⁾	17,186	46,016	—	63,202
U.S. franchise advertising	110,300	—	—	110,300
General and administrative ⁽²⁾	33,557	16,467	12,634	62,658
Segment Income	\$ 136,108	\$ 64,576	\$ 59,332	\$ 260,016
Segment capital expenditures ⁽³⁾	\$ 2,597	\$ 2,775	\$ —	\$ 5,372

- (1) Cost of sales - other, includes delivery, occupancy costs (including rent, telephone and utilities) and insurance expense. Depreciation and amortization is not included in the measurement of Segment Income.
- (2) General and administrative expense consists primarily of labor cost (including variable performance-based compensation expense), computer expenses, professional fees, travel and entertainment, rent, insurance and other. Depreciation and amortization, non-cash equity-based compensation expense and gains and losses from the sale of assets are not included in the measurement of Segment Income.
- (3) The Company also had \$8.7 million and \$14.2 million of other capital expenditures not attributable to the reportable segments primarily representing capitalized software in the first quarters of 2025 and 2024, respectively.

The following table reconciles total Segment Income to income before provision for income taxes:

	Fiscal Quarter Ended	
	March 23, 2025	March 24, 2024
Total Segment Income	\$ 268,417	\$ 260,016
General and administrative - other ⁽¹⁾	(27,313)	(18,173)
Depreciation and amortization	(20,362)	(19,869)
Non-cash equity-based compensation expense	(10,381)	(11,338)
Loss on sale/disposal of assets	(266)	(90)
Refranchising loss	—	(133)
Income from operations	210,095	210,413
Other income (expense)	24,027	(18,699)
Interest income	3,945	3,739
Interest expense	(45,585)	(45,846)
Income before provision for income taxes	\$ 192,482	\$ 149,607

- (1) Represents corporate administrative costs that have not been allocated to a reportable segment including labor, computer expenses, professional fees, travel and entertainment, rent, insurance and other corporate administrative costs.

The Company's chief operating decision maker is not regularly provided financial information related to the assets of the reportable segments, and he does not evaluate their performance or allocate resources to them based on assets. Therefore, total assets by reportable segment are not included in the Company's segment disclosures.

3. Earnings Per Share

	Fiscal Quarter Ended	
	March 23, 2025	March 24, 2024
Net income available to common stockholders - basic and diluted	\$ 149,651	\$ 125,824
Basic weighted average number of shares	34,284,052	34,800,310
Earnings per share – basic	\$ 4.37	\$ 3.62
Diluted weighted average number of shares	34,553,820	35,154,232
Earnings per share – diluted	\$ 4.33	\$ 3.58

The denominators used in calculating diluted earnings per share for common stock for the first quarters ended March 23, 2025 and March 24, 2024 do not include the following because the effect of including these shares would be anti-dilutive or because the performance targets for these awards had not yet been met:

	Fiscal Quarter Ended	
	March 23, 2025	March 24, 2024
Anti-dilutive shares underlying stock-based awards		
Stock options	91,269	87,419
Restricted stock awards and units	—	51,587
Performance condition not met		
Restricted stock awards and units	41,957	62,114

4. Stockholders' Deficit

The following table summarizes the changes in stockholders' deficit for the first quarter of 2025.

	Common Stock		Additional Paid-in Capital	Retained Deficit	Accumulated Other Comprehensive Loss
	Shares	Amount			
Balance at December 29, 2024	34,281,927	\$ 343	\$ 1,272	\$ (3,956,474)	\$ (7,432)
Net income	—	—	—	149,651	—
Dividends declared on common stock and equivalents (\$1.74 per share)	—	—	—	(59,800)	—
Issuance and cancellation of stock awards, net	54,516	—	—	—	—
Tax payments for restricted stock upon vesting	(18,630)	—	(8,158)	—	—
Purchases of common stock	(115,280)	(1)	(10,132)	(40,210)	—
Exercise of stock options	28,280	—	7,529	—	—
Non-cash equity-based compensation expense	—	—	10,381	—	—
Currency translation adjustment	—	—	—	—	343
Balance at March 23, 2025	34,230,813	\$ 342	\$ 892	\$ (3,906,833)	\$ (7,089)

Subsequent to the end of the first quarter of 2025, on April 23, 2025, the Company's Board of Directors declared a \$1.74 per share quarterly dividend on its outstanding common stock for shareholders of record as of June 13, 2025 to be paid on June 30, 2025.

The following table summarizes the changes in stockholders' deficit for the first quarter of 2024.

	Common Stock		Additional Paid-in Capital	Retained Deficit	Accumulated Other Comprehensive Loss
	Shares	Amount			
Balance at December 31, 2023	34,726,182	\$ 347	\$ 2,801	\$ (4,069,648)	\$ (3,867)
Net income	—	—	—	125,824	—
Dividends declared on common stock and equivalents (\$1.51 per share)	—	—	—	(52,954)	—
Issuance and cancellation of stock awards, net	44,053	1	—	—	—
Tax payments for restricted stock upon vesting	(15,213)	—	(6,700)	—	—
Purchases of common stock	(56,372)	(1)	(17,021)	(8,099)	—
Exercise of stock options	103,107	1	10,773	—	—
Non-cash equity-based compensation expense	—	—	11,338	—	—
Currency translation adjustment	—	—	—	—	(1,125)
Balance at March 24, 2024	<u>34,801,757</u>	<u>\$ 348</u>	<u>\$ 1,191</u>	<u>\$ (4,004,877)</u>	<u>\$ (4,992)</u>

5. Fair Value Measurements

Fair value measurements enable the reader of the financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values. The Company classifies and discloses assets and liabilities carried at fair value in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Fair Value of Cash Equivalents and Marketable Securities

The fair values of the Company's cash equivalents and investments in marketable securities are based on quoted prices in active markets for identical assets.

Fair Value of Investments

The Company holds a non-controlling interest in DPC Dash Ltd ("DPC Dash"), the Company's master franchisee in China that owns and operates Domino's Pizza stores in that market. The Company accounts for its investment in DPC Dash as a trading security and records it at fair value at the end of each reporting period, with gains and losses recorded in other income or expense in its condensed consolidated statements of income. As of March 23, 2025, the fair value of the Company's investment in 8,101,019 DPC Dash ordinary shares is based on the active exchange quoted price for the equity security of HK\$102.40 per share (HK: 1405). The Company recorded a positive adjustment to the carrying amount of its investment in DPC Dash of \$24.0 million in the first quarter of 2025, with the gain recorded in other income in its condensed consolidated statements of income. The Company recorded a negative adjustment to the carrying amount of its investment in DPC Dash of \$18.7 million in the first quarter of 2024 with the loss recorded in other expense in its condensed consolidated statements of income.

The following tables summarize the carrying amounts and fair values of certain assets at March 23, 2025 and December 29, 2024:

	At March 23, 2025			
	Carrying Amount	Fair Value Estimated Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Cash equivalents	\$ 253,286	\$ 253,286	\$ —	\$ —
Restricted cash equivalents	116,519	116,519	—	—
Investments in marketable securities	22,387	22,387	—	—
Advertising fund cash equivalents, restricted	51,707	51,707	—	—
Investment in DPC Dash	106,726	106,726	—	—

	At December 29, 2024			
	Carrying Amount	Fair Value Estimated Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Cash equivalents	\$ 127,074	\$ 127,074	\$ —	\$ —
Restricted cash equivalents	140,669	140,669	—	—
Investments in marketable securities	20,638	20,638	—	—
Advertising fund cash equivalents, restricted	70,350	70,350	—	—
Investment in DPC Dash	82,699	82,699	—	—

Fair Value of Debt

The estimated fair values of the Company's fixed rate notes are classified as Level 2 measurements, as the Company estimates the fair value amount by using available market information. The Company obtained quotes from two separate brokerage firms that are knowledgeable about the Company's fixed rate notes and, at times, trade these notes. The Company also performed its own internal analysis based on the information gathered from public markets, including information on notes that are similar to those of the Company. However, considerable judgment is required to interpret market data to estimate fair value. Accordingly, the fair value estimates presented are not necessarily indicative of the amount that the Company or the noteholders could realize in a current market exchange. The use of different assumptions and/or estimation methodologies may have a material effect on the estimated fair values stated below.

Management estimated the approximate fair values of the Company's 2015, 2017, 2018, 2019 and 2021 notes as follows:

	March 23, 2025		December 29, 2024	
	Principal Amount	Fair Value	Principal Amount	Fair Value
2015 Ten-Year Notes	\$ 742,000	\$ 739,032	\$ 742,000	\$ 739,032
2017 Ten-Year Notes	940,000	920,260	940,000	915,560
2018 7.5-Year Notes	402,688	400,674	402,688	399,869
2018 9.25-Year Notes	379,000	373,315	379,000	370,662
2019 Ten-Year Notes	648,000	610,416	648,000	599,400
2021 7.5-Year Notes	826,625	760,495	826,625	750,576
2021 Ten-Year Notes	972,500	861,635	972,500	850,938

The Company did not have any outstanding borrowings under its variable funding notes at March 23, 2025 or December 29, 2024.

6. Leverage Ratio and Debt Classification

In accordance with the Company's debt agreements, the payment of principal on the outstanding senior notes may be suspended if the Holdco Leverage Ratio is less than or equal to 5.0x total debt to Consolidated Adjusted EBITDA, each as defined in the indenture governing the securitized debt, and no catch-up provisions are applicable. As of the end of the first quarter of 2025 and the end of the fourth quarter of 2024, the Company had a Holdco Leverage Ratio of less than 5.0x, and accordingly, the outstanding principal amounts of the Company's 2021 Notes, 2019 Notes, 2018 9.25-Year Notes and 2017 Ten-Year Notes (refer to Note 5, above) have been classified as long-term debt in the condensed consolidated balance sheet as of March 23, 2025 and December 29, 2024.

The anticipated repayment date for the 2018 7.5-Year Notes and the 2015 Ten-Year Notes (refer to Note 5, above) is October 2025 and accordingly, the outstanding principal amounts for these notes have been classified as current portion of long-term debt in the condensed consolidated balance sheet as of March 23, 2025 and December 29, 2024. The Company expects to refinance the 2018 7.5-Year Notes and the 2015 Ten-Year Notes prior to the anticipated repayment date. If the Company does not refinance the 2018 7.5-Year Notes and the 2015 Ten-Year Notes prior to the anticipated repayment date, additional interest of at least 5% per annum will accrue and the Company's cash flows other than technology fees and a weekly management fee to cover certain general and administrative expenses would be directed to the repayment of the securitized debt.

7. Revenue Disclosures

Contract Liabilities

Contract liabilities primarily consist of deferred franchise fees and deferred development fees. Deferred franchise fees and deferred development fees of \$5.0 million and \$5.1 million were included in current other accrued liabilities as of March 23, 2025 and December 29, 2024, respectively. Deferred franchise fees and deferred development fees of \$15.0 million and \$15.8 million were included in long-term other accrued liabilities as of March 23, 2025 and December 29, 2024, respectively.

Changes in deferred franchise fees and deferred development fees for the first quarters of 2025 and 2024 were as follows:

	Fiscal Quarter Ended	
	March 23, 2025	March 24, 2024
Deferred franchise fees and deferred development fees, beginning of period	\$ 20,946	\$ 25,195
Revenue recognized during the period	(1,668)	(1,364)
New deferrals due to cash received and other	726	1,330
Deferred franchise fees and deferred development fees, end of period	<u>\$ 20,004</u>	<u>\$ 25,161</u>

Advertising Fund Assets

As of March 23, 2025, advertising fund assets, restricted of \$99.6 million consisted of \$72.2 million of cash and cash equivalents, \$16.9 million of accounts receivable and \$10.5 million of prepaid expenses. As of March 23, 2025, advertising fund cash and cash equivalents included \$2.2 million of cash contributed from U.S. Company-owned stores that had not yet been expended.

As of December 29, 2024, advertising fund assets, restricted of \$103.4 million consisted of \$80.9 million of cash and cash equivalents, \$14.3 million of accounts receivable and \$8.2 million of prepaid expenses. As of December 29, 2024, advertising fund cash and cash equivalents included \$1.8 million of cash contributed from U.S. Company-owned stores that had not yet been expended.

8. Leases

The Company leases certain retail store and supply chain center locations, vehicles, equipment and its corporate headquarters with expiration dates through 2045. Rent expense totaled \$21.8 million and \$21.2 million in the first quarter of 2025 and the first quarter of 2024, respectively. Rent expense includes operating lease cost, as well as expense for non-lease components including common area maintenance, real estate taxes and insurance for the Company's real estate leases. Rent expense also includes the variable rate per mile driven and fixed maintenance charges for the Company's supply chain center tractors and trailers and expense for short-term rentals. Rent expense for certain short-term supply chain center tractor and trailer rentals was \$2.0 million and \$1.7 million in the first quarter of 2025 and the first quarter of 2024, respectively. Variable rent expense and rent expense for other short-term leases were immaterial in both the first quarter of 2025 and 2024.

The components of operating and finance lease cost for the first quarters of 2025 and 2024 were as follows:

	Fiscal Quarter Ended	
	March 23, 2025	March 24, 2024
Operating lease cost	\$ 12,112	\$ 11,253
Finance lease cost:		
Amortization of right-of-use assets	1,258	1,324
Interest on lease liabilities	871	984
Total finance lease cost	\$ 2,129	\$ 2,308

Supplemental cash flow information related to leases for the first quarters of 2025 and 2024 were as follows:

	Fiscal Quarter Ended	
	March 23, 2025	March 24, 2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 10,113	\$ 10,340
Operating cash flows from finance leases	871	984
Financing cash flows from finance leases	631	636
Cash paid for amounts included in the measurement of financing obligation from sale leaseback:		
Operating cash flows from sale leaseback	198	299
Financing cash flows from sale leaseback	15	14
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	15,967	16,706
Finance leases	—	1,121

As of March 23, 2025, the Company had additional leases for certain supply chain real estate and certain supply chain vehicles that had not yet commenced with estimated future minimum rental commitments of \$166.4 million. These leases are expected to commence in 2025 and 2026 with lease terms of up to 20 years. These undiscounted amounts will be included in the Company's condensed consolidated balance sheet at the respective commencement dates.

The Company has guaranteed lease payments related to certain franchisees' lease arrangements. The maximum amount of potential future payments under these guarantees was \$11.5 million and \$12.8 million as of March 23, 2025 and December 29, 2024, respectively. The Company does not believe these arrangements have or are likely to have a material effect on its results of operations, financial condition, revenues, expenses or liquidity.

9. Supplemental Disclosures of Cash Flow Information

The Company had non-cash investing activities related to accruals for capital expenditures of \$3.6 million at March 23, 2025 and \$3.1 million at December 29, 2024. The Company also had \$3.4 million and \$3.0 million in non-cash financing activity related to accruals for excise taxes on share repurchases as of March 23, 2025 and December 29, 2024, respectively.

10. Company-owned Store Transactions

During the first quarter of 2025, the Company purchased two U.S. franchised stores from one of the Company's former U.S. franchisees. The Company recorded \$0.3 million of intangibles, \$0.1 million of equipment and leasehold improvements and \$0.5 million of goodwill, with a corresponding liability to the seller of \$0.9 million.

During the first quarter of 2024, the Company refranchised one U.S. Company-owned store for proceeds of less than \$0.1 million. The pre-tax refranchising loss associated with the sale of the related assets and liabilities, including goodwill, was approximately \$0.1 million and was recorded in refranchising loss in the Company's condensed consolidated statements of income.

11. New Accounting Pronouncements

The Company has considered all new accounting standards issued by the Financial Accounting Standards Board ("FASB") and adopted the following accounting standard.

Recently Adopted Accounting Standards

ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures

In November 2023, the FASB issued ASU 2023-07, which requires disclosure on an annual and interim basis, significant segment expenses that are regularly provided to the chief operating decision maker and included within the reported measure of segment profit or loss. In addition, the ASU requires disclosure of other segment expenses by reportable segment and a description of their composition to permit the reconciliation between segment revenue, significant segment expenses and the reported segment measure of profit or loss. The ASU also requires disclosure of the title and position of the chief operating decision maker.

On December 29, 2024, the end of the 2024 fiscal year, the Company adopted ASU 2023-07. The relevant interim disclosures are included within Note 2, Segment Information.

Accounting Standards Not Yet Adopted

The Company has considered all new accounting pronouncements issued by the FASB. The Company has not yet adopted the following accounting standards:

ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures

In December 2023, the FASB issued *ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires disclosure on an annual basis, a tabular reconciliation, including both amount and percentage of specific categories of the effective tax rate reconciliation, including state and local income taxes (net of Federal taxes), foreign taxes, effects of changes in tax laws and regulations, effects of cross-border tax laws, tax credits, changes in valuation allowances, nontaxable and nondeductible items and changes in unrecognized tax benefits. Additional disclosures are required for certain items exceeding five percent of income from continuing operations multiplied by the statutory income tax rate. The standard also requires disclosure of income taxes paid between Federal, state and foreign jurisdictions, including further disaggregation of those payments exceeding five percent of the total income taxes paid.

ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, and early adoption is permitted. The Company is currently evaluating the impact of this accounting standard on its condensed consolidated financial statements.

ASU 2024-03, Disaggregation of Income Statement Expenses (Subtopic 220-40): Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures

In November 2024, the FASB issued *ASU 2024-03, Disaggregation of Income Statement Expenses (Subtopic 220-40): Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures*, which requires disclosure on an interim and annual basis, a tabular disclosure of the amounts of (a) purchases of inventory; (b) employee compensation; (c) depreciation; (d) intangible asset amortization; and (e) depreciation, depletion, and amortization recognized as part of oil- and gas-producing activities (or other amounts of depletion expense) included in each relevant expense caption. Include certain amounts that are already required to be disclosed under current generally accepted accounting principles (GAAP) in the same disclosure as the other disaggregation requirements. Disclosure of a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. Disclosure of the total amount of selling expenses and, in annual reporting periods, an entity's definition of selling expenses. The standard can be applied prospectively or retrospectively.

ASU 2024-03 is effective for fiscal years beginning after December 15, 2026 and interim reporting periods within annual reporting periods beginning after December 15, 2027, and early adoption is permitted. The Company is currently evaluating the impact of this accounting standard on its condensed consolidated financial statements.

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

(Unaudited; tabular amounts in millions, except percentages and store data)

The 2025 and 2024 first quarters referenced herein represent the twelve-week periods ended March 23, 2025 and March 24, 2024, respectively. In this section, we discuss the results of our operations for the first quarter of 2025 as compared to the first quarter of 2024.

Overview

Domino’s is the largest pizza company in the world, with more than 21,300 locations in over 90 markets around the world as of March 23, 2025, and operates two distinct service models within its stores with a significant business in both delivery and carryout. We are a highly recognized global brand, and we focus on value while serving neighborhoods locally through our large worldwide network of franchise owners and U.S. Company-owned stores through both the delivery and carryout service models. We have been selling quality, affordable food to our customers since 1960. We became “Domino’s Pizza” in 1965 and opened our first franchised store in 1967. Over more than 60 years, we have built Domino’s into one of the most widely-recognized consumer brands in the world. We believe our commitment to value, convenience, quality and new products continues to keep consumers engaged with the brand.

We are primarily a franchisor, with approximately 99% of Domino’s global stores owned and operated by our independent franchisees as of March 23, 2025. Franchising enables an individual to be a business owner and maintain control over all employment-related matters and pricing decisions, while also benefiting from the strength of the Domino’s global brand and operating system with limited capital investment by us.

Domino’s business model is straightforward: Domino’s stores handcraft and serve quality food at a competitive price, with easy ordering access and efficient service, enhanced by our technological innovations. We also have a global agreement with Uber Technologies, Inc. to allow customers to order Domino’s products through their marketplace. Our hand-tossed dough is made fresh and distributed to stores around the world by us and our franchisees.

Domino’s generates revenues and earnings by charging royalties and fees to our franchisees. Royalties are ongoing percent-of-sales fees for use of the Domino’s® brand marks. We also generate revenues and earnings by selling food and, to a lesser extent, other products to franchisees through our supply chain operations primarily in the U.S. and Canada and by operating a number of Company-owned stores in the U.S. Franchisees profit by selling pizza and other complementary items to their local customers. In our international markets, we generally grant geographical rights to the Domino’s Pizza® brand to master franchisees. These master franchisees are charged with developing their geographical area, and they may profit by sub-franchising and selling food and, to a lesser extent, other products to those sub-franchisees, as well as by running pizza stores. We believe that everyone in the system can benefit from the franchise model, including the end consumer, who can purchase Domino’s menu items for themselves and their family conveniently and economically.

Domino’s business model can yield strong returns for our franchise owners and our Company-owned stores. It can also yield significant cash flows to us, through a consistent franchise royalty payment and supply chain revenue stream, through an asset-light model. We have historically returned cash to shareholders through dividend payments and share repurchases. Domino’s financial results are driven largely by retail sales at our franchised and Company-owned stores. Changes in retail sales are primarily driven by same store sales growth and net store growth. We actively monitor both of these metrics, as they directly impact our revenues and profits, and we strive to consistently increase both metrics. Retail sales drive royalty payments from franchisees, as well as Company-owned store and supply chain revenues.

At Domino’s, we believe we have a proven business model for success that has historically driven strong returns for our shareholders. Our Hungry for MORE strategy aims to generate MORE sales, MORE stores and MORE profits. The strategic imperatives of our Hungry for MORE strategy are as follows:

Most Delicious Food: We believe we have the best pizza in the industry, and our menu has even more mouthwatering options beyond pizza. We will continue to showcase the breadth of our menu, while highlighting the deliciousness of our food through our innovative marketing promotions.

Operational Excellence: We are relentless in our focus on convenience, consistency and efficiency for our customers.

Renowned Value: We are committed to continuing to offer competitive pricing and personalized value for our customers that is innovative and memorable.

Enhanced by Best-in-Class Franchisees: Our franchisees play a vital role in driving results and excitement across the more than 90 markets in which we operate.

First Quarter of 2025 Highlights

As discussed above, our Hungry for MORE strategy aims to generate MORE sales, MORE stores and MORE profits.

- Global retail sales, excluding foreign currency impact (which includes total retail sales at Company-owned and franchised stores worldwide), increased 4.7% as compared to the first quarter of 2024. U.S. retail sales increased 1.3% and international retail sales, excluding foreign currency impact, increased 8.2% as compared to the first quarter of 2024. Same store sales declined 0.5% in our U.S. stores and increased 3.7% in our international stores (excluding foreign currency impact).
- Global net store decline of 8, including 17 net store openings in the U.S. and 25 net store closures internationally.
- Income from operations decreased 0.2%.

Excluding the negative impact of foreign currency, Domino's experienced global retail sales growth during the first quarter of 2025, driven by net store growth during the trailing four quarters in both our U.S. and international businesses, as well as same store sales growth in our international business. Overall, we believe our global retail sales growth, excluding foreign currency impact, marketing initiatives, operations and emphasis on technology have combined to strengthen our brand. These financial and statistical measures are described in additional detail below.

Statistical Measures

The tables below outline certain statistical measures we utilize to analyze our performance. This historical data is not necessarily indicative of results to be expected for any future period.

Global Retail Sales

Global retail sales is a commonly used statistical measure in the quick-service restaurant industry that is important to understanding performance. Global retail sales refers to total worldwide retail sales at Company-owned and franchised stores. We believe global retail sales information is useful in analyzing revenues because franchisees pay royalties and, in the U.S., advertising fees that are based on a percentage of franchise retail sales. We review comparable industry global retail sales information to assess business trends and to track the growth of the Domino's Pizza brand, and we believe they are indicative of the financial health of our franchisee base. In addition, supply chain revenues are directly impacted by changes in franchise retail sales in the U.S. and Canada. As a result, sales by Domino's franchisees have a direct effect on our profitability. Retail sales for franchised stores are reported to us by our franchisees and are not included in our revenues. The amounts below are presented in millions of U.S. dollars.

	First Quarter of 2025	First Quarter of 2024
Global retail sales:		
U.S. stores	\$ 2,240.8	\$ 2,212.0
International stores	2,223.5	2,152.1
Total	\$ 4,464.3	\$ 4,364.1

Global Retail Sales Growth, Excluding Foreign Currency Impact

Global retail sales growth, excluding foreign currency impact is a commonly used statistical measure in the quick-service restaurant industry that is important to understanding performance. Global retail sales growth, excluding foreign currency impact is calculated as the change of international local currency global retail sales against the comparable period of the prior year. Changes in global retail sales growth, excluding foreign currency impact are primarily driven by same store sales growth and net store growth.

	First Quarter of 2025	First Quarter of 2024
U.S. stores	+ 1.3%	+ 7.8%
International stores (excluding foreign currency impact)	+ 8.2%	+ 6.8%
Total (excluding foreign currency impact)	+ 4.7%	+ 7.3%

Same Store Sales Growth

Same store sales growth is a commonly used statistical measure in the quick-service restaurant industry that is important to understanding performance. Same store sales growth is calculated for a given period by including only sales from stores that also had sales in the comparable weeks of both periods. International same store sales growth is calculated similarly to U.S. same store sales growth. Changes in international same store sales are reported on a constant dollar basis, which reflects changes in international local currency sales. Same store sales growth for transferred stores is reflected in their current classification.

	First Quarter of 2025	First Quarter of 2024
U.S. Company-owned stores	(2.9)%	+ 8.5%
U.S. franchise stores	(0.4)%	+ 5.5%
U.S. stores	(0.5)%	+ 5.6%
International stores (excluding foreign currency impact)	+ 3.7%	+ 0.9%

U.S. same store sales declined 0.5% in the first quarter of 2025, rolling over an increase in U.S. same store sales of 5.6% in the first quarter of 2024. The decline in U.S. same store sales was driven by lower customer transaction counts, partially offset by an increase in average ticket. International same store sales (excluding foreign currency impact) increased 3.7% in the first quarter of 2025, rolling over an increase in international same store sales (excluding foreign currency impact) of 0.9% in the first quarter of 2024. The increase in international same store sales was driven by higher customer transaction counts.

Store Growth Activity

Net store growth is a commonly used statistical measure in the quick-service restaurant industry that is important to understanding performance. Net store growth is calculated by netting gross store openings with gross store closures during the period. Transfers between Company-owned stores and franchised stores are excluded from the calculation of net store growth.

	U.S. Company- owned Stores	U.S. Franchise Stores	Total U.S. Stores	International Stores	Total
Store count at December 29, 2024	292	6,722	7,014	14,352	21,366
Openings	—	20	20	203	223
Closings	—	(3)	(3)	(228)	(231)
Transfers	2	(2)	—	—	—
Store count at March 23, 2025	294	6,737	7,031	14,327	21,358
First quarter 2025 net store growth	—	17	17	(25)	(8)
Trailing four quarters net store growth	4	153	157	446	603

Income Statement Data

	First Quarter of 2025		First Quarter of 2024	
Revenues:				
U.S. Company-owned stores	\$ 91.6		\$ 92.6	
U.S. franchise royalties and fees	151.0		150.5	
Supply chain	669.9		659.2	
International franchise royalties and fees	75.6		72.0	
U.S. franchise advertising	124.0		110.3	
Total revenues	1,112.1	100.0%	1,084.6	100.0%
Cost of sales:				
U.S. Company-owned stores	76.9		76.5	
Supply chain	592.0		586.3	
Total cost of sales	668.9	60.2%	662.8	61.1%
Gross margin	443.1	39.8%	421.9	38.9%
General and administrative	109.1	9.8%	101.0	9.3%
U.S. franchise advertising	124.0	11.1%	110.3	10.2%
Refinancing loss	—	—	0.1	0.0%
Income from operations	210.1	18.9%	210.4	19.4%
Other income (expense)	24.0	2.2%	(18.7)	(1.7)%
Interest expense, net	(41.6)	(3.8)%	(42.1)	(3.9)%
Income before provision for income taxes	192.5	17.3%	149.6	13.8%
Provision for income taxes	42.8	3.8%	23.8	2.2%
Net income	\$ 149.7	13.5%	\$ 125.8	11.6%

Revenues

	First Quarter of 2025		First Quarter of 2024	
U.S. Company-owned stores	\$ 91.6	8.2%	\$ 92.6	8.5%
U.S. franchise royalties and fees	151.0	13.6%	150.5	13.9%
Supply chain	669.9	60.3%	659.2	60.8%
International franchise royalties and fees	75.6	6.8%	72.0	6.6%
U.S. franchise advertising	124.0	11.1%	110.3	10.2%
Total revenues	\$ 1,112.1	100.0%	\$ 1,084.6	100.0%

Revenues primarily consist of retail sales from our Company-owned stores, royalties and fees and advertising contributions from our U.S. franchised stores, royalties and fees from our international franchised stores and sales of food and, to a lesser extent, other products from our supply chain centers to substantially all of our U.S. franchised stores and certain international franchised stores. Company-owned store and franchised store revenues may vary from period to period due to changes in store count mix. Supply chain revenues may vary significantly from period to period as a result of fluctuations in commodity prices as well as the mix of products we sell.

Consolidated revenues increased \$27.4 million, or 2.5%, in the first quarter of 2025 as compared to the first quarter of 2024, primarily due to higher U.S. franchise advertising revenues, higher supply chain revenues and higher international franchise royalties and fees. U.S. franchise advertising revenues increased primarily as a result of a decrease in advertising incentives related to certain brand promotions and the increase in the advertising contribution rate. Supply chain revenues were higher as a result of an increase in our food basket pricing to stores of 4.8%, which was partially offset by the transition of our equipment and supplies business to a third-party supplier and a shift in the relative mix of products we sell. International franchise royalties and fees increased primarily as a result of same store sales growth and net store growth during the trailing four quarters, but were partially offset by the negative impact of foreign currency exchange rates on international franchise royalty revenues. These changes in revenues are described in more detail below.

U.S. Stores

	First Quarter of 2025		First Quarter of 2024	
U.S. Company-owned stores	\$ 91.6	25.0%	\$ 92.6	26.2%
U.S. franchise royalties and fees	151.0	41.2%	150.5	42.6%
U.S. franchise advertising	124.0	33.8%	110.3	31.2%
Total U.S. stores revenues	<u>\$ 366.6</u>	<u>100.0%</u>	<u>\$ 353.5</u>	<u>100.0%</u>

U.S. Company-owned Stores

Revenues from U.S. Company-owned store operations decreased \$1.0 million, or 1.1%, in the first quarter of 2025 primarily due to lower same store sales.

U.S. Company-owned same store sales declined 2.9% in the first quarter of 2025 and increased 8.5% in the first quarter of 2024.

U.S. Franchise Royalties and Fees

Revenues from U.S. franchise royalties and fees increased \$0.5 million, or 0.3%, in the first quarter of 2025 primarily due to an increase in the average number of U.S. franchised stores open during the period resulting from net store growth.

U.S. franchise same store sales declined 0.4% in the first quarter of 2025 and increased 5.5% in the first quarter of 2024.

U.S. Franchise Advertising

Revenues from U.S. franchise advertising increased \$13.7 million, or 12.4%, in the first quarter of 2025 primarily due to a decrease in advertising incentives related to certain brand promotions and the return to the standard 6.0% advertising contribution rate at the beginning of the second quarter of 2024 following the end of the temporary reduction to 5.75%.

Supply Chain

Supply chain revenues increased \$10.7 million, or 1.6%, in the first quarter of 2025 primarily due to an increase in our food basket pricing to stores, partially offset by the transition of our equipment and supplies business to a third-party supplier and a shift in the relative mix of products we sell. Our food basket pricing to stores increased 4.8% in the first quarter of 2025, which resulted in an estimated \$36 million increase in supply chain revenues. The food basket pricing change, a statistical measure utilized by management, is calculated as the percentage change of the food basket (including both food and cardboard products) purchased by an average U.S. store (based on average weekly unit sales) from our U.S. supply chain centers against the comparable period of the prior year. We believe this measure is important to understanding Company performance because as our food basket prices fluctuate, our revenues, cost of sales and gross margin percentages in our supply chain segment also fluctuate.

International Franchise Royalties and Fee Revenues

Revenues from international franchise royalties and fees increased \$3.6 million, or 5.0%, in the first quarter of 2025 primarily due to same store sales growth (excluding foreign currency impact) and net store growth during the trailing four quarters, but these increases were partially offset by the negative impact of changes in foreign currency exchange rates of approximately \$3.2 million in the first quarter of 2025. The impact of changes in foreign currency exchange rates on international franchise royalty revenues, a statistical measure utilized by management, is calculated as the difference in international franchise royalty revenues resulting from translating current year local currency results to U.S. dollars at current year exchange rates as compared to prior year exchange rates. We believe this measure is important to understanding Company performance given the significant variability in international franchise royalty revenues that can be driven by changes in foreign currency exchange rates.

International franchise same store sales increased 3.7% in the first quarter of 2025 and increased 0.9% in the first quarter of 2024, each excluding the impact of foreign currency exchange rates.

Cost of Sales / Gross Margin

	First Quarter of 2025		First Quarter of 2024	
Total revenues	\$ 1,112.1	100.0%	\$ 1,084.6	100.0%
Total cost of sales	668.9	60.2%	662.8	61.1%
Gross margin	\$ 443.1	39.8%	\$ 421.9	38.9%

Consolidated cost of sales consists of U.S. Company-owned store and supply chain costs incurred to generate related revenues. Components of consolidated cost of sales primarily include food and labor costs, as well as other costs including delivery, occupancy costs (including rent, telephone, utilities and depreciation) and insurance expense. Consolidated gross margin (which we define as revenues less cost of sales) increased \$21.2 million, or 5.0%, in the first quarter of 2025 due primarily to higher franchise advertising revenues (as discussed above), as well as gross margin dollar growth within supply chain, discussed below. Franchise revenues do not have a cost of sales component, so changes in these revenues have a disproportionate effect on gross margin. Additionally, as food basket prices fluctuate, revenues, cost of sales and gross margin percentages in our supply chain segment also fluctuate, and further, cost of sales, gross margins and gross margin percentages for our U.S. Company-owned stores also fluctuate.

As a percentage of revenues, consolidated gross margin increased 0.9 percentage points to 39.8% in the first quarter of 2025 from 38.9% in the first quarter of 2024. U.S. Company-owned store gross margin decreased 1.5 percentage points in the first quarter of 2025, and supply chain gross margin increased 0.5 percentage points in the first quarter of 2025. Changes in the significant components of gross margin are described in more detail below.

U.S. Company-Owned Store Gross Margin

	First Quarter of 2025		First Quarter of 2024	
Revenues	\$ 91.6	100.0%	\$ 92.6	100.0%
Cost of sales	76.9	84.0%	76.5	82.5%
Store gross margin	\$ 14.7	16.0%	\$ 16.1	17.5%

U.S. Company-owned store gross margin (which does not include certain store-level costs such as royalties and advertising) decreased \$1.5 million, or 9.3%, in the first quarter of 2025. As a percentage of store revenues, U.S. Company-owned store gross margin decreased 1.5 percentage points in the first quarter of 2025. These changes in gross margin as a percentage of revenues are discussed in additional detail below.

- Food costs increased 0.9 percentage points to 29.7% in the first quarter of 2025, driven by the increase in the food basket pricing to stores.
- Labor costs decreased 0.1 percentage points to 31.9% in the first quarter of 2025.
- Lower sales leverage driven by lower order counts contributed to the remaining decrease in U.S. Company-owned store gross margin.

Supply Chain Gross Margin

	First Quarter of 2025		First Quarter of 2024	
Revenues	\$ 669.9	100.0%	\$ 659.2	100.0%
Cost of sales	592.0	88.4%	586.3	88.9%
Supply chain gross margin	\$ 77.9	11.6%	\$ 72.9	11.1%

Supply chain gross margin increased \$5.0 million, or 6.9%, in the first quarter of 2025. As a percentage of supply chain revenues, supply chain gross margin increased 0.5 percentage points in the first quarter of 2025. These changes in gross margin as a percentage of revenues are discussed in additional detail below.

- Food costs decreased 0.9 percentage points to 70.4% in the first quarter of 2025, driven primarily by procurement productivity.
- Labor costs decreased 0.2 percentage points to 9.2% in the first quarter of 2025.

General and Administrative Expenses

General and administrative expenses increased \$8.1 million, or 8.0%, in the first quarter of 2025, primarily related to approximately \$5 million in severance expenses associated with an organizational realignment that took place in the first quarter of 2025.

U.S. Franchise Advertising Expenses

U.S. franchise advertising expenses increased \$13.7 million, or 12.4%, in the first quarter of 2025, consistent with the increase in U.S. franchise advertising revenues, as discussed above. U.S. franchise advertising costs are accrued and expensed when the related U.S. franchise advertising revenues are recognized, as our consolidated not-for-profit advertising fund is obligated to expend such revenues on advertising and other activities that promote the Domino's brand, and these revenues cannot be used for general corporate purposes.

Other Income (Expense)

During the first quarters of 2025 and 2024, we recorded a \$24.0 million pre-tax unrealized gain and an \$18.7 million pre-tax unrealized loss, respectively, on our investment in DPC Dash (refer to Note 5 of the condensed consolidated financial statements). The recorded amount of our investment is based on the active exchange quoted price for the equity security.

Interest Expense, Net

Interest expense, net decreased \$0.5 million, or 1.1%, in the first quarter of 2025, driven primarily by higher interest income on our cash equivalents.

Our weighted average borrowing rate was 3.8% in both the first quarter of 2025 and 2024.

Provision for Income Taxes

Provision for income taxes increased \$19.0 million, or 80.1%, in the first quarter of 2025 due to a higher effective tax rate, as well as higher income before provision for income taxes. The effective tax rate increased to 22.3% during the first quarter of 2025 as compared to 15.9% in the first quarter of 2024, driven primarily by a 4.6 percentage point unfavorable change in the impact of excess tax benefits from equity-based compensation, as well as other rate and discrete items.

Segment Income

We evaluate the performance of our reportable segments and allocate resources to them based on earnings before interest, taxes, depreciation, amortization and other, referred to as Segment Income. Segment Income for each of our reportable segments is summarized in the table below.

	First Quarter of 2025		First Quarter of 2024	
U.S. stores	\$	131.8	\$	136.1
Supply chain		72.8		64.6
International franchise		63.8		59.3

U.S. Stores

U.S. stores Segment Income decreased \$4.3 million, or 3.2%, in the first quarter of 2025, primarily due to a shift in the relative mix of labor cost associated with internally developed software, as well as the \$1.5 million decrease in U.S. Company-owned store gross margin discussed above.

U.S. franchise revenues do not have a cost of sales component, so changes in these revenues have a disproportionate effect on U.S. stores Segment Income. U.S. franchise advertising costs are accrued and expensed when the related U.S. franchise advertising revenues are recognized and had no impact on U.S. stores Segment Income.

Supply Chain

Supply chain Segment Income increased \$8.2 million, or 12.8%, in the first quarter of 2025, primarily due to the \$5.0 million increase in supply chain gross margin discussed above.

International Franchise

International franchise Segment Income increased \$4.4 million, or 7.5%, in the first quarter of 2025, primarily due to higher international franchise royalties and fees revenues, as discussed above. International franchise revenues do not have a cost of sales component, so changes in these revenues have a disproportionate effect on international franchise Segment Income.

Liquidity and Capital Resources

Historically, our receivable collection periods and inventory turn rates are faster than the normal payment terms on our current liabilities resulting in efficient deployment of working capital. We generally collect our receivables within three weeks from the date of the related sale and we generally experience multiple inventory turns per month. In addition, our sales are not typically seasonal, which further limits variations in our working capital requirements. As of March 23, 2025, we had negative working capital totaling \$880.4 million, primarily due to the current portion of long-term debt (see discussion below, as well as Note 6 to the condensed consolidated financial statements). Our working capital amount excludes restricted cash and cash equivalents of \$197.4 million, advertising fund assets, restricted, of \$99.6 million and advertising fund liabilities of \$97.4 million. Working capital includes total unrestricted cash and cash equivalents of \$304.3 million.

Our primary sources of liquidity are cash flows from operations and availability of borrowings under our variable funding notes. During the first quarter of 2025, we experienced an increase in both U.S. and international retail sales (excluding foreign currency impact). Additionally, both our U.S. and international businesses grew store counts during the trailing four quarters. These factors contributed to our continued ability to generate positive operating cash flows. In addition to our cash flows from operations, we have two variable funding note facilities. These facilities include our Series 2022-1 Variable Funding Senior Secured Notes, Class A-1 Notes (the “2022 Variable Funding Notes”), which allows for advances of up to \$120.0 million, as well as our Series 2021-1 Variable Funding Senior Secured Notes, Class A-1 Notes (the “2021 Variable Funding Notes,” and, together with the 2022 Variable Funding Notes, the “2022 and 2021 Variable Funding Notes”), which allows for advances of up to \$200.0 million and certain other credit instruments, including letters of credit. The letters of credit primarily relate to our casualty insurance programs. As of March 23, 2025, we had no outstanding borrowings and \$263.6 million of available borrowing capacity under our 2022 and 2021 Variable Funding Notes, net of letters of credit issued of \$56.4 million.

We expect to continue to use our unrestricted cash and cash equivalents, cash flows from operations, any excess cash from our recapitalization transactions and available borrowings under our 2022 and 2021 Variable Funding Notes to, among other things, fund working capital requirements, invest in our core business and other strategic opportunities, repay outstanding borrowings under our securitized debt, pay dividends and repurchase and retire shares of our common stock.

Our ability to continue to fund these items and continue to service our debt could be adversely affected by the occurrence of any of the events described under “Risk Factors” in our 2024 Form 10-K. There can be no assurance that our business will generate sufficient cash flows from operations or that future borrowings will be available under our 2022 and 2021 Variable Funding Notes or otherwise to enable us to service our indebtedness, or to make anticipated capital expenditures. Our future operating performance and our ability to service, extend or refinance our outstanding senior notes and to service, extend or refinance our 2022 and 2021 Variable Funding Notes will be subject to future economic conditions and to financial, business and other factors, many of which are beyond our control.

Restricted Cash

As of March 23, 2025, we had \$146.9 million of restricted cash and cash equivalents held for future principal and interest payments and other working capital requirements of our asset-backed securitization structure, \$50.3 million of restricted cash equivalents held in a three-month interest reserve as required by the indenture governing the securitized debt and \$0.2 million of other restricted cash for a total of \$197.4 million of restricted cash and cash equivalents. As of March 23, 2025, we also held \$72.2 million of advertising fund restricted cash and cash equivalents which can only be used for activities that promote the Domino’s brand.

Long-Term Debt

As of March 23, 2025, we had approximately \$4.98 billion of long-term debt, of which \$1.15 billion was classified as a current liability. As of March 23, 2025, our fixed rate notes from the recapitalizations we completed in 2021, 2019, 2018, 2017 and 2015 had original scheduled principal payments of \$1.18 billion in the remainder of 2025, \$39.3 million in 2026, \$1.31 billion in 2027, \$817.9 million in 2028, \$631.0 million in 2029, \$10.0 million in 2030 and \$912.5 million in 2031. However, in accordance with our debt agreements, the payment of principal on our outstanding senior notes may be suspended if our Holdco Leverage Ratio is less than or equal to 5.0x total debt to Consolidated Adjusted EBITDA, each as defined in the indenture governing the securitized debt, and no catch-up provisions are applicable. As of the end of the first quarter of 2025 and the fourth quarter of 2024, we had a Holdco Leverage Ratio of less than 5.0x, and accordingly, the outstanding principal amounts of the Company's 2021 Notes, 2019 Notes, 2018 9.25-Year Notes and 2017 Ten-Year Notes (refer to Note 6 to the condensed consolidated financial statements) have been classified as long-term debt in our condensed consolidated balance sheet as of March 23, 2025 and December 29, 2024.

The anticipated repayment date for the 2018 7.5-Year Notes and the 2015 Ten-Year Notes (refer to Note 6 to the condensed consolidated financial statements) is October 2025 and accordingly, the outstanding principal amounts for these notes have been classified as current portion of long-term debt in the condensed consolidated balance sheet as of March 23, 2025 and December 29, 2024. The Company expects to refinance the 2018 7.5-Year Notes and the 2015 Ten-Year Notes prior to the anticipated repayment date. If the Company does not refinance the 2018 7.5-Year Notes and the 2015 Ten-Year Notes prior to the anticipated repayment date, additional interest of at least 5% per annum will accrue and the Company's cash flows other than technology fees and a weekly management fee to cover certain general and administrative expenses would be directed to the repayment of the securitized debt.

The notes are subject to certain financial and non-financial covenants, including a debt service coverage ratio calculation. The covenant requires a minimum coverage ratio of 1.75x total debt service to securitized net cash flow, each as defined in the indenture governing the securitized debt. In the event that certain covenants are not met, the notes may become due and payable on an accelerated schedule.

Share Repurchase Programs

Our share repurchase programs have historically been funded by excess operating cash flows, excess proceeds from our recapitalization transactions and borrowings under our 2022 and 2021 Variable Funding Notes.

During the first quarter of 2025, we repurchased and retired 115,280 shares of our common stock under our Board of Directors-approved share repurchase program for a total of approximately \$50.0 million. As of March 23, 2025, we had a total remaining authorized amount for share repurchases of approximately \$764.3 million.

Dividends

On February 19, 2025, our Board of Directors declared a \$1.74 per share quarterly dividend on our outstanding common stock for shareholders of record as of March 14, 2025, which was paid on March 28, 2025. We had approximately \$61.4 million accrued for common stock dividends at March 23, 2025. Subsequent to the end of the first quarter of 2025, on April 23, 2025, our Board of Directors declared a \$1.74 per share quarterly dividend on our outstanding common stock for shareholders of record as of June 13, 2025, to be paid on June 30, 2025.

Sources and Uses of Cash

The following table illustrates the main components of our cash flows:

	First Quarter of 2025	First Quarter of 2024
Cash flows provided by (used in)		
Net cash provided by operating activities	\$ 179.1	\$ 123.5
Net cash used in investing activities	(16.0)	(21.5)
Net cash used in financing activities	(51.9)	(34.8)
Effect of exchange rate changes on cash	0.3	(0.7)
Change in cash and cash equivalents, restricted cash and cash equivalents	<u>\$ 111.5</u>	<u>\$ 66.5</u>

Operating Activities

Cash provided by operating activities increased \$55.6 million in the first quarter of 2025, as a result of the positive impact of changes in operating assets and liabilities and a positive change in restricted advertising fund assets and liabilities. The positive impact of changes in operating assets and liabilities of \$50.8 million primarily related to the timing of payments on accounts payable and accrued liabilities in the first quarter of 2025 as compared to the first quarter of 2024. Additionally, the \$22.8 million positive impact of changes in restricted advertising fund assets and liabilities in the first quarter of 2025 as compared to the first quarter of 2024 was a result of the timing and amount of advertising contributions and the timing and amount of payments for advertising activities. These increases were partially offset by lower net income, excluding non-cash adjustments. Net income increased \$23.8 million; however, this increase was more than offset by non-cash adjustments of \$41.8 million (primarily representing the changes in the unrealized gains and losses associated with the remeasurement of the Company's investment in DPC Dash), resulting in an overall decrease to cash provided by operating activities in the first quarter of 2025 as compared to the first quarter of 2024 of \$18.0 million.

Investing Activities

Cash used in investing activities was \$16.0 million in the first quarter of 2025, which primarily consisted of \$14.7 million of capital expenditures (driven primarily by investments in consumer and store technology, supply chain centers and corporate store operations).

Financing Activities

Cash used in financing activities was \$51.9 million in the first quarter of 2025, which included the repurchase of approximately \$50.0 million in common stock under our Board of Directors-approved share repurchase program, tax payments for the vesting of restricted stock of \$8.2 million, repayments of finance lease obligations of \$0.6 million and dividend payments of \$0.6 million. These uses of cash were partially offset by proceeds from the exercise of stock options of \$7.5 million.

Critical Accounting Estimates

For a description of the Company's critical accounting estimates, refer to "Part II—Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations" in the 2024 Form 10-K. The Company considers its most significant accounting policies and estimates to be long-lived assets, casualty insurance reserves and income taxes. There have been no material changes to the Company's critical accounting estimates since December 29, 2024.

Forward-Looking Statements

This filing contains various forward-looking statements about the Company within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Act”) that are based on current management expectations that involve substantial risks and uncertainties which could cause actual results to differ materially from the results expressed in, or implied by, these forward-looking statements. The following cautionary statements are being made pursuant to the provisions of the Act and with the intention of obtaining the benefits of the “safe harbor” provisions of the Act. You can identify forward-looking statements by the use of words such as “anticipates,” “believes,” “could,” “should,” “estimates,” “expects,” “intends,” “may,” “will,” “plans,” “predicts,” “projects,” “seeks,” “approximately,” “potential,” “outlook” and similar terms and phrases that concern our strategy, plans or intentions, including references to assumptions. These forward-looking statements address various matters including information concerning future results of operations and business strategy, our anticipated profitability, estimates in same store sales growth, store growth and the growth of our U.S. and international business in general, our ability to service our indebtedness, our future cash flows, our operating performance, trends in our business and other descriptions of future events reflect the Company’s expectations based upon currently available information and data. While we believe these expectations and projections are based on reasonable assumptions, such forward-looking statements are inherently subject to risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from our expectations are more fully described in our filings with the Securities and Exchange Commission, including under the section headed “Risk Factors” in our 2024 Form 10-K for the fiscal year ended December 29, 2024. Actual results may differ materially from those expressed or implied in the forward-looking statements as a result of various factors, including but not limited to: our substantial indebtedness as a result of our recapitalization transactions and our ability to incur additional indebtedness or refinance or renegotiate key terms of that indebtedness in the future; the impact a downgrade in our credit rating may have on our business, financial condition and results of operations; our future financial performance and our ability to pay principal and interest on our indebtedness; the strength of our brand, including our ability to compete in the U.S. and internationally in our intensely competitive industry, including the food service and food delivery markets; our ability to successfully implement our growth strategy, including through our participation in the third-party order aggregation marketplace; labor shortages or changes in operating expenses resulting from increases in prices of food (particularly cheese), fuel and other commodity costs, labor, utilities, insurance, employee benefits and other operating costs or negative economic conditions; the effectiveness of our advertising, operations and promotional initiatives; shortages, interruptions or disruptions in the supply or delivery of fresh food products and store equipment; additional risks our international operations subject us to, which may differ in each country in which we and our franchisees do business; our ability and that of our franchisees to successfully operate in the current and future credit environment; the impact of social media or a boycott on our business, brand and reputation; the impact of new or improved technologies and alternative methods of delivery on consumer behavior; new product, digital ordering and concept developments by us, and other food-industry competitors; our ability to maintain good relationships with and attract new franchisees, and franchisees’ ability to successfully manage their operations without negatively impacting our royalty payments and fees or our brand’s reputation; our ability to successfully implement cost-saving strategies; changes in the level of consumer spending given general economic conditions, including interest rates, energy prices and consumer confidence or negative economic conditions in general; our ability and that of our franchisees to open new restaurants and keep existing restaurants in operation and maintain demand for new stores; the impact that widespread illness, health epidemics or general health concerns, severe weather conditions and natural disasters may have on our business and the economies of the countries where we operate; changes in foreign currency exchange rates; changes in income tax rates; our ability to retain or replace our executive officers and other key members of management and our ability to adequately staff our stores and supply chain centers with qualified personnel; our ability to find and/or retain suitable real estate for our stores and supply chain centers; changes in government legislation and regulations, including changes in laws and regulations regarding information privacy, payment methods, advertising and consumer protection and social media; adverse legal judgments or settlements; food-borne illness or contamination of products or food tampering or other events that may impact our reputation; data breaches, power loss, technological failures, user error or other cyber risks threatening us or our franchisees; the impact that environmental, social and governance matters may have on our business and reputation; the effect of war, terrorism, catastrophic events, other geopolitical or reputational considerations or climate change; our ability to pay dividends and repurchase shares; changes in consumer tastes, spending and traffic patterns and demographic trends; changes in accounting policies; and adequacy of our insurance coverage. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this filing might not occur. All forward-looking statements speak only as of the date of this filing and should be evaluated with an understanding of their inherent uncertainty. Except as required under federal securities laws and the rules and regulations of the Securities and Exchange Commission, or other applicable law, we will not undertake, and specifically disclaim, any obligation to publicly update or revise any forward-looking statements to reflect events or circumstances arising after the date of this filing, whether as a result of new information, future events or otherwise. You are cautioned not to place undue reliance on the forward-looking statements included in this filing or that may be made elsewhere from time to time by, or on behalf of, us. All forward-looking statements attributable to us are expressly qualified by these cautionary statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market Risk

We do not engage in speculative transactions, nor do we hold or issue financial instruments for trading purposes. In connection with the recapitalizations of our business, we have issued fixed rate notes and entered into variable funding notes, and, at March 23, 2025, we are exposed to interest rate risk on borrowings under our variable funding notes. As of March 23, 2025, we had no outstanding borrowings under our 2022 and 2021 Variable Funding Notes.

Our 2022 and 2021 Variable Funding Notes bear interest at fluctuating interest rates based on the Secured Overnight Financing Rate (“Term SOFR”), plus a spread adjustment. Accordingly, a rising interest rate environment could result in higher interest expense due on borrowings under our 2022 and 2021 Variable Funding Notes, in which event we may have difficulties making interest payments and funding our other fixed costs, and our available cash flow for general corporate requirements may be adversely affected.

Our fixed-rate debt exposes the Company to changes in market interest rates reflected in the fair value of the debt and to the risk that the Company may need to refinance maturing debt with new debt at a higher rate. As of March 23, 2025, we had approximately \$1.14 billion of debt classified as current associated with our 2018 7.5-Year Notes and 2015 Ten-Year Notes for which the anticipated repayment date is October 2025. We expect to refinance the 2018 7.5-Year Notes and 2015 Ten-Year Notes prior to the anticipated repayment date, and we expect, based upon current benchmark rates, to refinance those notes at higher interest rates.

We are exposed to market risks from changes in food and commodity prices. During the normal course of business, we purchase cheese and certain other food products that are affected by changes in commodity prices and, as a result, we are subject to volatility in our product costs. Severe increases in commodity prices or food costs, including as a result of inflation, could affect the global and U.S. economies and could also adversely impact our business, financial condition or results of operations. We may periodically enter into financial instruments to manage this risk, although we have not done so historically. We do not engage in speculative transactions or hold or issue financial instruments for trading purposes. In instances when we use fixed pricing agreements with our suppliers, these agreements cover our physical commodity needs, are not net-settled and are accounted for as normal purchases.

Foreign Currency Exchange Risk

We have exposure to various foreign currency exchange rate fluctuations for revenues generated by our operations outside the U.S., which can adversely impact our net income and cash flows. Approximately 6.8% of our total revenues in the first quarter of 2025 and approximately 6.6% of our total revenues in the first quarter of 2024 were derived from our international franchise segment, a majority of which were denominated in foreign currencies. We also operate dough manufacturing and distribution facilities in Canada, which generate revenues denominated in Canadian dollars. We do not enter into financial instruments to manage this foreign currency exchange risk. We estimate that a hypothetical 10% adverse change in the foreign currency rates for our international markets would have resulted in a negative impact on royalty revenues of approximately \$7.4 million in the first quarter of 2025.

Item 4. Controls and Procedures.

Management, with the participation of the Company’s Chief Executive Officer, Russell J. Weiner, and Executive Vice President and Chief Financial Officer, Sandeep Reddy, performed an evaluation of the effectiveness of the Company’s disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) as of the end of the period covered by this report. Based on that evaluation, Mr. Weiner and Mr. Reddy concluded that the Company’s disclosure controls and procedures were effective.

During the quarterly period ended March 23, 2025, there were no changes in the Company’s internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) that have materially affected or are reasonably likely to materially affect the Company’s internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

We are a party to lawsuits, revenue agent reviews by taxing authorities and administrative proceedings in the ordinary course of business which include, without limitation, workers' compensation, general liability, automobile and franchisee claims. We are also subject to suits related to employment practices. In addition, we may occasionally be party to large claims, including class action suits.

Litigation is subject to many uncertainties, and the outcome of individual litigated matters is unpredictable. These matters referenced above could be decided unfavorably to us and could require us to pay damages or make other expenditures in amounts or a range of amounts that cannot be estimated with accuracy. However, we do not believe these matters, individually or in the aggregate, will have a material adverse effect on the business or financial condition of the Company, and we expect that the established accruals adequately provide for the estimated resolution of such claims.

Item 1A. Risk Factors.

There have been no material changes with respect to those risk factors previously disclosed in Item 1A "Risk Factors" in Part I of our 2024 Form 10-K.

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

c. Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Program (2)	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program (2) (in thousands)
Period #1 (December 30, 2024 to January 26, 2025)	1,014	\$ 432.85	—	\$ 814,337
Period #2 (January 27, 2025 to February 23, 2025)	1,575	461.65	—	814,337
Period #3 (February 24, 2025 to March 23, 2025)	118,117	435.25	115,280	764,337
Total	120,706	\$ 435.58	115,280	\$ 764,337

- (1) 5,426 shares in the first quarter of 2025 were purchased as part of the Company's employee stock payroll deduction plan at an average price of \$474.94.
- (2) On February 21, 2024, the Company's Board of Directors authorized an additional share repurchase program to repurchase up to \$1.0 billion of the Company's common stock, in addition to the \$141.3 million that was previously remaining for a total authorization of \$1.14 billion for future share repurchases as of that date. As of March 23, 2025, \$764.3 million remained available for future purchases of the Company's common stock under this share repurchase program.

Authorization for the repurchase program may be modified, suspended, or discontinued at any time. The repurchase of shares in any particular period and the actual amount of such purchases remain at the discretion of the Board of Directors, and no assurance can be given that shares will be repurchased in the future.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Rule 10b5-1 Trading Plans

Our directors and officers (as defined in Section 16 of the Exchange Act (“Section 16”)) may from time to time enter into plans for the purchase or sale of Domino’s stock that are intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act.

During the first quarter ended March 23, 2025, the following Section 16 officer adopted a “Rule 10b5-1 trading arrangement” (as defined in Item 408 under Regulation S-K of the Exchange Act):

- Russell J. Weiner, our Chief Executive Officer and Director, adopted a new Rule 10b5-1 trading arrangement on March 13, 2025. The plan’s maximum duration is until July 31, 2026, and first trades will not occur until June 11, 2025 at the earliest. The trading plan, which is subject to certain conditions, is intended to permit Mr. Weiner to exercise and sell from time to time a tranche of 10,850 stock options set to expire on July 20, 2026.

The Rule 10b5-1 trading arrangement described above was adopted and precleared in accordance with Domino’s Insider Trading Policy and actual sale transactions made pursuant to such trading arrangement will be disclosed publicly in future Section 16 filings with the SEC.

No other directors or officers adopted, modified and/or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” as defined in Item 408 under Regulation S-K of the Exchange Act, during the last fiscal quarter.

Item 6. Exhibits.

Exhibit Number	Description
10.1	Form of Restricted Stock Unit Award Agreement (cliff vesting with acceleration events) under the Amended Domino's Pizza, Inc. 2004 Equity Incentive Plan.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, relating to Domino's Pizza, Inc.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, relating to Domino's Pizza, Inc.
32.1	Certification of Chief Executive Officer pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, relating to Domino's Pizza, Inc.
32.2	Certification of Chief Financial Officer pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, relating to Domino's Pizza, Inc.
101.INS	XBRL Instance Document – The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
104	Cover page Interactive Data File (formatted as Inline XBRL and contained in exhibit 101).

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 hereunto duly authorized.

Date: April 28, 2025

DOMINO'S PIZZA, INC.
(Registrant)

/s/ Sandeep Reddy

Sandeep Reddy
Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

Exhibit 10.1

Name:	[•]
Number of RSUs subject to Award:	[•]
Date of Grant:	[•]

DOMINO'S PIZZA, INC.
2004 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

This agreement (including any exhibits hereto, this "Agreement") evidences an award (this "Award") of restricted stock units (the "RSUs") granted by Domino's Pizza, Inc. (the "Company") to the undersigned (the "Participant") pursuant and subject to the terms and conditions of the Domino's Pizza, Inc. 2004 Equity Incentive Plan (as amended from time to time, the "Plan"), which is incorporated herein by reference. Except as otherwise defined herein, all capitalized terms used herein have the same meaning as in the Plan.

1. RSU Award. The Company grants to the Participant on the date set forth above (the "Date of Grant") the number of restricted stock units (the "Restricted Stock Units") set forth above giving the Participant the conditional right to receive, without payment and pursuant to and subject to the terms and conditions set forth in this Agreement and in the Plan, one share of Stock with respect to each resulting Restricted Stock Unit that becomes vested pursuant to this Award, subject to adjustment pursuant to Section 7 of the Plan in respect of transactions occurring after the date hereof.
2. Vesting Conditions. The RSUs shall vest as provided for in Exhibit A hereto.
3. Delivery of Shares; Settlement of Award.
 - (a) In General. The Company shall, as soon as practicable and in all events no later than thirty (30) days following the Settlement Date, transfer to the Participant (or, in the event of the Participant's death, to the person to whom this Award has passed by will or the laws of descent and distribution) the number of shares of Stock that equals the vested portion of this Award. No shares of Stock will be transferred pursuant to this Award unless and until all legal requirements applicable to the issuance or transfer of such shares have been satisfied.
 - (b) Settlement Date. For purposes of this Agreement, "Settlement Date" means the date on or following and by reference to which any vested RSUs subject to this Award are to be settled, if at all, in whole or in part, through the delivery of shares of Stock, as set forth below:
 - (i) Other than in the event of a Covered Transaction (as defined in the Plan) or an Acceleration Event (as defined in Exhibit A), the Settlement Date for the RSUs shall be the Scheduled Vesting Date (as defined in Exhibit A).

- (ii) In the event of an Acceleration Event, the Settlement Date for any RSUs that become vested in connection therewith shall be the date of such Acceleration Event.
- (iii) In the event of a Covered Transaction, the Settlement Date shall be the date of consummation of the Covered Transaction, with the Company transferring shares of Stock underlying the RSUs immediately prior to the consummation of such Covered Transaction; *provided* that if the Covered Transaction does not meet the requirements for a “change in control event,” as that term is defined in Treasury Regulations § 1.409A–3(i)(5)(i), the Settlement Date for any portion of this Award that is subject to, and not exempt from, the applicable requirements of Section 409A (the “409A Award Portion”) shall be the Scheduled Vesting Date (as defined in Exhibit A) applicable to the 409A Award Portion.
- (iv) Notwithstanding anything to the contrary in this Agreement, if the Participant is determined to be a “specified employee” within the meaning of Section 409A and the Treasury regulations thereunder, as determined by the Company, at the time of the Participant’s “separation from service” within the meaning of Section 409A and the Treasury regulations thereunder (after giving effect to the presumptions contained therein), then to the extent necessary to prevent any accelerated or additional tax under Section 409A, the settlement and delivery of any shares of Stock hereunder upon such separation from service will be delayed until the earlier of: (a) the date that is six months and one day following the Participant’s separation from service and (b) the Participant’s death.

4. Forfeiture; Recovery of Compensation.

The Administrator may cancel, rescind, withhold or otherwise limit or restrict this Award at any time if the Participant is not in compliance with all applicable provisions of this Agreement and the Plan. As a condition to the Participant’s receipt of this Award, and his or her right to receive and retain any amounts paid or delivered thereunder, the Participant expressly acknowledges and agrees to and reaffirms all continuing obligations and duties the Participant has under a Restrictive Covenant Agreement (as defined below) and any other obligations and duties which the Participant has to or in respect of the Company or any of its Affiliates. In the event the Participant breaches a Restrictive Covenant Agreement at any time during the Participant’s employment or service with the Company or within the time period set forth in the Restrictive Covenant Agreement following the termination of his or her employment or service, then without limiting any other remedies available to the Company or its Affiliates (including, without limitation, remedies involving injunctive relief), the Participant shall immediately forfeit any remaining unvested portion of the Award and the Participant shall be required to return to the Company all shares of Stock previously issued in respect of the Award to the extent the Participant continues to own such shares of Stock or, if the Participant no longer owns such shares of Stock, the Participant shall be required to repay to the Company the pre-tax cash value of such shares of Stock, calculated based on the fair market value of such shares of Stock on the date such shares of Stock were issued to the Participant in respect of the Award. As used herein,

“Restrictive Covenant Agreement” means any agreement between the Participant and the Company or its Affiliates (including, without limitation, any agreement relating to employment and post-employment competition) subjecting the Participant to confidentiality, non-disparagement, non-solicitation, non-hire, non-competition and/or other restrictive covenants in favor of the Company or its Affiliates. For the avoidance of doubt, this Agreement and the Plan do not supersede any Restrictive Covenant Agreement or employment or other individual agreement between the Participant and the Company or its Affiliates. By accepting this Award, the Participant further expressly acknowledges and agrees that his or her rights under this Award, and those of any permitted transferee of this Award, including the right to any shares of Stock acquired under this Award or proceeds from the disposition thereof, are subject to any applicable clawback or incentive compensation recovery policy of the Company as may be in effect from time to time. Nothing in the preceding sentence shall be construed as limiting the general application of Section 10 of this Agreement.

5. Dividends; Other Rights.

This Award shall not be interpreted to bestow upon the Participant any equity interest or ownership in the Company or any Affiliate prior to the date on which the Company delivers shares of Stock (if any) to the Participant. The Participant is not entitled to vote any shares of Stock by reason of the granting of this Award, and the Participant shall have the rights of a shareholder only as to those shares of Stock, if any, that are actually delivered under this Award. Notwithstanding the foregoing, upon the delivery of any shares of Stock in respect of any vested RSUs subject hereto, the Participant shall be entitled to a cash payment by the Company in an amount equal to the amount that the Participant would have received, if any, as a regular cash dividend had the Participant held such shares of Stock from the Date of Grant to the date such shares of Stock are delivered hereunder, less all applicable taxes and withholding obligations. Any such payment shall be paid, if at all, without interest on the date such shares of Stock are delivered hereunder.

6. Certain Tax Matters.

The Participant expressly acknowledges that because this Award consists of an unfunded and unsecured promise by the Company to deliver Stock in the future, subject to the terms hereof, it is not possible to make a so-called “83(b) election” with respect to this Award. This Award is intended to be exempt from, or comply with, Section 409A and shall be construed by the Administrator accordingly. Notwithstanding the preceding, neither the Company, nor any Affiliate, nor the Administrator, nor any person acting on behalf of any of them, shall be liable to the Participant by reason of any acceleration of income, or any tax or additional tax, asserted (A) by reason of any failure of this Award or any portion thereof to satisfy the requirements for exemption from, or compliance with, Section 409A or (B) by reason of Section 4999 of the Code. All references to “Section 409A” in this Agreement shall be references to Section 409A of the Code, the Treasury Regulations promulgated thereunder and such other guidance as determined by the Company in its sole discretion.

7. Withholding. The Participant shall pay to the Company, or make provision satisfactory to the Company for payment of, any taxes required by law to be withheld in connection with the

vesting and/or settlement of the RSUs (including, without limitation, any amount that is treated as “wages” for FICA/FUTA or Medicare tax purposes on a current basis rather than when distributed). The Administrator may, in its sole discretion, require that a portion of the shares of Stock that would have otherwise been delivered to the Participant upon vesting and settlement of the RSUs be sold by the Participant or retained by the Company to satisfy any applicable federal, state or local income, employment or other tax withholding and payment obligations, or in the case of any such taxes due upon vesting and prior to delivery of shares of Stock hereunder that the number of shares subject to this Award may be reduced to satisfy such tax withholding and payment obligations (but, with respect to any amounts constituting deferred compensation subject to Section 409A, as determined by the Company in its sole discretion, not in excess of amounts permitted to be accelerated by Section 409A including Treasury Regulation Section 1.409A-3(j)(4)(vi)). The Company and its Affiliates may, to the extent permitted by law, deduct any unsatisfied tax obligations from any payment of any kind otherwise due to the Participant.

8. Transfer of Award.

This Award may not be transferred except as expressly permitted under Section 6(a)(4) of the Plan.

9. Effect on Employment.

This Agreement is not a contract of employment between the Company (or any Subsidiary) and the Participant. The Participant retains the right to terminate his or her employment with the Company (or one of its Subsidiaries, as applicable), and the Company (and its Subsidiaries as applicable) retains the right to terminate or modify the terms of the Participant’s employment, subject to any rights retained by either party under the Participant’s employment agreement, if Participant has an employment agreement, and no loss of rights, contingent or otherwise, under this Agreement upon termination of employment shall be claimed by the Participant as an element of damages in any dispute over such termination of employment.

10. Provisions of the Plan.

This Agreement is subject in its entirety to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the Date of Grant has been furnished to the Participant. By accepting all or any part of this Award, the Participant agrees to be bound by the terms of the Plan and this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan shall control (except as otherwise expressly provided herein).

11. Acknowledgements.

The Participant acknowledges and agrees that (i) this Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument, (ii) this agreement may be executed and exchanged using facsimile, portable document format (PDF) or electronic signature, which, in each case, shall constitute an original signature for all purposes hereunder and (iii) such signature by the

Company will be binding against the Company and will create a legally binding agreement when this Agreement is countersigned by the Participant.

[Signature page follows.]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer.

DOMINO'S PIZZA, INC.

By: _____
Name: Russell J. Weiner
Title: Chief Executive Officer

Dated:

Acknowledged and Agreed:

By: _____
[●]

CERTIFICATION OF CHIEF EXECUTIVE OFFICER OF DOMINO'S PIZZA, INC.

I, Russell J. Weiner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Domino's Pizza, 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.

April 28, 2025

Date

/s/ Russell J. Weiner

Russell J. Weiner
Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER OF DOMINO'S PIZZA, INC.

I, Sandeep Reddy, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Domino's Pizza, 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.

April 28, 2025

Date

/s/ Sandeep Reddy

Sandeep Reddy

Chief Financial Officer

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

In connection with the Quarterly Report of Domino's Pizza, Inc. (the "Company") on Form 10-Q for the period ended March 23, 2025, as filed with the Securities and Exchange Commission (the "Report"), I, Russell J. Weiner, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

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

/s/ Russell J. Weiner

Russell J. Weiner
Chief Executive Officer

Dated: April 28, 2025

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Domino's Pizza, Inc. and will be retained by Domino's Pizza, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

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

In connection with the Quarterly Report of Domino's Pizza, Inc. (the "Company") on Form 10-Q for the period ended March 23, 2025, as filed with the Securities and Exchange Commission (the "Report"), I, Sandeep Reddy, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

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

/s/ Sandeep Reddy

Sandeep Reddy
Chief Financial Officer

Dated: April 28, 2025

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Domino's Pizza, Inc. and will be retained by Domino's Pizza, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.
