



BRINKER
INTERNATIONAL®

Annual Report 2025

Dear Fellow Shareholders,

Fiscal 2025 was a great year of progress in our turnaround marked by significant achievement on both financial results and the strategic priorities we laid out at the beginning of my tenure. I want to thank you for your continued support.

We delivered a year of purposeful growth and continued transformation across the 4 pillars of our long-term strategy – food, service, atmosphere, and team members. Against the backdrop of a challenging macro environment, Brinker International delivered results that far outperformed the industry:

- Total revenue growth of 21.9% was driven by increased marketing investments bringing guests in and operational improvements to the dining experience bringing guests back.
- Company sales were \$5,335.3 billion and same-store sales rose 22.7%, resulting in 17 consecutive quarters of positive same store sales at Chili's.
- Operating income as a percentage of total revenues improved 430 basis points over the prior year driven by sales leverage, continued menu & pantry simplification, and reductions in non-value-added tasks for managers and team members.
- As a result, net income per diluted share increased 144.7%, which drove significant stock price appreciation.

And while there's still lots of opportunity ahead of us, we are a much different Chili's today than we were 3 years ago: our average restaurant unit volume has grown from \$3.1 million at the end of fiscal 2022 to \$4.5 million in fiscal 2025 and as a result, we have significantly expanded margins.

We've eliminated over 25% of our menu and we do fewer things a whole lot better. We've focused on improving our Five to Drive Core Segments – Burgers, Crispers, Fajitas, Margaritas and the Triple Dipper. As a result of the simplification and menu upgrades. Food Great scores have never been higher.

We invested over \$160.0 million more in labor than we did in fiscal 2022 and that ongoing investment is built into our operating model that delivered record profits. Guests with a Problem, our dining room key guest experience measure we track daily, was a mere 2.3% and has never been lower.

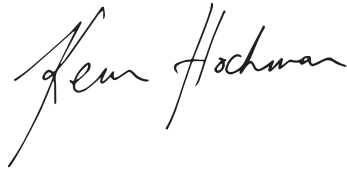
We increased investments in marketing and repairs and maintenance that are driving traffic and positively impacting the guest and team member experience. Chili's built a world-class marketing team to invest these incremental dollars, and that team is now widely considered the best in the restaurant industry. And our estate has never been in better condition than it is today.

Lastly, because of our much-improved performance, we've been able to strengthen our balance sheet. We've paid down over \$570.0 million of our outstanding debt in the past 3 fiscal years, which gives us increased flexibility in the future and the financial strength to weather the macro headwinds or bumps in the road that would be more difficult if we continued to have all that leverage.

Looking ahead to fiscal 2026, at Chili's, we plan to continue making investments to grow the business for the long-term with a continued focus on the fundamentals of casual dining – food, service, and atmosphere. At Maggiano's, we will apply the Chili's turnaround plan anchored by the Maggiano's North Star, which features abundant Italian American favorites in an inviting setting.

We are confident that Brinker International is positioned for long-term success, delivering even greater value to our shareholders. I am excited about what the future holds for our company and look forward to sharing more of our progress in the months and years ahead.

With appreciation,

A handwritten signature in black ink, reading "Kevin Hochman". The signature is fluid and cursive, with the first name "Kevin" and last name "Hochman" clearly distinguishable.

Kevin Hochman
Chief Executive Officer and President
Brinker International, Inc.

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

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended June 25, 2025
Commission File Number 1-10275



BRINKER INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

DE

(State or other jurisdiction of
incorporation or organization)

3000 Olympus Blvd
Dallas TX

(Address of principal executive offices)

75-1914582

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

75019

(Zip Code)

(972) 980-9917

(Registrant's telephone number, including area code)

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

| Title of each class | Trading Symbol(s) | Name of exchange on which registered |
|--------------------------------|-------------------|--------------------------------------|
| Common Stock, \$0.10 par value | EAT | NYSE |

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: \$6,062,491,814

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

| Class | Outstanding as of August 7, 2025 |
|--------------------------------|----------------------------------|
| Common Stock, \$0.10 par value | 44,498,111 shares |

DOCUMENTS INCORPORATED BY REFERENCE

Portions of our Proxy Statement relating for our 2025 annual meeting of shareholders are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. The Proxy Statement will be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year to which this report relates.

BRINKER INTERNATIONAL, INC.
Annual Report on Form 10-K
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INTRODUCTION

Forward-Looking Statements

Information and statements contained in this Form 10-K, in our other filings with the Securities and Exchange Commission (“SEC”) or in our written and verbal communications that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We intend all forward-looking statements to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally accompanied by words like “believes,” “anticipates,” “estimates,” “predicts,” “expects,” “plans,” “intends,” “projects,” “continues” and other similar expressions that convey uncertainty about future events or outcomes.

All forward-looking statements are made only based on our current plans and expectations as of the date such statements are made, and we undertake no obligation to update forward-looking statements to reflect events or circumstances arising after the date such statements are made. Forward-looking statements are neither predictions nor guarantees of future events or performance and are subject to risks and uncertainties which could cause actual results to differ materially from our historical results or from those projected in forward-looking statements. Such risks and uncertainties include, among other things, the impact of general economic conditions, including inflation, on economic activity and on our operations; disruptions on our business including consumer demand, costs, product mix, our strategic initiatives, operations, technology and assets, and our financial performance; the impact of current and potential tariffs and trade barriers; the impact of competition, including competitors employing our same strategies or discounting their offerings; changes in consumer preferences, including shifts in their brand preferences; consumer perception of food safety; reduced consumer discretionary spending; governmental regulations; the effectiveness of the Company’s business strategy plan; loss of key management personnel; failure to hire and retain high-quality restaurant management and team members; increasing regulation surrounding wage inflation and competitive labor markets; the impact of social media, including the potential governmental ban of platforms used by the Company in its marketing initiatives; reputational damage or unfavorable publicity for our brands, which may result from actions of franchisees not within our control; reliance on technology and third party delivery providers; failure to protect the security of data of our guests and team members; product availability and supply chain disruptions; regional business and economic conditions; volatility in consumer, commodity, transportation, labor, currency and capital markets; litigation; franchisee success; technology failures; failure to protect our intellectual property; outsourcing; impairment of goodwill or assets; failure to maintain effective internal control over financial reporting; downgrades in credit ratings; changes in estimates regarding our assets; actions of activist shareholders; our pursuit of or failure to comply with new environmental, sustainability requirements; our pursuit of or failure to achieve any goals, targets or objectives with respect to sustainability matters; adverse weather conditions; terrorist acts; cybersecurity, artificial intelligence and phishing threats; health epidemics or pandemics; tax reform; inadequate insurance coverage; and limitations imposed by our credit agreements; as well as the risks and uncertainties described in Part I, Item 1A. Risk Factors and uncertainties that generally apply to all businesses.

We wish to caution you against placing undue reliance on forward-looking statements because of these risks and uncertainties. Except as required by law, we expressly disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. We further caution that it is not possible to identify all risk and uncertainties, and you should not consider the identified factors as a complete list of all risks and uncertainties.

PART I

ITEM 1. BUSINESS

General

References to “Brinker,” the “Company,” “we,” “us,” and “our” in this Form 10-K refer to Brinker International, Inc. and its subsidiaries and any predecessor companies of Brinker International, Inc.

We own, develop, operate and franchise the Chili’s® Grill & Bar (“Chili’s”) and Maggiano’s Little Italy® (“Maggiano’s”) restaurant brands. The Company was organized under the laws of the State of Delaware in 1983 to succeed to the business operated by Chili’s, Inc., a Texas corporation, which was organized in 1977. We completed the acquisition of Maggiano’s in 1995.

References to “fiscal” or “fiscal year” are to the fiscal year ended of the applicable year. For example, fiscal 2025 refers to the fiscal year ended June 25, 2025.

Restaurant Brands

Chili’s Grill & Bar

Chili’s is a recognized leader in the casual dining industry and the flagship brand of Dallas-based Brinker International, Inc. Chili’s has been operating restaurants for over 50 years and enjoys a global presence with restaurants in the United States, 27 other countries and two United States territories. Whether domestic or international, or franchised, Chili’s is dedicated to delivering delicious and craveable food with value-centric offerings such as “3 for Me” starting at only \$10.99, as well as dining experiences in a vibrant atmosphere intended to make everyone feel special.

Our menu features bold, Southwest inspired American favorites, and Chili’s has built a reputation for big mouth burgers, sizzling fajitas, crispy Chicken Crispers®, hand-shaken margaritas, and the social-media-famous Triple Dipper. We believe our focus on these five core equities, simplifying our menu, being intentional about our fun laid-back Chilihead culture, and maintaining our strong Chilihead hospitality allow Chili’s to differentiate its high-quality food and service from other casual dining restaurants.

In fiscal 2025, entrée selections at our Company-owned restaurants ranged in average menu price from \$10.76 to \$30.26. Our average annual net sales per Company-owned Chili’s restaurant during fiscal 2025 was \$4.5 million, and the average revenue per meal, including alcoholic beverages, was approximately \$21.90 per guest. Food and non-alcoholic beverage sales accounted for 90.7% of Chili’s Company sales in fiscal 2025 with alcoholic beverage sales accounting for the remainder.

Maggiano’s Little Italy

Maggiano’s is a full-service, national, polished casual restaurant brand offering Italian-American cuisine. With a passion for making people feel special, the brand is known for catering to special occasions and large parties. Each Maggiano’s location is uniquely designed and features open dining rooms with fresh flowers, warm carpets and soft lighting, and most locations feature designated banquet facilities and all offer catering for large parties at homes or local businesses. Our full carryout menu is also available for pick up or delivered through third-party delivery providers. Each

Maggiano's has an executive chef preparing authentic recipes from scratch ingredients. Dishes are served in abundant portions both à la carte and family style. Maggiano's offers a full range of lunch and dinner options, complimented by a premium wine list and handcrafted cocktails.

In fiscal 2025, entrée selections ranged in menu price from \$15.50 to \$51.00. Our average annual sales per Maggiano's restaurant in fiscal 2025 was \$9.9 million and the average revenue per meal, including alcoholic beverages, was approximately \$39.06 per guest. Sales from events at our banquet facilities made up 14.7% and 14.9% of Maggiano's Company sales in fiscal 2025 and 2024, respectively. Food and non-alcoholic beverage sales accounted for 86.9% of Maggiano's Company sales for fiscal 2025 with alcoholic beverage sales accounting for the remainder.

Business Strategy

We are committed to strategies and a Company culture that we believe will grow sales, increase profits, bring back guests and engage team members. Our strategies and culture are intended to strengthen our position in casual dining and grow our core business over time.

Chili's

Our strategy is to make everyone feel special through a fun atmosphere, delicious food and drinks, and Chilihead hospitality. We are making work at Chili's easier, more fun and more rewarding for our team members so that they are more engaged and provide a better experience for our guests. One way we have done this is by eliminating tasks that were unnecessary and did not add value to our guests. We have also simplified our menu to focus on core equities we believe can help grow sales—burgers, fajitas, Chicken Crispers, margaritas, and the Triple Dipper. Our team members can make our core menu items better and more consistently because we have fewer menu items that need to be perfected.

We are improving our hospitality by scheduling more team members per shift to serve our guests and by improving systems and technology that can help with our order accuracy and guest experience. Another priority is having clean and well-maintained restaurants that provide an inviting atmosphere for team members to work and guests to dine.

We have a flexible platform of value offerings at both lunch and dinner that we believe is compelling to our guests. Our "3 for Me" platform allows guests to enjoy a non-alcoholic drink, an appetizer and certain entrées starting at just \$10.99. We believe our value offerings will continue to be an important traffic driver in the current economic circumstances, and we will continue to highlight this value in our marketing efforts. We have increased menu pricing in other areas in light of the inflationary challenges, and we have also improved menu offerings to incentivize our guests to purchase higher-priced items.

In addition, Chili's has focused on a seamless digital experience as our guests' preferences and expectations around dining convenience have evolved in recent years. Investments in our technology and off-premise options have enabled us to provide a faster, more convenient dine-in experience and to offer more To-Go and delivery options for our guests. Our To-Go menu is available through the Chili's mobile app, chilis.com, our delivery partners DoorDash, Uber Eats and Grubhub, Google Food Ordering or by calling the restaurant directly.

In dining rooms, we use tabletop devices with functionality for guests to pay at the table, provide guest feedback and interact with our My Chili's® program. Our My Chili's program offers free chips and

salsa or a non-alcoholic beverage to members any time they visit our restaurants and allows us to communicate and advertise to our guests through email and text. Our servers use handheld tablets to place orders for our guests, increasing the efficiency of our team members and allowing orders to reach our kitchen quicker for better service to our guests.

Maggiano's Little Italy

At Maggiano's, we are focused on making our guests feel special. This warm and generous hospitality creates an environment where guests come together to celebrate birthdays, weddings and many more special occasions. While our dining rooms support the majority of our business, we also offer carry-out and delivery options through partnerships with delivery service providers that have made our restaurants more accessible to guests. Our restaurants also have banquet rooms, a profitable revenue channel, to host large special events, particularly during the holiday season in the second and third quarters of the fiscal year.

Company Development

During fiscal 2025, we continued to develop our restaurant brands domestically through the opening of new Company-owned restaurants in strategically desirable markets. We concentrate on development within certain identified markets that we believe are most likely to improve our competitive position and achieve the desired level of market share, profitability, and return on invested capital. Our domestic expansion efforts focus not only on major metropolitan areas in the United States but also in smaller market areas and partnerships with franchisees to enter non-traditional locations (such as airports) that can adequately support our restaurant brands.

The restaurant site selection process is critical, and we devote significant effort to the investigation of new locations utilizing a variety of sophisticated analytical techniques. Members of each brand's executive team inspect, review, and approve each restaurant site prior to its leasing or acquisition for that brand. Our process evaluates a variety of factors, including:

- Trade area demographics, such as target population density and household income levels;
- Physical site characteristics, such as visibility, accessibility and traffic volume;
- Relative proximity to activity centers, such as shopping centers, hotel and entertainment complexes and office buildings; and
- Supply and demand trends, such as proposed infrastructure improvements, new developments and existing and potential competition.

The specific rate at which we are able to open new restaurants is determined, in part, by our success in locating satisfactory sites, negotiating acceptable lease or purchase terms, securing appropriate local governmental permits and approvals, and our capacity to supervise construction and efficiently staff our restaurant openings. The following table illustrates the Company-owned restaurants opened during fiscal 2025 and the projected openings for fiscal 2026. The fiscal 2026 projections remain subject to change:

| | Fiscal 2025 | Fiscal 2026 |
|------------------|----------------------|--------------------|
| | Fiscal Year Openings | Projected Openings |
| Chili's domestic | 5 | 7 |

We periodically evaluate the financial performance of Company-owned restaurants to assess whether performance has fallen below our minimum standards. In the event that a restaurant's financial performance falls below expectations, each brand makes a concerted effort to improve the restaurant's performance by providing physical, operating, and marketing enhancements unique to each restaurant's situation. In some cases, the brand considers relocation to a proximate, more desirable site, or evaluates closing the restaurant if the brand's measurement criteria, such as cash flow and area demographic trends, do not support relocation. The Company plans to relocate one Maggiano's in fiscal 2026.

During fiscal 2025, we permanently closed 13 Company-owned Chili's and one Company-owned Maggiano's restaurants that were performing below our standards or we were unable to negotiate additional lease terms for such location. Our strategic plan is targeted to support our long-term growth objectives, with a focus on continued development of those restaurant locations that have the greatest return potential for the Company and our shareholders.

Franchise Development

We pursue expansion through the development of our franchisees. The following table illustrates the franchise-operated restaurants opened during fiscal 2025 and the projected openings for fiscal 2026. The fiscal 2026 projected openings remain subject to change.

| | Fiscal 2025 Fiscal Year Openings | Fiscal 2026 Projected Openings |
|--------------------------------|--|--------------------------------------|
| Franchise-operated restaurants | | |
| Chili's domestic | 3 | 2-4 |
| Chili's international | 30 | 24-28 |
| Maggiano's domestic | 1 | — |
| Total openings | 34 | 26-32 |

The following table illustrates the percentages of domestic, international, and overall franchise-operated restaurants in relation to the total Company-owned and franchise-operated restaurants as of June 25, 2025, by restaurant brand:

| | Percentage of Franchise-Operated Restaurants | | |
|------------|--|------------------------------|------------------------|
| | Domestic ⁽¹⁾ | International ⁽²⁾ | Overall ⁽³⁾ |
| Chili's | 8.2 % | 99.0 % | 29.4 % |
| Maggiano's | 5.8 % | — % | 5.8 % |

(1) Domestic franchise-operated restaurants as a percentage of total domestic restaurants.

(2) International franchise-operated restaurants as a percentage of total international restaurants.

(3) Franchise-operated restaurants (domestic and international) as a percentage of total system-wide restaurants.

International Franchises

Our international growth is driven by development agreements with new and existing franchise partners. This growth introduces Chili's to new countries and expands the brand within our existing

markets. As of June 25, 2025, we have 18 active development arrangements. During fiscal 2025, we opened 30 new locations, and we entered into two new development arrangements, both with new franchise partners. We plan to strategically pursue expansion of Chili's internationally in areas where we see the most growth opportunities. Our international agreements provide for development fees and initial franchise fee revenues in addition to subsequent royalty fee revenues based on the gross sales of each restaurant. We expect future agreements to remain limited to enterprises that demonstrate a proven track record as a restaurant operator and showcase financial strength that can support a multi-unit development agreement.

Domestic Franchises

As of June 25, 2025, no active domestic development arrangements existed. Similar to our international agreements, a typical domestic franchise agreement provides for initial franchise fees revenues in addition to subsequent royalty and advertising fee revenues based on the gross sales of each restaurant. We remain committed to supporting the growth of our franchisees in existing territories.

Restaurant Management

Our Chili's and Maggiano's brands have separate designated teams who support each brand, including operations, brand recruiting, finance, marketing, culinary innovation and franchise. We believe these strategic, brand-focused teams foster the identities of the individual and uniquely positioned brands. To maximize efficiencies, brands continue to utilize common and shared infrastructure, including, among other services, information technology, human capital management, accounting, legal, purchasing, and restaurant development.

At the restaurant level, management structure varies by brand. A typical restaurant is led by a management team including a general manager and two to three additional managers; and for Maggiano's, an executive chef partner with an additional two to three chefs. Each Chili's restaurant is overseen by a Director of Operations and Vice President of Operations, collectively "Regional Management", who directly or indirectly report to our Chief Operating Officer. Each Maggiano's restaurant is overseen by a Director of Operations and Regional Operations Chef, collectively "Regional Management", who directly or indirectly report to our Vice President of Operations. The level of restaurant supervision depends upon the operating complexity and traffic of individual locations. We believe there is a high correlation between the quality of restaurant management and the long-term success of a brand. In that regard, we encourage longer tenure at all management positions through various short and long-term incentive programs, which may include equity ownership. These programs, coupled with a general management philosophy emphasizing quality of life, have enabled us to attract and retain key team members.

We strive to provide consistent quality standards in our brands through the issuance of operational manuals covering all elements of operations and food and beverage manuals, which provide guidance for preparation of brand-formulated recipes. Routine restaurant visits by Regional Management and brand and executive leadership enforce strict adherence to our overall brand standards and operating procedures and also create an opportunity to capture and act on feedback so we continue to improve. Each brand is responsible for maintaining their operational training program. Depending on the brand, the training program typically includes a training period of two to three months for restaurant management trainees, as well as special training for high-potential team members and managers. We

also provide recurring management training for managers and supervisors to improve effectiveness or prepare them for more responsibility.

Supply Chain and Quality Assurance

Our ability to maintain consistent quality and continuity of supply throughout each restaurant brand depends upon acquiring products from reliable sources. Our approved suppliers and our restaurants are required to adhere to strict product and safety specifications established through our quality assurance and culinary programs. These requirements are intended to promote serving high-quality products in each of our restaurants. We strategically negotiate directly with major suppliers to obtain competitive prices. We also use purchase commitment contracts when appropriate to stabilize the potentially volatile pricing associated with certain commodity items. All essential products are available from pre-qualified distributors to be delivered to our restaurant brands. Although we have not experienced significant supply chain disruptions given recent market conditions, we have experienced limited product shortages in our supply chain.

Additionally, as a purchaser of a variety of food products, we require our suppliers to adhere to our supplier code of conduct, which sets forth our expectation of business integrity, food safety and food ingredients, animal welfare and sustainability. Due to the relatively rapid turnover of perishable food products and inventories in the restaurants, which consist primarily of food, beverages and supplies, our inventories have a modest aggregate dollar value in relation to revenues. Internationally, our franchisees may encounter cultural and regulatory differences resulting in variances with product specifications for international restaurant locations.

Advertising and Marketing

Chili's primary focus for developing menu innovation and targeting our digital advertising and loyalty program direct promotions are Millennial families and Gen Z – both of which desire quality food, abundant value and a service experience that allows them to connect with family and friends. These two cohorts represent a significant percentage of our guest base today and, we believe, will only grow in importance in the years ahead. In order to reach these audiences, we updated our strategy in fiscal 2023 to include significant investments in television, streaming, digital video and social media. In fiscal 2024 and fiscal 2025, we have continued various advertising campaigns on several platforms that highlight our different value offerings.

Our domestic Chili's franchise agreements generally require advertising contributions to us by the franchisees. We use these contributions, in conjunction with Company funds, for the purpose of retaining advertising agencies, obtaining consumer insights, developing and producing brand-specific creative materials and purchasing national or regional media to meet the brand's strategies. Some franchisees also spend additional amounts on local advertising. Any such local advertising is required to be approved by us.

Maggiano's primarily targets guests from affluent households who live and work around the higher-end malls where the majority of Maggiano's restaurants are located. Maggiano's relies on digital marketing, direct marketing, social media and word of mouth to advertise.

Seasonality

Our business has historically been seasonal and experienced fluctuation in sales volume during the fiscal year. The highest sales are generally observed during the winter and the spring months, whereas

the summer and the fall months are accompanied with lower sales. Moreover, factors such as inclement weather conditions, natural disasters, and timing of holidays tend to impact this seasonality by region.

Sustainability

Building sustainable value for all of our stakeholders has always been a key part of our business strategy. Our ability to sustainably deliver profits to shareholders is built on a foundation of our mission of investing in and caring for all of our team members, safely serving great quality food to our guests and acting responsibly in all that we do. Our Board's Governance and Nominating Committee oversees and provides input on the sustainability strategic framework, goals and initiatives, as well as reviews sustainability metrics and results. For more information, please review our Sustainability report on our Sustainability page on our website at www.brinker.com. The contents of the Sustainability report and our website are not incorporated by reference into this Form 10-K.

Human Capital Management

Our employee base as of June 25, 2025, consisted of 83,840 team members, including 667 restaurant support center team members, 5,069 restaurant management team members, with the remainder being hourly team members. Of our hourly team members, approximately 15% are full-time and 85% are part-time employees. Our team members are not covered by any collective bargaining agreements. Our executive officers have an average of more than 20 years of experience in the restaurant industry.

For decades, our culture has been built on our purpose of making people feel special, and that starts with our team members. We affectionately call them Brinkerheads, Chiliheads or Maggiano's Teammates, and we know that when they feel their best, they provide great food and service to our guests. Our motto is "Life is Short, Work Happy" and we believe that attracting, developing, and retaining the best team members is a key component to our culture.

We seek to attract team members with competitive pay and benefits and then support their wellbeing by providing resources and opportunities to help them be their best with our Be Well initiatives. These initiatives are focused around four key areas of wellbeing: career, financial, physical/emotional, and community. In addition to our career development programs, annual fitness reimbursements for salaried team members, 401(k) plan, and free mental health counselling for those enrolled in our benefits plans, we provide resources and opportunities to raise millions of dollars annually for charitable causes.

We strive to help our team members turn their jobs into lasting careers by providing development programs for each of our new managers, managers preparing to become general managers, and general managers preparing to become directors of operations. During fiscal 2025, approximately 87% of our new general managers were promoted from our existing team members.

Our no-cost education program, Best You EDU™, provides GED, associate degree programs, and other educational benefits. Best You EDU is available to all team members on their first day of employment.

Our Board's Talent and Compensation Committee reviews our talent management strategies and overall organization culture.

Information Technology

We pride ourselves on being innovators in our field, striving to create and procure cutting edge technology to improve the guest experience and create operational efficiencies. We have created and

implemented technologies to facilitate a contactless guest experience through apps and tabletop and handheld devices. Our restaurant operators utilize our back office systems for inventory control, forecasting, demand preparation, and productivity. Our service desk supports the needs of both our restaurant support center and each of our restaurants. Our data centers are geographically dispersed, which helps support continuity of our operations and systems. Our systems operate in multiple cloud environments, which gives us ability to scale up infrastructure and provides flexibility for expansion. They are comprised of a combination of internally developed and third-party developed software; our team builds foundational frameworks to integrate and bridge technologies. We believe our information systems are sufficient to support our business and we continually seek to improve our processes based on the strategic and financial priorities of the business.

In fiscal 2025, we implemented a new enterprise resource planning (“ERP”) system that encompasses human capital management to provide our restaurant management and restaurant support teams with the tools necessary to enhance our ability to record and track data, make more effective real-time decisions, and drive process efficiencies.

Trademarks

We have registered, among other marks, “Brinker International”, “Chili’s” and “Maggiano’s” as trademarks with the United States Patent and Trademark Office.

Available Information

We maintain a website with the address of <http://www.brinker.com>. You may obtain at our website, free of charge, copies of our reports filed with, or furnished to, SEC on Forms 10-K, 10-Q and 8-K. The SEC also maintains a website, with the address of www.sec.gov, which contains reports, proxy and information statements, and other information filed electronically or furnished to the SEC.

In addition, you may view and obtain, free of charge, at our website, copies of our corporate governance materials, including: Corporate Governance Guidelines, Audit Committee Charter, Talent & Compensation Committee Charter, Governance & Nominating Committee Charter, Code of Conduct for the Board of Directors, Brinker International Inc. Code of Conduct – Making People Feel Special, Brinker Reporting and Whistleblower Policy, Foreign Corrupt Practices Act and Anti-Corruption Policy, Policy Governing the Improper Use of Material Nonpublic Information and Trading in Brinker’s Securities, Supplier Code of Conduct, Policy Regarding Shareholder Meetings, and Human Rights Policy. The information contained on our website is not a part of this Annual Report on Form 10-K.

ITEM 1A. RISK FACTORS

Various risks and uncertainties could affect our business. In addition to the information contained elsewhere in this report and other filings that we make with the SEC, the risk factors described below could have a material impact on our business, financial condition, results of operations, cash flows or the trading price of our common stock. It is not possible to identify all risk factors. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also impair our business operations.

Strategic and Operational Risks

If we are unable to successfully design and execute a business strategy plan, our gross sales and profitability may be adversely affected.

Our ability to increase revenues and profitability is dependent on designing and executing effective business strategies. If we are delayed or unsuccessful in executing our strategies or if our strategies do not yield the desired results, our business, financial condition and results of operations may suffer. Our ability to meet our business strategy plan is dependent upon, among other things, our and our franchisees' ability to:

- Increase gross sales and operating profits at existing restaurants with food and beverage options desired by our guests;
- Evolve our marketing and branding strategies in order to appeal to guests and drive traffic and sales;
- Innovate and implement technology initiatives that provide an engaging digital guest experience;
- Identify adequate sources of capital to fund and finance strategic initiatives, including re-imaging existing restaurants, new restaurant development, and new restaurant equipment;
- Grow and expand operations, including identifying available, suitable and economically viable locations for new restaurants, or making strategic acquisitions; and
- Improve the speed and quality of our service by simplifying operations.

Changes in consumer preferences may decrease demand for food at our restaurants.

Changing health or dietary preferences and current and new medical treatments may cause consumers to avoid our products in favor of alternative foods and/or to consume less of our products. The food service industry as a whole depends on consumer preferences at the local, regional, national, and international levels. New information or changes in dietary, nutritional or health insurance guidelines, whether issued by government agencies, academic studies, advocacy organizations or similar groups, may cause consumers to select foods other than those that are offered by our restaurants. We may not be able to adequately adapt our menu offerings to keep pace with developments in current consumer preferences, which may result in reductions to the revenues generated by our Company-owned restaurants and the payments we receive from franchisees.

Food safety incidents at our restaurants or in our industry or supply chain may adversely affect customer perception of our brands or industry and result in declines in sales and profits.

Regardless of the source or cause, any report of food-borne illnesses or other food safety issues at one of our restaurants or our franchisees' restaurants could irreparably damage our brand reputations and result in declines in guest traffic and sales at our restaurants. A food safety incident may subject us to regulatory actions and litigation, including criminal investigations, and we may be required to incur significant legal costs and other liabilities. Food safety incidents may occur in our supply chain and be out of our control. Health concerns or outbreaks of disease in a food product could also reduce demand

for particular menu offerings. Even instances of food-borne illness, food tampering or food contamination occurring solely at restaurants of our competitors could result in negative publicity about the restaurant industry in general and adversely affect our sales or cause us to incur additional costs to implement food safety protocols beyond industry standards. The occurrence of food-borne illnesses or food safety issues could also adversely affect the price and availability of affected ingredients, resulting in higher costs and lower margins.

Unfavorable publicity relating to one or more of our restaurants in a particular brand may affect public perception of the brand.

Multi-unit restaurant businesses can be adversely affected by publicity resulting from poor food quality, customer complaints, litigation, illness or health concerns or other issues stemming from one or a limited number of restaurants, regardless of whether such events have a factual basis. In particular, since we depend heavily on the Chili's brand for a majority of our revenues, unfavorable publicity relating to one or more Chili's restaurants could have a material adverse effect on the Chili's brand, and consequently on our business, financial condition and results of operations. The speed at which negative publicity (whether or not accurate) can be disseminated has increased dramatically with the capabilities of social media and the internet. If we are unable to quickly and effectively respond to such reports, we may suffer declines in guest traffic which could materially impact our financial performance.

Additionally, consumers' ability to immediately post opinions on social media platforms to a broad audience of consumers and other interested persons, often without filters or checks on accuracy of the content posted, may be adverse to our interests and may harm our performance, prospects or business, regardless of the information's accuracy. The use of social media vehicles by our guests or employees could increase our costs, lead to litigation or result in negative publicity that could damage our reputation.

We face risks related to our ability to continue to grow sales through delivery orders and digital commerce.

Part of our strategy for growth is dependent on increased sales from guests that want to enjoy our food off-premises. Customers are increasingly using websites and applications, including both our internally developed brand websites and third-party delivery aggregators, to place and pay for their orders. As we become increasingly reliant on digital ordering and payment as a sales channel, our business could be negatively impacted if we are unable to successfully implement, execute or maintain our consumer-facing digital initiatives, such as application-based ordering and brand websites, as well as a user friendly pick up experience. These digital ordering and payment platforms also could be damaged or interrupted by power loss, technological failures, user errors, cyber-attacks, other forms of sabotage, inclement weather or natural disasters. The digital ordering platforms we rely on could experience interruptions, which could limit or delay customers' ability to order through such platforms or make customers less inclined to return to such platforms.

We currently rely on third-party delivery providers for our off-premise delivery (other than Maggiano's catering). We rely on such third-party providers for ordering and payment platforms that receive guest orders and that send orders directly to our point-of-sale system. These platforms, as well as our own brand websites, could be damaged or interrupted by technological failures, cyber-attacks or other factors, which may adversely impact our sales through these channels.

Delivery providers generally fulfill delivery orders through drivers that are independent contractors. These drivers may make errors, fail to make timely deliveries, damage our food or poorly represent our brands, which may lead to customer disappointment, reputational harm and unmet sales expectations. Our sales may also be adversely impacted if there is a shortage of drivers that are willing and available to make deliveries from our restaurants. If the third-party aggregators that we utilize for delivery cease or curtail their operations, fail to maintain sufficient a labor force to satisfy demand, materially change fees, access or visibility to our products or give greater priority or promotions on their platforms to our competitors, our business may be negatively impacted.

Loss of key management personnel could hurt our business and limit our ability to operate and grow successfully.

Our success depends, to a significant extent, on our leadership team and other key management personnel. These personnel serve to maintain a corporate vision for our Company, execute our business strategy, and maintain consistency in the operating standards of our restaurants. If we are unable to attract and retain sufficiently experienced and capable key management personnel, our business and financial results may suffer.

Failure to recruit, train and retain high-quality restaurant management and team members may result in lower guest satisfaction and lower sales and profitability.

Our restaurant-level management and team members are largely responsible for the quality of our service. Our guests may be dissatisfied and our sales may decline if we fail to recruit, train and retain managers and team members that effectively implement our business strategy and provide high quality guest service. There is active competition for quality management personnel and hourly team members. We are experiencing and may continue to experience challenges in recruiting and retaining team members in various locations as we are experiencing an increasingly tight and competitive labor market. These challenges may continue to result in higher labor costs (such as increased overtime to meet demand and increased wages to attract and retain team members), increased turnover and a shortage of adequate management personnel and hourly team members required for operations and for future growth, which can lead to lower guest satisfaction and decreased profitability.

Our results can be adversely affected by events, such as adverse weather conditions, natural disasters, climate change, pandemics or other catastrophic events.

Adverse weather conditions, natural disasters, climate change or catastrophic events, such as terrorist acts, can adversely impact restaurant sales. Natural disasters such as earthquakes, tornadoes, hurricanes, and severe adverse weather conditions, climate change and health pandemics, whether occurring in the United States or abroad, can keep customers in the affected area from dining out, adversely affect consumer spending and confidence levels and supply availability and costs, cause damage to or closure of restaurants and result in lost opportunities for our restaurants. Our receipt of proceeds under any insurance we maintain with respect to some of these risks may be denied or delayed or the proceeds may be insufficient to cover our losses fully. Moreover, we may be unable to obtain or maintain insurance in the amounts and on terms we view as appropriate and favorable for our operations.

The large number of Company-owned restaurants concentrated in Texas, Florida and California makes us susceptible to changes in economic and other trends in those regions.

A high concentration of our Company-owned restaurants are located in Texas, Florida and California comprising 18.9%, 11.8% and 9.2%, respectively, as of June 25, 2025. As a result, we are particularly susceptible to adverse trends and economic conditions in those states, as well as to laws and regulations in these states that have a direct or indirect impact on our operations. Negative publicity, local economic conditions, new local or state laws or regulations, health epidemics or pandemics, local strikes, energy shortages or extreme fluctuations in energy prices, droughts, earthquakes, fires or other natural disasters in regions where our restaurants are highly concentrated could have a material adverse effect on our business and operations.

The operational success of our franchise system is important to our business and future international growth.

Approximately 29.0% of system-wide restaurants are owned and operated by our franchisees. Our franchise related revenue is not material to our total revenues; however, franchise agreements are designed to require our franchisees to maintain brand consistency and the franchise relationship reduces our direct day-to-day oversight of these restaurants and may expose us to risks not otherwise encountered if we maintained ownership and control. Our international restaurants are substantially all franchised and our ability to grow internationally is largely dependent on the success of our franchise partners in developing and maintaining new restaurants.

Our reputation and financial results may be negatively impacted by: franchisee defaults in their obligations to us; limitations on our ability to enforce franchise obligations due to bankruptcy proceedings or differences in legal remedies in international markets; franchisee failures to participate in business strategy changes due to financial constraints; franchisee failures to meet obligations to pay employees; and franchisee failures to comply with food quality and preparation requirements.

Additionally, our international franchisees are subject to risks not encountered by our domestic franchisees, and royalties paid to us may decrease if their businesses are negatively impacted. These risks include:

- Difficulties in achieving consistency of product quality and service as compared to domestic operations;
- Changes to recipes and menu offerings to meet cultural norms;
- Challenges to obtain adequate and reliable supplies necessary to provide menu items and maintain food quality; and
- Differences, changes or uncertainties in economic, regulatory, legal, cultural, social and political conditions.

Failure to protect our service marks or other intellectual property could harm our business.

We regard our Chili's® and Maggiano's® trademarks and other trademarks related to our restaurant businesses, as having significant value and being important to our marketing efforts. We rely on a combination of protections provided by contracts, copyrights, patents, trademarks, service marks and

other common law rights, such as trade secret and unfair competition laws, to protect our restaurants and services from infringement. We have registered certain trademarks and service marks in the United States and foreign jurisdictions. However, we are aware of names and marks identical or similar to our service marks being used from time to time by other entities. Although our policy is to oppose any such infringement, further or unknown unauthorized uses or other misappropriation of our trademarks or service marks could diminish the value of our brands and adversely affect our business. In addition, effective intellectual property protection may not be available in every country in which we have or intend to open or franchise a restaurant. Although we believe we have taken appropriate measures to protect our intellectual property, there can be no assurance that these protections will be adequate and defending or enforcing our service marks and other intellectual property could result in the expenditure of significant resources.

We outsource certain business processes to third-party vendors that subject us to risks, including disruptions in business and increased costs.

Some business processes are or may in the future be outsourced to third parties. Such processes include certain information technology processes, gift card tracking and authorization, credit card authorization and processing, insurance claims processing, certain payroll processing, tax filings and other accounting processes. We also continue to evaluate our other business processes to determine if additional outsourcing is a viable option to accomplish our goals. We make a diligent effort to ensure that all providers of outsourced services are observing proper internal control practices, such as redundant processing facilities and adequate security frameworks to guard against breaches or data loss; however, there are no guarantees that failures will not occur. Failure of third parties to provide adequate services could have an adverse effect on our results of operations, financial condition or ability to accomplish our financial and management reporting.

Corporate responsibility matters, including those related to climate change and sustainability, may have an adverse effect on our business, financial condition, and operating results and may damage our reputation.

Companies across all industries are facing stakeholder scrutiny relating to their sustainability practices. Changing consumer preferences may result in increased demands regarding our products and supply chain and their respective environmental and social impact, including on sustainability. These demands could require additional transparency, due diligence, and reporting and could cause us to incur additional costs or to make changes to our operations to comply with such demands. We may also determine that certain changes to our business are required in anticipation of further evolution of consumer preferences and demands. Increased focus and activism related to corporate responsibility and sustainability may also result in investors reconsidering their investment decisions as a result of their or a third party's assessment of a company's sustainability practices. Further, concern over climate change and other environmental sustainability matters has and may in the future result in new or increased legal and regulatory requirements to reduce or mitigate impacts to the environment, including greenhouse gas emissions regulations, alternative energy policies, and sustainability initiatives. At the same time, stakeholders and regulators have increasingly expressed or pursued opposing views, legislation and investment expectations with respect to sustainability initiatives, including the enactment or proposal of "Anti-ESG" legislation or policies, which may partially or wholly conflict with existing or future legislation, regulations or policies applicable to us. If we fail to achieve any goals, targets, or objectives we may set with respect to corporate responsibility matters, if we do not meet or comply with new regulations or evolving consumer, investor, industry, or stakeholder expectations and standards (which are not uniform), including those related to reporting, or

if we are perceived to have not responded appropriately to the growing concern for sustainability matters, we may face legal or regulatory actions, the imposition of fines, penalties, or other sanctions, adverse publicity, decreased demand from consumers, or a decline in the price of our common shares, any of which could materially harm our reputation or have a material adverse effect on our business, financial condition, or operating results.

Macroeconomic and Industry Risks

Competition may adversely affect our operations and financial results.

The restaurant business is highly competitive as to price, service, restaurant location, convenience, and type and quality of food. We compete within each market with locally-owned restaurants as well as national and regional restaurant chains. The casual dining segment of the restaurant industry has not seen significant growth in customer traffic in recent years. If these trends continue, our ability to grow customer traffic at our restaurants (including through off-premise) will depend on our ability to increase our market share within the casual dining segment. We also face competition from quick service and fast casual restaurants; the convergence in grocery, deli and restaurant services; and meal kit and food delivery providers. We compete primarily on the quality, variety and value perception of menu items, as well as the quality and efficiency of service, the attractiveness of facilities and the effectiveness of advertising and marketing programs. A key component of our corporate strategy involves our value platform as it relates to our competition; failure to maintain the customer perception of brand value could negatively impact our sales. If we are unable to compete effectively, our gross sales, guest traffic and profitability may decline.

A failure to identify and execute innovative marketing and guest engagement tactics, ineffective or improper use of other marketing initiatives, and increased advertising and marketing costs could adversely affect our results of operations.

Our ability to reach consumers and drive results is heavily influenced by brand marketing and advertising and our ability to adapt to evolving consumer preferences. We rely on identifying trends and data analytics to create successful advertising programs, including customer relationship management, social media, television and other digital marketing efforts. Increased costs in advertising may limit the amount of coverage we are able to achieve with any given campaign. Our marketing and advertising programs may not be as successful as intended, and thus, may adversely affect our reputation, business, our growth prospects and the strength of our brand. A failure to sufficiently innovate, develop guest relationship initiatives, or maintain adequate and effective advertising could inhibit our ability to maintain brand relevance or awareness and drive increased sales.

Our business could be adversely affected by our inability to respond to or effectively manage social media.

As part of our marketing strategy, we utilize social media platforms to promote our concepts and attract, engage and retain guests. Our strategy may not be successful, resulting in expenses incurred without improvement in guest traffic or brand relevance. In addition, a variety of risks are associated with the use of social media, including negative comments about us, exposure of personally identifiable information, fraud, dissemination of false information, and copyright and trademark risks. The inappropriate use of social media vehicles by our guests or employees could increase our costs, lead to litigation or result in negative publicity that could damage our reputation and adversely affect our results of operations.

Given the marked increase in the use of social media platforms, individuals have access to a broad audience of consumers and other interested persons. The availability of information on social media platforms is virtually immediate as is its impact. Many social media platforms immediately publish the content their users and participants post (which may include influencers with large audiences), often without filters or checks on the accuracy of the content posted. Information concerning our Company may be posted on such platforms at any time. If we are unable to quickly and effectively respond to such reports, we may suffer declines in guest traffic. The impact may be immediate without affording us an opportunity for redress or correction. These factors could have a material adverse impact on our business.

Global and domestic economic conditions negatively impact consumer discretionary spending and our business operations and could have a material negative effect on our financial performance.

The restaurant industry is dependent upon consumer discretionary spending, which is negatively affected by global and domestic economic conditions, such as: fluctuations in disposable income and changes in consumer confidence, the price of gasoline, slow or negative growth, unemployment, credit conditions and availability, volatility in financial markets, inflationary pressures, weakness in the housing market, tariffs and trade barriers, wars or conflict in certain regions, pandemics or public health concerns, and changes in government and central bank monetary policies. When economic conditions negatively affect consumer spending, discretionary spending for restaurant visits will be challenged, our guest traffic may deteriorate and the average amount guests spend in our restaurants may be reduced. This will negatively impact our revenues and also result in lower royalties collected, spreading fixed costs across a lower level of sales, and in turn, cause downward pressure on our profitability. This could result in further reductions in staff levels, asset impairment charges and potential restaurant closures.

On a broader scale, shifts in U.S. trade policy and retaliatory measures by global trade partners may lead to widespread economic effects, including increased consumer prices and a reduction in discretionary income. As a result, consumer spending on non-essential categories such as dining out may decline.

We have been adversely impacted by, and may continue to be adversely impacted by, ongoing macroeconomic challenges in the U.S. and other regions of the world where our franchisees operate, including recent labor, commodity, transportation and other inflationary pressures, supply chain disruptions, and military conflicts.

General economic conditions, including inflation and fluctuations in energy costs, and changes in U.S. or global trade policy may continue to increase our operating expenses.

We have in the past experienced, and are currently experiencing, the impacts of economic conditions, including inflation and fluctuations in utility and energy costs. Inflation has caused added food, labor and benefits costs and increased our operating expenses. Fluctuations and increases in utility and energy costs have also increased our operating expenses at regional and national levels, including through suppliers increasing prices due to higher prices for petroleum-based fuels, and as a result, putting pressure on margins. As operating expenses rise, we, to the extent permitted by competition, recover costs by raising menu prices, or by implementing alternative products, processes or cost reduction procedures. Changes in U.S. or global trade policy, such as new or increased tariffs on certain food products or other imported goods could further elevate costs, disrupt supply availability,

and constrain our ability to protect operating margins through pricing strategies or adjustments in purchasing practices. We cannot ensure we will be able to continue to recover some of the increases in operating expenses due to economic conditions, including inflation, in this manner.

Shortages or interruptions in the availability and delivery of food and other products may increase costs or reduce revenues.

Possible shortages or interruptions in the supply of food items and other products to our restaurants caused by inclement weather; natural disasters such as floods, droughts and hurricanes; health epidemics or pandemics; shortages in the availability of truck drivers; the inability of our suppliers to obtain credit in a tight credit market; trade barriers; food safety warnings or advisories or the prospect of such pronouncements; animal disease outbreaks; or other conditions beyond our control could adversely affect the availability, quality and cost of items we buy and the operations of our restaurants. Our inability to effectively manage supply chain risk could increase our costs or reduce revenues and limit the availability of products critical to our restaurant operations.

Information and Technology Related Risks

We are exposed to risks related to cybersecurity and protection of confidential information, and failure to protect the integrity and security of payment card or individually identifiable information of our guests and teammates or confidential and proprietary information of the Company could damage our reputation and expose us to loss of revenues, increased costs and litigation.

Our technology systems contain personal, financial and other information that is entrusted to us by our guests and team members, as well as financial, proprietary and other confidential information related to our business. In addition, a significant portion of our restaurant sales are by credit or debit cards. If our technology systems, or those of third-party services providers we rely upon, are compromised as a result of a cyber-attack (including whether from circumvention of security systems, denial-of-service attacks, hacking, use of artificial intelligence, “phishing” attacks, computer viruses, ransomware, malware, or social engineering) or other external or internal methods, it could result in an adverse and material impact on our reputation, operations, and financial condition. The cyber risks we face range from cyber-attacks common to most industries, to attacks that target us due to the confidential consumer information we obtain through our electronic processing of credit and debit card transactions. The rapid evolution and increased adoption of artificial intelligence technologies may also heighten our cybersecurity risks by making cyber-attacks more difficult to detect, contain, and mitigate. Such security breaches could also result in litigation or governmental investigation against us, as well as the imposition of penalties. These impacts could also occur if we are perceived either to have had an attack or to have failed to properly respond to an incident.

To conduct our operations, we regularly move data across national borders, and consequently are subject to a variety of continuously evolving and developing laws and regulations regarding privacy, data protection, and data security, including those related to the collection, storage, handling, use, disclosure, transfer, and security of personal data. The use and disclosure of such information is regulated and enforced at the federal, state and international levels, and these laws, rules and regulations are subject to change.

As privacy and information security laws and regulations change, or cyber risks evolve pertaining to data, we may incur significant additional costs in technology, third-party services and personnel to

maintain systems designed to anticipate and prevent cyber-attacks. As with many public companies, our defenses are under attack regularly. There have been, and will be, minor intrusions from time-to-time. We regularly implement and monitor preventative measures to reduce cyber risks. However, we cannot provide assurance that our security frameworks and measures will be successful in preventing future significant cyber-attacks or data loss.

We are dependent on information technology and any material failure in the operation or security of that technology or our ability to execute a comprehensive business continuity plan could impair our ability to efficiently operate our business.

We rely on information systems across our operations, including, for example, point-of-sale processing in our restaurants, management of our supply chain, collection of cash, payment of obligations and various other processes and procedures. Our ability to efficiently manage our business depends significantly on the reliability and capacity of these systems. The failure of these systems to operate effectively, problems with maintenance, larger scale outages, upgrading or transitioning to replacement systems or a breach in security of these systems could cause delays in customer service and reduce efficiency in our operations. Furthermore, as we continue to incorporate technology increasingly into our guests' experiences, disruptions or performance issues with guest-facing technology or systems could negatively impact the guest experience and counteract the intended benefits of such systems.

Additionally, our corporate systems and processes and corporate support for our restaurant operations are handled primarily at our restaurant support center. We have disaster recovery procedures and business continuity plans in place to address most events of a crisis nature, including tornadoes and other natural disasters, and back up and off-site locations for recovery of electronic and other forms of data and information. However, if we are unable to fully implement our disaster recovery plans, we may experience delays in recovery of data, inability to perform vital corporate functions, loss of productivity, tardiness in required reporting and compliance, failures to adequately support field operations and other breakdowns in normal communication and operating procedures that could have a material adverse effect on our financial condition, results of operations and exposure to administrative and other legal claims.

Financial Risks

Downgrades in our credit ratings could impact our ability to access capital and materially adversely affect our business, financial condition and results of operations.

Credit rating agencies have, and in the future may, change their credit rating for us, among other things, based on the performance of our business, our capital strategies or their overall view of our industry. There can be no assurance that any rating assigned to our currently outstanding public debt securities will remain in effect for any given period of time or that any such ratings will not be further lowered, suspended or withdrawn entirely by a rating agency if, in that agency's judgment, circumstances so warrant. A downgrade of our credit ratings could, among other things:

- Increase our cost of borrowing;
- Limit our ability to access capital;
- Result in more restrictive covenants in agreements governing the terms of any future indebtedness that we may incur, including restrictions on our ability to pay distributions or repurchase shares;

- Require us to provide collateral for any future borrowings; and
- Adversely affect the market price of our outstanding debt securities.

These ratings and our current credit condition affect, among other things, our ability to access new capital. Negative changes to these ratings may result in more stringent covenants and higher interest rates under the terms of any new debt agreement. Our credit ratings could be further lowered, or rating agencies could issue adverse commentaries in the future, which could have a material adverse effect on our business, financial condition, results of operations and liquidity. In particular, a weakening of our financial condition, including any further increase in our leverage or decrease in our profitability or cash flows, could adversely affect our ability to obtain necessary funds, could result in a credit rating downgrade or change in outlook, or could otherwise increase our cost of borrowing.

Declines in the market price of our common stock or changes in other circumstances that may indicate an impairment of goodwill could adversely affect our financial position and results of operations.

We perform our annual goodwill impairment tests in the second quarter of each fiscal year. Interim goodwill impairment tests are also required when events or circumstances change between annual tests that would more likely than not reduce the fair value of our reporting units below their carrying value. We performed our annual goodwill impairment test in the second quarter of fiscal 2025 and no indicators of impairment were identified. Additionally, no indicators of impairment were identified through the end of fiscal 2025. This assessment is predicated on our ability to continue to operate dining and banquet rooms and generate off-premise sales at our restaurants. We will continue to monitor and evaluate our results and evaluate the likelihood of any potential impairment charges at our reporting units.

It is possible that a change in circumstances such as the decline in the market price of our common stock or changes in consumer spending levels, or in the numerous variables associated with the judgments, assumptions and estimates made in assessing the appropriate valuation of our goodwill, could negatively impact the valuation of our brands and create the potential for the recognition of impairment losses on some or all of our goodwill. If we were required to write down a portion of our goodwill and record related non-cash impairment charges, our financial position and results of operations would be adversely affected.

Changes to estimates related to our property and equipment, or operating results that are lower than our current estimates at certain restaurant locations, may cause us to incur impairment charges on certain long-lived assets.

In connection with our impairment analysis for long-lived assets, we may make certain estimates and projections with respect to individual restaurant future cash flows as well as overall performance. If actual results differ significantly from our estimates and projections, this could result in future impairments that, could adversely impact our results. In fiscal 2025, we recognized \$4.6 million of long-lived asset and liquor license impairment charges Refer to Note 1 - Nature of Operations and Summary of Significant Accounting Policies within Part II, Item 8 - Financial Statements and Supplementary Data, Notes to Consolidated Financial Statements for more information.

Legal and Regulatory Risks

Litigation could have a material adverse impact on our business and our financial performance.

We are subject to lawsuits, administrative proceedings and claims that arise in the regular course of business or out of special circumstances. These matters typically involve claims by guests, team members and others regarding issues such as food-borne illness, food safety, premises liability, compliance with wage and hour requirements, work-related injuries, discrimination, harassment, disability and other operational issues common to the food service industry, as well as contract disputes and intellectual property infringement matters. Our franchise activity also creates a risk of us being named as a joint employer of workers of franchisees for alleged violations of labor and wage laws. We could be adversely affected by negative publicity and litigation costs resulting from these claims, regardless of their validity. Significant legal fees and costs in complex class action litigation or an adverse judgment or settlement that is not insured or is in excess of insurance coverage could have a material adverse effect on our financial position and results of operations.

Our business and operation could be negatively affected if we become subject to any securities litigation or shareholder activism, which could cause us to incur significant expenses, hinder execution of investment strategy and impact our stock price.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. Publicly traded companies also may become the target of shareholder activism, which could take many forms or arise in a variety of situations. Due to the potential volatility of our stock price and for a variety of other reasons, we may become the target of securities litigation or shareholder activism. Securities litigation and shareholder activism, including potential proxy contests, could result in substantial costs and legal fees and divert management's and our Board of Directors' attention and resources from our business. Additionally, such securities litigation and shareholder activism could give rise to perceived uncertainties as to our future, adversely affect our relationships with service providers and make it more difficult to attract and retain qualified personnel. Further, our stock price could be subject to significant fluctuation or otherwise be adversely affected by the events, risks and uncertainties of any securities litigation and shareholder activism.

From time to time we may implement measures that make it more difficult for an activist investor or potential acquirer to purchase a large portion of our securities, to initiate a tender offer or a proxy contest, or to acquire the Company through a merger or similar transaction. These measures may discourage investment in our common stock and may delay or discourage acquisitions that would result in our stockholders receiving a premium for their shares over the then-current market price.

Employment and labor laws and regulations have increased, and in the future may further increase, the cost of labor for our restaurants.

We are subject to various federal, state and local employment and labor laws and regulations that govern employment and labor matters, including, employment discrimination, minimum wages, work scheduling, overtime, tip credits, tax reporting, working conditions, safety standards, employment of minors, family leave and immigration status. Compliance with these laws and regulations can be costly, and a failure or perceived failure to comply with these laws could result in negative publicity or litigation. We have been and are under investigation for compliance periodically, and we have been and will be fined for alleged violations of these regulations.

Some states and localities have, and many others are contemplating, increases to their minimum wage and tip credit wage, and such increases can have a significant impact on our labor costs. For example, in September 2023, California passed legislation setting the minimum wage for fast food restaurant employees at \$20 per hour effective April 1, 2024 and establishing a council to set future wage increases and to make recommendations to state agencies for other sector-wide workplace standards. In addition, new employment or labor laws may mandate additional benefits for employees or impose additional obligations that may adversely impact the costs of labor, the availability of labor and our business operations. In addition, our suppliers may be affected by higher minimum wage standards or availability of labor, which may increase the price of goods and services they supply to us. There are no assurances that a combination of cost management and price increases can offset costs associated with compliance.

Governmental regulation may adversely affect our ability to maintain our existing and future operations and to open new restaurants.

We are subject to extensive federal, state, local and international laws and regulations, which vary from jurisdiction to jurisdiction and which increase our exposure to litigation and governmental proceedings. Among other laws and regulations, we are subject to laws and regulations relating to the design and operation of facilities, minimum wage, licensing and regulation by alcoholic beverage control, health, sanitation, safety and fire agencies, nutritional content and menu labeling, including the Affordable Care Act, which requires restaurant companies such as ours to disclose calorie information on their menus. Compliance with these laws and regulations may lead to increased costs and operational complexity, changes in sales mix and profitability, and increased exposure to governmental investigations or litigation. We cannot reliably anticipate any changes in guest behavior resulting from implementation of these laws.

We are also subject to federal and state environmental regulations, and although these have not had a material negative effect on our operations, we cannot ensure this will not occur in the future. For example, regulations by the United States and other foreign governments focused on environmental matters such as climate change, greenhouse gases and water conservation could result in increased taxation or in future restrictions on or increases in costs associated with food and other restaurant supplies, transportation costs and utility costs, any of which could decrease our operating profits and/or necessitate future investments in our restaurant facilities and equipment to achieve compliance.

We are subject to federal and state laws and regulations which govern the offer and sale of franchises and which may supersede the terms of franchise agreements between us and our franchisees. Failure to comply with such laws and regulations or to obtain or retain licenses or approvals to sell franchises could adversely affect us and our franchisees. Due to our international franchising, we are also subject to governmental regulations throughout the world impacting the way we do business with our international franchisees. These include antitrust and tax requirements, anti-boycott regulations, import/export/customs and other international trade regulations, the USA Patriot Act and the Foreign Corrupt Practices Act. Failure to comply with any such legal requirements could subject us to monetary liabilities and other sanctions, which could adversely impact our business and financial performance.

The impact of current laws and regulations, the effect of future changes in laws or regulations that impose additional requirements and the consequences of litigation relating to current or future laws and regulations, or our inability to respond effectively to significant regulatory or public policy issues,

could increase our compliance and other costs of doing business and therefore have an adverse effect on our results of operations. Failure to comply with the laws and regulatory requirements of federal, state, local, and international authorities could result in, among other things, revocation of required licenses, administrative enforcement actions, fines and civil and criminal liability. Compliance with these laws and regulations can be costly and can increase our exposure to litigation or governmental investigations or proceedings.

Changes in tax laws and unanticipated tax liabilities could adversely affect the taxes we pay and our profitability.

We are subject to income and other taxes in the United States and foreign jurisdictions, and our operations, plans and results are affected by tax and other initiatives around the world. In particular, we are affected by the impact of changes to tax laws or policy or related authoritative interpretations. We are also impacted by settlements of pending or any future adjustments proposed by taxing and governmental authorities inside and outside of the United States in connection with our tax audits, all of which will depend on their timing, nature and scope. Any significant increases in income tax rates, changes in income tax laws or unfavorable resolution of tax matters could have a material adverse impact on our financial results.

Failure to achieve and maintain effective internal controls in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and stock price.

We are subject to the internal control requirements of Section 404 of the Sarbanes-Oxley Act of 2002, which require management to assess the effectiveness of our internal control over financial reporting and our independent auditors to attest to the effectiveness of our internal control over financial reporting. Our processes for designing and implementing effective internal controls involve continuous effort that requires us to anticipate and react to changes in our business as well as in the economic and regulatory environments. As a result, we expend significant resources to maintain a system of internal controls that is adequate to satisfy our reporting obligations as a public company. We cannot assure you that the measures we will take as part of this effort will be sufficient to maintain effective internal control over our financial reporting. Failure to maintain effective internal controls could result in consolidated financial statements that do not accurately reflect our financial condition, cause investors to lose confidence in our reported financial information, or result in regulatory scrutiny, penalties or shareholder litigation, all of which could have a negative effect on the trading price of our common stock.

General Risk Factors

Other risk factors may adversely affect our financial performance.

Other risk factors that could cause our actual results to differ materially from those indicated in forward-looking statements, include, without limitation, changes in financial and credit markets (including rising interest rates); increased fuel costs and availability for our team members, customers and suppliers; increased health care costs; health epidemics or pandemics or the prospects of these events; changes in consumer behaviors; changes in demographic trends; labor shortages and availability of employees; union organization; strikes; wars or conflicts in certain regions; terrorist acts; energy shortages and rolling blackouts; weather and climate change (including, major hurricanes and regional winter storms); inadequate insurance coverage; and limitations imposed by our credit agreements.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

The Company takes a risk-based, proactive approach to its management of cybersecurity threats inherent in our business. Our existing cybersecurity policy includes ongoing monitoring and detection programs, network security precautions, encryption of certain critical data, in depth security assessment of vendors and incident response guidelines. We continue to invest and improve in the protection of systems, sensitive data, technology, and processes using third-party and in-house tools and resources. We remain vigilant in staying ahead of new and emerging risks utilizing our in-house tools, and security teams review and make strategic investments in our systems to keep the Company, our guests and our team members' data secure. The Company's Vice President of Information Technology and Security is responsible for developing and implementing these controls and processes.

We subscribe to multiple feeds and associations that discuss and monitor risks of any technology compromise at our business partners where relevant. Relevant restaurant level personnel and employees at the restaurant support center receive periodic training to bring awareness on how they can help prevent and report potential cybersecurity incidents. We also provide credit card handling training following Payment Card Industry guidelines to team members that handle guest payment information. In addition, key stakeholders involved with our cybersecurity risk management programs receive additional training and regularly participate in scenario-based training exercises to support the effective implementation of our programs. We maintain a disaster recovery plan and protect against business interruption by backing up our major systems. We routinely scan our environment for any vulnerabilities and perform penetration testing.

In addition to our internal processes and controls, we engage multiple third-parties to assess the effectiveness of our data security practices, including through an annual risk assessment. We conduct annual cybersecurity audits using a reputable third-party security auditor. A third-party conducts regular network security reviews, scans and audits. We require third-party vendors and service providers to complete a security questionnaire or provide a security compliance report performed by a reputable third-party to assess their risk.

We maintain a Risk Register documenting identified risks, including those from cybersecurity threats, their potential impact, and mitigation strategies. Through our internal audit function, we also perform an annual risk analysis using a risk matrix to prioritize risks based on their potential impact and likelihood.

There can be no guarantee that our policies and procedures will be effective. In addition, security controls, no matter how well designed or implemented, may only mitigate and not fully eliminate risks. We describe the risks from cybersecurity threats in Item 1A - Risk Factors, "Information and Technology Related Risks". We believe that risks from prior cybersecurity threats have not materially affected our results of operations or financial condition, including our business strategy, for the periods covered by this Annual Report on Form 10-K.

Governance

The Company's cybersecurity risk management processes are integrated into the Company's overall risk management processes and managed by a cross-functional team, comprised of IT leadership, Internal Audit and Legal. Our IT leadership team is comprised of our Chief Information Officer and Vice President of Information Technology and Security, each with over two decades of experience in information technology and cybersecurity. Our processes are designed to create a comprehensive, cross-functional approach to identify and mitigate cybersecurity risks as well as to prevent cybersecurity incidents in an effort to support business continuity and achieve operational resiliency. The Audit Committee of the Board of Directors has overall oversight responsibility for data security practices and controls to monitor and mitigate the Company's technology risk exposure.

IT leadership, along with Internal Audit and our Legal teams, receive reports on present cybersecurity threats from a number of experienced information security specialists or other relevant parties responsible for various parts of the business on an ongoing basis. Management, including the Vice President of Information Technology and Security and Chief Information Officer, reports quarterly, or more frequently if needed, to the Board of Directors, including the Audit Committee, on the effectiveness of our cybersecurity and data protection practices. The Audit Committee reviews the findings of the Company's annual risk assessment and penetration test. Further, our Board members also engage in ad hoc conversations with management on cybersecurity-related news events, receive training specific to cybersecurity risks and threats and regularly discuss any updates to our cybersecurity risk management and strategy programs.

The Company's incident response team is comprised of leaders from our information security team, risk, legal and audit departments. We have established and regularly test incident response processes and controls that identify and risk-rank incidents through a centralized system to promote timely escalation of cybersecurity incidents that exceed a particular level of risk. Incidents of sufficient magnitude or severity are escalated to the appropriate Company officers.

ITEM 2. PROPERTIES

Restaurant Locations

As of June 25, 2025, our system of Company-owned and franchise-operated restaurants included 1,628 restaurants. The below table contains a breakdown of our portfolio of restaurants:

| | June 25, 2025 | | |
|--------------------|---------------|---------------|-------|
| | Domestic | International | Total |
| Chili's | | | |
| Company-owned | 1,109 | 4 | 1,113 |
| Franchise | 99 | 364 | 463 |
| | 1,208 | 368 | 1,576 |
| Maggiano's | | | |
| Company-owned | 49 | — | 49 |
| Franchise | 3 | — | 3 |
| | 52 | — | 52 |
| System-wide | 1,260 | 368 | 1,628 |

The square footage of our Company-owned Chili's and Maggiano's restaurants ranges between 3,900 to 6,600 square feet and 8,200 to 24,800 square feet, respectively.

Our Chili's domestic Company-owned and franchise-operated restaurants are located in 49 states. Our franchisees also operate Chili's restaurants in two United States territories, Guam and Puerto Rico, and 27 other countries: Bahrain, Canada, Chile, China, Costa Rica, the Dominican Republic, Ecuador, Egypt, Germany, Guatemala, Honduras, India, Japan, Kuwait, Lebanon, Malaysia, Mexico, Morocco, Peru, Philippines, Qatar, Saudi Arabia, South Korea, Sri Lanka, Taiwan, Tunisia, and the United Arab Emirates. Our Chili's international Company-owned restaurants are all located in Canada. Our Maggiano's Company-owned and franchise-operated restaurants are located in 23 states and Washington, D.C.

As of June 25, 2025, 1,108 of the 1,162 Company-owned restaurant locations are leased, including 765 ground leases and 343 retail leases. Our leased restaurants typically have an initial lease term of 10 to 20 years, with one or more renewal terms ranging from 3 to 10 years. The leases typically provide for a fixed rental or a fixed rental plus percentage rentals based on sales volume.

Other Properties

We lease an office building in Dallas, Texas containing approximately 216,300 square feet which we use for our corporate headquarters and menu development activities.

ITEM 3. LEGAL PROCEEDINGS

This information is set forth within Part II, Item 8 - Financial Statements and Supplementary Data, Notes to Consolidated Financial Statements, Note 8 - Commitments and Contingencies of this Annual Report on Form 10-K is incorporated herein by reference.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

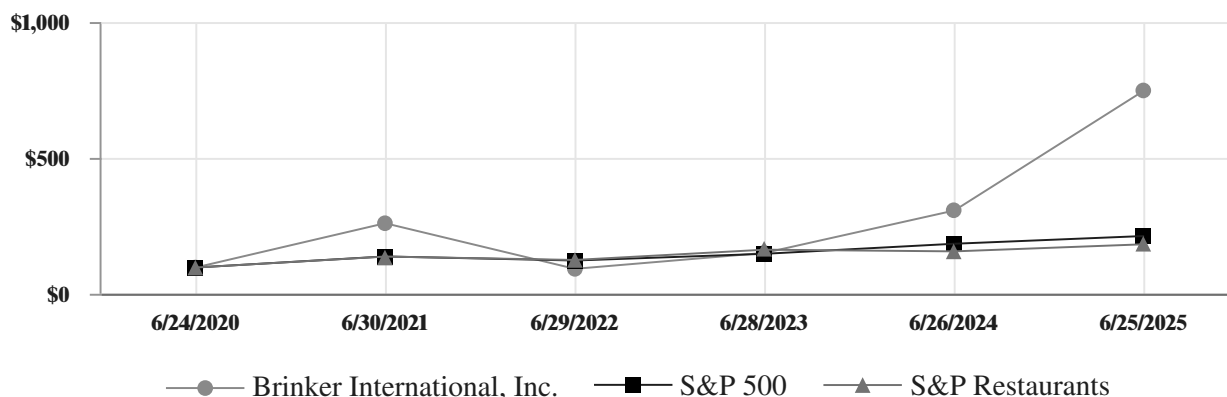
Our common stock is traded on the New York Stock Exchange ("NYSE") under the symbol "EAT", and as of August 7, 2025, there were 311 holders of record of our common stock.

The Company's decision to pay dividends in the future is at the discretion of the Board of Directors and will be dependent on our operating performance, financial condition, capital expenditure requirements, limitations on cash distributions pursuant to the terms and conditions of our revolving credit facility and applicable law, and such other factors that the Board of Directors considers relevant.

Comparison of Five Year Cumulative Total Return

The graph below presents Brinker International, Inc.'s cumulative 5-Year total shareholder return on common stock relative to the cumulative total returns of the S&P 500 index and the S&P Restaurants index for the period of June 24, 2020 through June 25, 2025. The graph is based on \$100 invested as of June 24, 2020 in the Company's common stock and each index, including the reinvestment of all dividends. The values shown below are neither indicative nor determinative of future performance.

Comparison of 5 Year Cumulative Return



| | Fiscal 2020 | Fiscal 2021 | Fiscal 2022 | Fiscal 2023 | Fiscal 2024 | Fiscal 2025 |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Brinker International, Inc. | \$ 100.00 | \$ 262.86 | \$ 95.24 | \$ 153.85 | \$ 309.69 | \$ 750.83 |
| S&P 500 | \$ 100.00 | \$ 140.79 | \$ 125.85 | \$ 150.51 | \$ 187.47 | \$ 215.89 |
| S&P Restaurants ⁽¹⁾ | \$ 100.00 | \$ 140.30 | \$ 127.89 | \$ 165.63 | \$ 159.43 | \$ 185.53 |

⁽¹⁾ The S&P Restaurants Index is comprised of Chipotle Mexican Grill, Inc., Darden Restaurants, Inc., Domino's Pizza, Inc., DoorDash, Inc., McDonald's Corp., Starbucks Corp., and Yum! Brands, Inc.

Share Repurchase Program

Our Board of Directors approved a \$300.0 million share repurchase program in August 2021. The Company repurchased 1.0 million shares of our common stock for \$76.0 million in fiscal 2025 and 0.7 million shares of our common stock for \$21.0 million in fiscal 2024. The Company did not repurchase any shares under the repurchase program in fiscal 2023.

During the thirteen week period ended June 25, 2025, we repurchased shares as follows (in millions, except per share amounts, unless otherwise noted):

| | Total Number of Shares Purchased ⁽¹⁾ | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Program | Approximate Dollar Value that May Yet be Purchased Under the Program ⁽²⁾ |
|---------------------------------------|--|------------------------------------|---|--|
| March 27, 2025 through April 30, 2025 | 0.004 | \$ 150.42 | — | \$ 107.0 |
| May 1, 2025 through May 28, 2025 | — | — | — | 107.0 |
| May 29, 2025 through June 25, 2025 | 0.019 | 173.95 | — | \$ 107.0 |
| Total | 0.023 | \$ 169.91 | — | |

(1) These amounts include shares purchased as part of our publicly announced programs and shares owned and tendered by team members to satisfy tax withholding obligations on the vesting of restricted share awards, which are not deducted from shares available to be purchased under publicly announced programs. Unless otherwise indicated, shares owned and tendered by team members to satisfy tax withholding obligations were purchased at the average of the high and low prices of the Company's shares on the date of vesting. In the fourth quarter of fiscal 2025, 23,133 shares were tendered by team members at an average price of \$169.91.

(2) Subsequent to fiscal 2025 year end, our Board of Directors authorized an additional \$400.0 million under our share repurchase program, allowing for a total available authority of \$507.0 million.

ITEM 6. RESERVED

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help you understand our Company, our operations and our current operating environment. For an understanding of the significant factors that influenced our performance, the MD&A should be read in conjunction with the Consolidated Financial Statements and related Notes to Consolidated Financial Statements included in Part II, Item 8 - Financial Statements and Supplementary Data of this report. Our MD&A consists of the following sections:

- **Overview** - a brief description of our business and a discussion on the external trends impacting our business;
- **Results of Operations** - an analysis of the Consolidated Statements of Comprehensive Income included in the Consolidated Financial Statements;
- **Liquidity and Capital Resources** - an analysis of cash flows, including capital expenditures, aggregate contractual obligations, financing activity, and known trends that may impact liquidity, including off-balance sheet arrangements; and
- **Critical Accounting Estimates** - a discussion of accounting policies that require critical judgments and estimates, including recent accounting pronouncements.

The following MD&A includes a discussion comparing our results in fiscal 2025 to fiscal 2024. For a discussion comparing our results from fiscal 2024 to fiscal 2023, refer to “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the fiscal year ended June 26, 2024, filed with the SEC on August 21, 2024.

The Consolidated Financial Statements are prepared in accordance with accounting principles generally accepted in the United States, and include the accounts of Brinker International, Inc. and our wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. We have a 52 or 53 week fiscal year ending on the last Wednesday in June. We utilize a 13 week accounting period for quarterly reporting purposes, except in years containing 53 weeks when the fourth quarter contains 14 weeks. Fiscal 2025, Fiscal 2024, and Fiscal 2023 which ended on June 25, 2025, June 26, 2024, and June 28, 2023, respectively, each contained 52 weeks. All amounts within the MD&A are presented in millions unless otherwise specified.

OVERVIEW

The Company is principally engaged in the ownership, operation, development, and franchising of the Chili’s® Grill & Bar (“Chili’s”) and Maggiano’s Little Italy® (“Maggiano’s”) restaurant brands. Our two restaurant brands, Chili’s and Maggiano’s, are both operating segments and reporting units. Refer to Part I, Item 1 - Business of this document for additional information about our business and operational strategies.

Operating Environment

During the recent years, our operating results were impacted by geopolitical and other macroeconomic events, leading to higher than usual inflation on wages and food and beverage costs. Geopolitical and other macroeconomic events have led, and in the future may lead to, wage inflation, staffing challenges, product cost inflation and/or disruptions in the supply chain that impact our restaurants’ ability to obtain the products needed to support their operation. Such events could also negatively affect consumer spending potentially reducing guest traffic and/or reducing the average amount guests spend in our restaurants.

RESULTS OF OPERATIONS

The following table sets forth selected operating data:

| | Fiscal Years Ended | | | |
|--------------------------------------|--------------------|--------------------------------|---------------|--------------------------------|
| | June 25, 2025 | | June 26, 2024 | |
| | Dollars | As a percentage ⁽¹⁾ | Dollars | As a percentage ⁽¹⁾ |
| Revenues | | | | |
| Company sales | \$ 5,335.3 | 99.1 % | \$ 4,371.1 | 99.0 % |
| Franchise revenues | 48.9 | 0.9 % | 44.0 | 1.0 % |
| Total revenues | 5,384.2 | 100.0 % | 4,415.1 | 100.0 % |
| Operating costs and expenses | | | | |
| Food and beverage costs | 1,350.6 | 25.3 % | 1,107.6 | 25.3 % |
| Restaurant labor | 1,717.3 | 32.2 % | 1,467.3 | 33.6 % |
| Restaurant expenses | 1,333.9 | 25.0 % | 1,212.9 | 27.8 % |
| Depreciation and amortization | 206.6 | 3.8 % | 170.8 | 3.9 % |
| General and administrative | 222.0 | 4.1 % | 183.7 | 4.2 % |
| Other (gains) and charges | 41.8 | 0.8 % | 43.2 | 1.0 % |
| Total operating costs and expenses | 4,872.2 | 90.5 % | 4,185.5 | 94.8 % |
| Operating income | 512.0 | 9.5 % | 229.6 | 5.2 % |
| Interest expenses | 53.1 | 1.0 % | 65.0 | 1.5 % |
| Other income, net | (1.1) | — % | (0.3) | — % |
| Income before income taxes | 460.0 | 8.5 % | 164.9 | 3.7 % |
| Provision (benefit) for income taxes | 76.9 | 1.4 % | 9.6 | 0.2 % |
| Net income | \$ 383.1 | 7.1 % | \$ 155.3 | 3.5 % |

⁽¹⁾ Food and beverage costs, Restaurant labor and Restaurant expenses are calculated based on a percentage of Company sales. All others are calculated as a percentage of Total revenues.

Revenues

Revenues are presented in two separate captions in the Consolidated Statements of Comprehensive Income to provide more clarity around Company-owned restaurant revenues and operating expenses trends:

- Company sales include revenues generated by the operation of Company-owned restaurants including food and beverage sales, net of discounts, Maggiano's banquet service charge income, delivery, gift card breakage, digital entertainment revenues, merchandise income and are net of gift card discount costs from third-party gift card sales.
- Franchise revenues include royalties, franchise advertising fees, franchise and development fees, and other service fees.

The following is a summary of the change in Total revenues:

| | Total Revenues | | |
|--|----------------|------------|----------------|
| | Chili's | Maggiano's | Total Revenues |
| Fiscal year ended June 26, 2024 | \$ 3,919.3 | \$ 495.8 | \$ 4,415.1 |
| Change from: | | | |
| Comparable restaurant sales ⁽¹⁾ | 958.3 | 7.0 | 965.3 |
| Restaurant openings | 36.3 | — | 36.3 |
| Maggiano's banquet income | — | (0.3) | (0.3) |
| Gift card breakage | (1.0) | (0.1) | (1.1) |
| Merchandise income | 0.1 | — | 0.1 |
| Digital entertainment revenues | 2.1 | — | 2.1 |
| Delivery service fee income | 1.0 | 0.1 | 1.1 |
| Restaurant closures | (38.0) | (1.3) | (39.3) |
| Company sales | 958.8 | 5.4 | 964.2 |
| Franchise revenues ⁽²⁾ | 4.8 | 0.1 | 4.9 |
| Fiscal year ended June 25, 2025 | \$ 4,882.9 | \$ 501.3 | \$ 5,384.2 |

- (1) Comparable restaurant sales increased due to higher traffic, favorable menu item mix, and menu price increases.
- (2) Franchise revenues increased primarily due to higher royalties. Our Chili's and Maggiano's franchisees generated sales of approximately \$967.4 million and \$16.9 million respectively in fiscal 2025 compared to \$856.2 million and \$11.8 million respectively in fiscal 2024.

The table below presents the percentage change in comparable restaurant sales and restaurant capacity for fiscal 2025 compared to fiscal 2024:

| | Comparable Sales ⁽¹⁾ | Price Impact | Mix-Shift Impact ⁽²⁾ | Traffic Impact | Restaurant Capacity ⁽³⁾ |
|---------------------------------|------------------------------------|--------------|------------------------------------|----------------|---------------------------------------|
| Company-owned | 22.7 % | 4.8 % | 4.4 % | 13.5 % | (1.1) % |
| Chili's | 25.3 % | 4.5 % | 4.8 % | 16.0 % | (1.2) % |
| Maggiano's | 1.5 % | 7.8 % | 1.2 % | (7.5) % | (0.3) % |
| Franchise ⁽⁴⁾ | 11.7 % | | | | |
| U.S. | 19.9 % | | | | |
| International | 6.8 % | | | | |
| Chili's domestic ⁽⁵⁾ | 25.0 % | | | | |
| System-wide ⁽⁶⁾ | 21.0 % | | | | |

- (1) Comparable Restaurant Sales include all restaurants that have been in operation for more than 18 full months. Restaurants temporarily closed 14 days or more are excluded from Comparable Restaurant Sales. Percentage amounts are calculated based on the comparable periods year-over-year.
- (2) Mix-Shift is calculated as the year-over-year percentage change in Company sales resulting from the change in menu items ordered by guests.
- (3) Restaurant Capacity is measured by sales weeks and is calculated based on comparable periods year-over-year. No adjustments have been made to capacity for temporary closures.
- (4) Franchise sales generated by franchisees are not included in Total revenues in the Consolidated Statements of Comprehensive Income; however, we generate royalty revenues and advertising fees based on franchisee revenues, where applicable. We believe presenting Franchise Comparable Restaurant Sales provides investors relevant information regarding total brand performance.
- (5) Chili's domestic Comparable Restaurant Sales percentages are derived from sales generated by Company-owned and franchise-operated Chili's restaurants in the United States.
- (6) System-wide Comparable Restaurant Sales are derived from sales generated by Chili's and Maggiano's Company-owned and franchise-operated restaurants.

Costs and Expenses

The following is a summary of the changes in Costs and Expenses:

| | Fiscal Years Ended | | | | Favorable (Unfavorable) Variance | |
|-------------------------------|--------------------|--------------------------|---------------|--------------------------|-------------------------------------|--------------------------|
| | June 25, 2025 | | June 26, 2024 | | Dollars | % of Company Sales |
| | Dollars | % of Company Sales | Dollars | % of Company Sales | | |
| Food and beverage costs | \$ 1,350.6 | 25.3 % | \$ 1,107.6 | 25.3 % | \$ (243.0) | — % |
| Restaurant labor | 1,717.3 | 32.2 % | 1,467.3 | 33.6 % | (250.0) | 1.4 % |
| Restaurant expenses | 1,333.9 | 25.0 % | 1,212.9 | 27.8 % | (121.0) | 2.8 % |
| Depreciation and amortization | 206.6 | | 170.8 | | (35.8) | |
| General and administrative | 222.0 | | 183.7 | | (38.3) | |
| Other (gains) and charges | 41.8 | | 43.2 | | 1.4 | |
| Interest expenses | 53.1 | | 65.0 | | 11.9 | |
| Other income, net | (1.1) | | (0.3) | | 0.8 | |

As a percentage of Company sales:

- *Food and beverage costs* were flat, due to 1.5% of favorable menu pricing, offset by 1.1% of unfavorable menu item mix and 0.4% of unfavorable commodity costs driven by poultry, meat, produce, and dairy.
- *Restaurant labor* was favorable 1.4%, due to 4.0% of sales leverage and 0.2% of lower other labor expenses, partially offset by 2.1% of higher hourly labor driven by increased staffing levels and wage rates, 0.4% of higher manager salaries, and 0.3% of higher manager bonus.
- *Restaurant expenses* were favorable 2.8%, due to 3.8% of sales leverage and 0.1% of lower other restaurant expenses, partially offset by 0.5% of higher repairs and maintenance, 0.4% of higher advertising, and 0.2% of higher rent.

Depreciation and amortization increased \$35.8 million as follows:

| | Depreciation and Amortization |
|---|----------------------------------|
| Fiscal year ended June 26, 2024 | \$ 170.8 |
| Change from: | |
| Additions for existing and new restaurant assets | 28.0 |
| Finance leases ⁽¹⁾ | 11.8 |
| Corporate assets | 2.2 |
| Retirements and fully depreciated restaurant assets | (14.5) |
| Other ⁽²⁾ | 8.3 |
| Fiscal year ended June 25, 2025 | \$ 206.6 |

(1) Finance lease amortization increased primarily due to new tabletop and tablet devices in our restaurants.

(2) Other includes accelerated depreciation of certain equipment over the remaining expected useful life as a result of management's decision to abandon and replace the equipment.

General and administrative expenses increased \$38.3 million as follows:

| | General and Administrative |
|--|-------------------------------|
| Fiscal year ended June 26, 2024 | \$ 183.7 |
| Change from: | |
| Corporate technology initiatives ⁽¹⁾ | 8.6 |
| Payroll expenses | 7.4 |
| Performance-based compensation | 6.5 |
| Stock-based compensation | 5.4 |
| Defined contribution plan employer expenses and other benefits | 4.0 |
| Professional fees | 3.3 |
| Other | 3.1 |
| Fiscal year ended June 25, 2025 | <u>\$ 222.0</u> |

- ⁽¹⁾ Corporate technology initiatives increased primarily due to ERP system subscription costs and amortization of software implementation costs.

Other (gains) and charges consisted of the following (for further details refer to Note 13 - Other Gains and Charges):

| | Fiscal Years Ended | |
|--|--------------------|----------------|
| | June 25, 2025 | June 26, 2024 |
| Litigation & claims, net ⁽¹⁾ | \$ 22.4 | \$ 6.6 |
| Enterprise system implementation costs | 14.1 | 14.0 |
| Restaurant-level impairment charges | 4.6 | 12.3 |
| Restaurant closure asset write-offs and charges | 4.1 | 10.1 |
| Severance and other benefit charges | 2.4 | 0.5 |
| Lease contingencies | 1.7 | 0.8 |
| Gain on sale of assets, net | (0.5) | (2.7) |
| Loss from natural disasters, net (of insurance recoveries) | (3.7) | (0.4) |
| Lease modification gain, net | (5.1) | (0.3) |
| Other | 1.8 | 2.3 |
| | <u>\$ 41.8</u> | <u>\$ 43.2</u> |

- ⁽¹⁾ *Litigation & claims, net* in the current year primarily relates to legal contingencies, inclusive of certain extraordinary one-time settlements related to employment and intellectual property claims, and alcohol service-related cases.

Interest expenses decreased \$11.9 million primarily due to lower average outstanding debt balances, partially offset by higher interest on financed leased equipment.

Income Taxes

| | Fiscal Years Ended | |
|---------------------------|--------------------|---------------|
| | June 25, 2025 | June 26, 2024 |
| Effective income tax rate | 16.7 % | 5.8 % |

The change in the effective income tax rate from fiscal 2024 to fiscal 2025 is primarily due to higher Income before income taxes and the resulting deleverage of the FICA tip tax credit. Refer to Note 9 - Income Taxes for more information.

H.R. 1., also known as the One Big Beautiful Bill Act (“OBBBA”), was enacted on July 4, 2025. The legislation includes several provisions that may impact the timing and magnitude of certain tax deductions. Key provisions include the permanent extension of several business tax benefits originally introduced under the 2017 Tax Cuts and Jobs Act. We are currently evaluating the provisions of the OBBBA to assess their potential impact on our financial position, results of operations and cash flows.

Segment Results

Chili's Segment

| | Fiscal Years Ended | | Favorable (Unfavorable) Variance | |
|--------------------|--------------------|---------------|----------------------------------|--------|
| | June 25, 2025 | June 26, 2024 | Dollars | % |
| Company sales | \$ 4,834.8 | \$ 3,876.0 | \$ 958.8 | 24.7 % |
| Franchise revenues | 48.1 | 43.3 | 4.8 | 11.1 % |
| Total revenues | \$ 4,882.9 | \$ 3,919.3 | \$ 963.6 | 24.6 % |

Chili's Total revenues increased 24.6% primarily due to favorable comparable restaurant sales driven by higher traffic, favorable menu item mix, and menu pricing. Refer to the “Revenues” section above for further details about Chili's revenues changes.

The following is a summary of the changes in Chili's operating costs and expenses:

| | Fiscal Years Ended | | | | Favorable (Unfavorable) Variance | |
|-------------------------------|--------------------|--------------------------|---------------|--------------------------|-------------------------------------|--------------------------|
| | June 25, 2025 | | June 26, 2024 | | | |
| | Dollars | % of Company Sales | Dollars | % of Company Sales | Dollars | % of Company Sales |
| Food and beverage costs | \$ 1,233.1 | 25.5 % | \$ 990.7 | 25.5 % | \$ (242.4) | — % |
| Restaurant labor | 1,561.4 | 32.3 % | 1,309.0 | 33.8 % | (252.4) | 1.5 % |
| Restaurant expenses | 1,187.8 | 24.6 % | 1,073.2 | 27.7 % | (114.6) | 3.1 % |
| Depreciation and amortization | 182.5 | | 147.7 | | (34.8) | |
| General and administrative | 50.4 | | 42.8 | | (7.6) | |
| Other (gains) and charges | 23.7 | | 26.9 | | 3.2 | |

As a percentage of Company sales:

- Chili's Food and beverage costs were flat, due to 1.5% of favorable menu pricing, offset by 1.1% of unfavorable menu item mix, and 0.4% of unfavorable commodity costs driven by higher poultry, meat, produce, and dairy.
- Chili's Restaurant labor was favorable 1.5%, due to 4.5% of sales leverage, partially offset by 2.3% of higher hourly labor driven by increased staffing levels and wage rates and 0.4% of higher manager salaries and 0.3% of higher manager bonus.

- Chili's Restaurant expenses were favorable 3.1%, due to 4.2% of sales leverage, partially offset by 0.5% of higher repairs and maintenance, 0.4% of higher advertising, and 0.2% of higher rent.

Chili's Depreciation and amortization increased \$34.8 million as follows:

| | Depreciation and Amortization |
|---|--|
| Fiscal year ended June 26, 2024 | \$ 147.7 |
| Change from: | |
| Additions for new and existing restaurant assets | 25.1 |
| Finance leases ⁽¹⁾ | 11.9 |
| Retirements and fully depreciated restaurant assets | (10.6) |
| Other ⁽²⁾ | 8.4 |
| Fiscal year ended June 25, 2025 | <u>\$ 182.5</u> |

⁽¹⁾ Finance lease amortization increased primarily due to new tabletop and tablet devices in our restaurants.

⁽²⁾ Other includes accelerated depreciation of certain equipment over the remaining expected useful life as a result of management's decision to abandon and replace the equipment.

Chili's General and administrative increased \$7.6 million as follows:

| | General and Administrative |
|--|---------------------------------------|
| Fiscal year ended June 26, 2024 | \$ 42.8 |
| Change from: | |
| Performance-based compensation | 2.1 |
| Defined contribution plan employer expenses and other benefits | 1.9 |
| Payroll expenses | 1.4 |
| Stock-based compensation | 1.4 |
| Other | 0.8 |
| Fiscal year ended June 25, 2025 | <u>\$ 50.4</u> |

Chili's Other (gains) and charges consisted of the following (for further details, refer to Note 13 - Other Gains and Charges):

| | Fiscal Years Ended | |
|--|---------------------------|----------------------|
| | June 25, 2025 | June 26, 2024 |
| Litigation & claims, net | \$ 20.0 | \$ 6.2 |
| Restaurant-level impairment charges | 4.6 | 11.9 |
| Restaurant closure asset write-offs and charges | 3.6 | 10.1 |
| Loss from natural disasters, net (of insurance recoveries) | (3.5) | (0.4) |
| Lease modification gain, net | (1.6) | (0.3) |
| Gain on sale of assets, net | (0.5) | (2.6) |
| Other | 1.1 | 2.0 |
| | <u>\$ 23.7</u> | <u>\$ 26.9</u> |

Maggiano's Segment

| | Fiscal Years Ended | | Favorable (Unfavorable) Variance | |
|--------------------|--------------------|---------------|-------------------------------------|--------|
| | June 25, 2025 | June 26, 2024 | Dollars | % |
| Company sales | \$ 500.5 | \$ 495.1 | \$ 5.4 | 1.1 % |
| Franchise revenues | 0.8 | 0.7 | 0.1 | 14.3 % |
| Total revenues | \$ 501.3 | \$ 495.8 | \$ 5.5 | 1.1 % |

Maggiano's Total revenues increased 1.1% primarily due to favorable comparable restaurant sales driven by increased menu pricing and favorable menu item mix, partially offset by lower traffic. Refer to the "Revenues" section above for further details about Maggiano's revenues changes.

The following is a summary of the changes in Maggiano's operating costs and expenses:

| | Fiscal Years Ended | | | | Favorable (Unfavorable) Variance | |
|-------------------------------|--------------------|--------------------|---------------|--------------------|-------------------------------------|--------------------|
| | June 25, 2025 | | June 26, 2024 | | Dollars | % of Company Sales |
| | Dollars | % of Company Sales | Dollars | % of Company Sales | | |
| Food and beverage costs | \$ 117.5 | 23.5 % | \$ 116.9 | 23.6 % | \$ (0.6) | 0.1 % |
| Restaurant labor | 155.9 | 31.2 % | 158.3 | 32.0 % | 2.4 | 0.8 % |
| Restaurant expenses | 145.3 | 29.0 % | 139.2 | 28.1 % | (6.1) | (0.9) % |
| Depreciation and amortization | 14.6 | | 13.1 | | (1.5) | |
| General and administrative | 9.7 | | 10.2 | | 0.5 | |
| Other (gains) and charges | (1.8) | | 0.6 | | 2.4 | |

As a percentage of Company sales:

- Maggiano's Food and beverage costs were favorable 0.1%, due to 1.3% of favorable menu pricing partially offset by 0.8% of unfavorable commodity costs driven by dairy and poultry and 0.4% of unfavorable menu item mix.
- Maggiano's Restaurant labor was favorable 0.8%, due to 0.5% of lower hourly labor, 0.4% of lower manager bonus, 0.2% of sales leverage, and 0.1% of lower other labor expenses, partially offset by 0.4% of higher manager salaries.
- Maggiano's Restaurant expenses were unfavorable 0.9%, due to 0.5% of higher advertising, 0.3% of higher repairs and maintenance, 0.3% higher rent, and 0.1% of higher other restaurant expenses, partially offset by 0.3% of sales leverage.

CRITICAL ACCOUNTING ESTIMATES

Our significant accounting policies are disclosed in Note 1 - Nature of Operations and Summary of Significant Accounting Policies in Part II, Item 8 - Financial Statements and Supplementary Data, Notes to Consolidated Financial Statements. The following discussion addresses our most critical accounting estimates, which are those that are most important to the portrayal of our financial condition and results, and that require significant judgment.

Gift Card Revenues Recognition

Proceeds from the sale of gift cards are recorded as deferred revenues and recognized as revenues when the gift cards are redeemed by the holders. Breakage income represents the value associated with the portion of gift cards sold that will most likely never be redeemed and is estimated based on our historical gift card redemption patterns and actuarial estimates. Breakage revenues are recognized proportionate to the pattern of related gift card redemptions. We recognize breakage income in Company sales in the Consolidated Statements of Comprehensive Income.

We update our breakage rate estimate periodically and, if necessary, adjust the deferred revenues balance accordingly. If actual redemption patterns vary from our estimate, actual gift card breakage income may differ from the amounts recorded. Changing our breakage-rate assumption used to record breakage attributable to gift cards sold in fiscal 2025 by 50 basis points would result in an impact to the Consolidated Statements of Comprehensive Income of approximately \$0.6 million on the current year.

Valuation of Long-Lived Assets

We review the carrying amount of property, equipment and lease assets on an annual basis or more often if events or circumstances indicate that the carrying amount may not be recoverable. The impairment test is a two-step process. Step one includes comparing the operating cash flows of each restaurant (asset group) over its remaining service life to the carrying value of the asset group. If the cash flows exceed the carrying value, then the asset group is not impaired, and no further evaluation is required. If the carrying value of the asset group exceeds its cash flows, impairment may exist and performing step two is necessary to determine the impairment loss. If the carrying amount is not recoverable, we record an impairment charge for the excess of the carrying amount over the fair value of the asset group. We determine fair value based on discounted projected future operating cash flows of each restaurant over its remaining service life using a risk adjusted discount rate. This process requires the use of estimates and assumptions, which are subject to a high degree of judgment.

Effect of New Accounting Standards

The impact of new accounting pronouncements can be found at Note 1 - Nature of Operations and Summary of Significant Accounting Policies in Part II, Item 8 - Financial Statements and Supplementary Data, Notes to Consolidated Financial Statements.

LIQUIDITY AND CAPITAL RESOURCES

Our principal sources of liquidity are net cash provided by operating activities and borrowings if any, under our \$1.0 billion revolving credit facility as further discussed below. Our main requirements for liquidity are to support our working capital, capital expenditures for new and existing restaurants, obligations under our operating leases, and interest payments on our debt. Our operations have typically not required significant working capital. Substantially all of our sales are tendered in cash and cash equivalents, which are received before related trade payables for food and beverage products, supplies, labor and services become due.

Changes in our cash flows from operating, investing and financing activities during fiscal 2025 compared to fiscal 2024 are outlined below.

Cash Flows from Operating Activities

| | Fiscal Years Ended | | Favorable (Unfavorable) Variance |
|---|--------------------|---------------|--|
| | June 25, 2025 | June 26, 2024 | |
| Net cash provided by operating activities | \$ 679.0 | \$ 421.9 | \$ 257.1 |

Net cash provided by operating activities increased due to an increase in operating income partially offset by an increase in payments of income taxes and the timing of other operational receipts and payments.

Cash Flows from Investing Activities

| | Fiscal Years Ended | | Favorable (Unfavorable) Variance |
|---------------------------------------|--------------------|---------------|--|
| | June 25, 2025 | June 26, 2024 | |
| Net cash used in investing activities | \$ (263.4) | \$ (192.2) | \$ (71.2) |

Net cash used in investing activities increased primarily due to new equipment purchases and increased spend on Chili's capital maintenance.

Cash Flows from Financing Activities

| | Fiscal Years Ended | | Favorable (Unfavorable) Variance |
|---------------------------------------|--------------------|---------------|--|
| | June 25, 2025 | June 26, 2024 | |
| Net cash used in financing activities | \$ (461.3) | \$ (180.2) | \$ (281.1) |

Net cash used in financing activities increased primarily due to the payoff of the \$350.0 million 5.00% notes and an increase in share repurchases in fiscal 2025 compared to net repayment activity on the revolving credit facility of \$161.3 million in fiscal 2024.

Debt

On May 1, 2025, we amended our \$900.0 million revolving credit facility to increase the capacity to \$1.0 billion. The Company incurred and capitalized \$3.6 million of debt issuance costs associated with the revolving credit facility during fiscal 2025, which are included in Other assets in the Consolidated Balance Sheets.

The \$1.0 billion revolving credit facility, as amended, matures on May 1, 2030 and bears interest at a rate of SOFR plus an applicable margin of 1.25% to 2.00% and an undrawn commitment fee of 0.20% to 0.30%, both based on a function of our debt-to-cash-flow ratio. As of June 25, 2025, our interest rate was 5.82% consisting of SOFR of 4.32% plus the applicable margin and spread adjustment of 1.50%. As of June 25, 2025, there were no amounts outstanding under the revolving credit facility.

Our \$350.0 million 8.25% notes mature July 15, 2030, and require semi-annual interest payments in arrears, on each January 15 and July 15.

In October 2024, the \$350.0 million of 5.00% senior notes matured and were repaid in full using borrowings under the revolving credit facility.

As of June 25, 2025, we were in compliance with our covenants pursuant to the \$1.0 billion revolving credit facility and under the terms of the indentures governing our 8.25% notes. Refer to Note 7 - Debt within Part II, Item 8 - Financial Statements and Supplementary Data for further information about our notes and revolving credit facility.

Share Repurchase Program

Our Board of Directors approved a \$300.0 million share repurchase program in August 2021. Our share repurchase program is used to return capital to shareholders and to minimize the dilutive impact of stock options and other share-based awards. We evaluate potential share repurchases under our plan based on several factors, including our cash position, share price, operational liquidity, proceeds from divestitures, borrowings and planned investment and financing needs. As part of our share repurchase program, we repurchased 1.0 million shares of our common stock for \$76.0 million in fiscal 2025 and 0.7 million shares of our common stock for \$21.0 million in fiscal 2024. As of June 25, 2025, we had \$107.0 million of authorized repurchases remaining under the share repurchase program.

Subsequent to fiscal 2025 year end, our Board of Directors authorized an additional \$400.0 million under our share repurchase program, allowing for a total available authority of \$507.0 million.

Dividend Program

There were no dividends declared in fiscal 2025 or fiscal 2024. The Company's decision to pay dividends in the future is at the discretion of the Board of Directors and will be dependent on our operating performance, financial condition, capital expenditure requirements, limitations on cash distributions pursuant to the terms and conditions of our revolving credit facility and applicable law, and such other factors that the Board of Directors considers relevant.

Cash Flow Outlook

In light of an unpredictable macroeconomy, including commodity and labor inflation and supply chain disruptions, we continue to focus on cash flow generation and maintaining a solid and flexible financial position to execute our long-term strategy of investing in our business. We continue to assess the macro environment and will adjust our overall approach to capital allocation, including share repurchases, based on market conditions and trends.

Based on the current level of operations, we believe that our current cash and cash equivalents, coupled with cash generated from operations and availability under our existing revolving credit facility will be adequate to meet our capital expenditure and working capital needs for at least the next twelve months, including the repayment of current debt obligations.

Future Commitments and Contractual Obligations

Payments due under our contractual obligations for outstanding indebtedness, leases and purchase obligations as of June 25, 2025 are as follows:

| | Payments Due by Period | | | | | Total |
|-------------------------------------|------------------------|-----------|-----------|----------------------|----------|-------|
| | Less than 1 Year | 1-3 Years | 3-5 Years | More than 5 Years | | |
| Long-term debt ⁽¹⁾ | \$ — | \$ — | \$ — | \$ 350.0 | \$ 350.0 | |
| Interest ⁽²⁾ | 28.9 | 57.7 | 57.8 | 14.4 | 158.8 | |
| Finance leases ⁽³⁾ | 22.7 | 52.5 | 14.5 | 27.9 | 117.6 | |
| Operating leases ⁽³⁾ | 186.1 | 334.1 | 296.3 | 952.4 | 1,768.9 | |
| Purchase obligations ⁽⁴⁾ | 21.5 | 22.1 | 2.5 | — | 46.1 | |

- (1) Long-term debt consists of principal amounts owed on the 8.25% notes which mature on July 15, 2030. As of June 25, 2025, there was no outstanding balance on the \$1.0 billion revolving credit facility.
- (2) Interest consists of remaining interest payments on the 8.25% fixed rate notes.
- (3) Finance leases and Operating leases total future lease payments represent the contractual obligations due under the lease agreements, including cancellable option periods where we are reasonably assured to exercise the options.
- (4) Purchase obligations are defined as an agreement to purchase goods or services that is enforceable and legally binding on us and that specifies all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction. Our purchase obligations primarily consist of long-term obligations for software and professional services contracts, as well as non-cancellable insurance premiums, and exclude agreements that are cancellable without significant penalty.

Off-Balance Sheet Arrangements

We have entered into certain pre-commencement leases as disclosed in Note 6 - Leases and have obligations for guarantees on certain lease agreements and letters of credit as disclosed in Note 8 - Commitments and Contingencies included within Part II, Item 8 - Financial Statements and Supplementary Data, Notes to Consolidated Financial Statements of this Annual Report on Form 10-K.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

This market risk discussion contains forward-looking statements. Actual results may differ materially from this discussion based upon general market conditions and changes in domestic and global financial markets.

Interest Rate Risk

The terms of our revolving credit facility require us to pay interest on outstanding borrowings at SOFR plus an applicable margin based on a function of our debt-to-cash-flow ratio. As of June 25, 2025, there was no outstanding balance on the revolving credit facility which is our only debt instrument with a variable interest rate.

Commodity Price Risk

We purchase food and other commodities for use in our operations based on market prices established with our suppliers. While our purchasing commitments partially mitigate the risk of such fluctuations, there is no assurance that supply and demand factors such as disease, inclement weather, tariffs, or recent geopolitical unrest, will not cause the prices of the commodities used in our restaurant operations to fluctuate. The aggregate impact of these and other factors contributed to cost inflation in recent years. Additionally, if there is a time lag between the increasing commodity prices and our ability to increase menu prices or if we believe the commodity price increase to be short in duration and we choose not to pass on the cost increases, our short-term financial results could be negatively affected.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Brinker International, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Brinker International, Inc. and subsidiaries (the Company) as of June 25, 2025 and June 26, 2024, the related consolidated statements of comprehensive income, shareholders' equity (deficit), and cash flows for each of the years in the three-year period ended June 25, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of June 25, 2025 and June 26, 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended June 25, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of June 25, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated August 15, 2025 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated

financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of gift card breakage revenue

As discussed in Notes 1 and 2 to the consolidated financial statements, gift card breakage revenue represents the monetary value associated with outstanding gift card balances that will not be redeemed. The Company estimates this amount based on the historical gift card redemption patterns and recognizes the estimated breakage as revenue in proportion to the pattern of related gift card redemptions. The gift card breakage revenue recognized for the year ended June 25, 2025 was \$10 million.

We identified the assessment of gift card breakage revenue as a critical audit matter. Subjective auditor judgment was required to evaluate the Company's assessment of the trends in historical and expected future redemption patterns as well as the actuarial models utilized to update the breakage rate.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's gift card breakage revenue process. This included controls related to the Company's estimation of the breakage rate, review of the actuarial models used, and the timing of breakage revenue recognition. We assessed breakage revenue by comparing the Company's estimated breakage rate to rates derived from historical redemption data. We evaluated the timing of breakage revenue recognition by analyzing historical redemption patterns and assessing the volume of redemptions subsequent to the period of breakage revenue recognition. We also involved actuarial professionals with specialized skills and knowledge, who assisted in assessing the reasonableness of the actuarial models by comparing them to generally accepted actuarial standards.

/s/ KPMG LLP

We have served as the Company's auditor since 1984.

Dallas, Texas

August 15, 2025

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Brinker International, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Brinker International, Inc. and subsidiaries' (the Company) internal control over financial reporting as of June 25, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of June 25, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of June 25, 2025 and June 26, 2024, the related consolidated statements of comprehensive income, shareholders' equity (deficit), and cash flows for each of the years in the three-year period ended June 25, 2025, and the related notes (collectively, the consolidated financial statements), and our report dated August 15, 2025 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's report. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are

recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Dallas, Texas

August 15, 2025

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America and includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

We have assessed the effectiveness of our internal control over financial reporting based on the framework in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our assessment, we concluded that our internal control over financial reporting was effective as of June 25, 2025.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The effectiveness of our internal control over financial reporting as of June 25, 2025 has been audited by KPMG LLP, an independent registered public accounting firm, as stated in its attestation report which is included herein.

BRINKER INTERNATIONAL, INC.
Consolidated Statements of Comprehensive Income
(In millions, except per share amounts)

| | Fiscal Years Ended | | |
|---|--------------------|---------------|---------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Revenues | | | |
| Company sales | \$ 5,335.3 | \$ 4,371.1 | \$ 4,093.2 |
| Franchise revenues | 48.9 | 44.0 | 40.0 |
| Total revenues | 5,384.2 | 4,415.1 | 4,133.2 |
| Operating costs and expenses | | | |
| Food and beverage costs | 1,350.6 | 1,107.6 | 1,146.3 |
| Restaurant labor | 1,717.3 | 1,467.3 | 1,389.3 |
| Restaurant expenses | 1,333.9 | 1,212.9 | 1,097.5 |
| Depreciation and amortization | 206.6 | 170.8 | 168.5 |
| General and administrative | 222.0 | 183.7 | 154.5 |
| Other (gains) and charges | 41.8 | 43.2 | 32.7 |
| Total operating costs and expenses | 4,872.2 | 4,185.5 | 3,988.8 |
| Operating income | 512.0 | 229.6 | 144.4 |
| Interest expenses | 53.1 | 65.0 | 54.9 |
| Other income, net | (1.1) | (0.3) | (1.3) |
| Income before income taxes | 460.0 | 164.9 | 90.8 |
| Provision (benefit) for income taxes | 76.9 | 9.6 | (11.8) |
| Net income | \$ 383.1 | \$ 155.3 | \$ 102.6 |
| Basic net income per share | \$ 8.60 | \$ 3.49 | \$ 2.33 |
| Diluted net income per share | \$ 8.32 | \$ 3.40 | \$ 2.28 |
| Basic weighted average shares outstanding | 44.6 | 44.4 | 44.1 |
| Diluted weighted average shares outstanding | 46.1 | 45.7 | 45.0 |
| Other comprehensive income (loss) | | | |
| Foreign currency translation adjustment | \$ (0.1) | \$ (0.3) | \$ (0.7) |
| Comprehensive income | \$ 383.0 | \$ 155.0 | \$ 101.9 |

See accompanying Notes to Consolidated Financial Statements

BRINKER INTERNATIONAL, INC.
Consolidated Balance Sheets
(In millions, except per share amounts)

| | June 25, 2025 | June 26, 2024 |
|--|-------------------|-------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 18.9 | \$ 64.6 |
| Accounts receivable, net | 73.4 | 60.6 |
| Inventories | 35.2 | 34.5 |
| Restaurant supplies | 54.9 | 53.8 |
| Prepaid expenses | 24.6 | 20.6 |
| Total current assets | 207.0 | 234.1 |
| Property and equipment, at cost | | |
| Land | 44.9 | 41.6 |
| Buildings and leasehold improvements | 1,755.2 | 1,670.2 |
| Furniture and equipment | 845.3 | 830.6 |
| Construction-in-progress | 71.8 | 41.0 |
| | 2,717.2 | 2,583.4 |
| Less accumulated depreciation and amortization | (1,764.5) | (1,703.7) |
| Net property and equipment | 952.7 | 879.7 |
| Other assets | | |
| Operating lease assets | 1,149.1 | 1,095.2 |
| Goodwill | 194.7 | 194.8 |
| Deferred income taxes, net | 101.4 | 113.9 |
| Intangibles, net | 17.4 | 19.9 |
| Other | 56.3 | 55.5 |
| Total other assets | 1,518.9 | 1,479.3 |
| Total assets | <u>\$ 2,678.6</u> | <u>\$ 2,593.1</u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current liabilities | | |
| Accounts payable | \$ 168.5 | \$ 160.6 |
| Gift card liability | 57.2 | 64.8 |
| Accrued payroll | 156.2 | 130.8 |
| Operating lease liabilities | 114.6 | 114.1 |
| Other accrued liabilities | 172.6 | 144.7 |
| Income taxes payable, net | 6.5 | 7.3 |
| Total current liabilities | 675.6 | 622.3 |
| Long-term debt and finance leases, less current installments | 426.0 | 786.3 |
| Long-term operating lease liabilities, less current portion | 1,135.3 | 1,084.5 |
| Other liabilities | 70.8 | 60.6 |
| Commitments and contingencies (Note 8) | | |
| Shareholders' equity | | |
| Common stock (250.0 million authorized shares; \$0.10 par value; 60.3 million shares issued and 44.5 million shares outstanding at June 25, 2025, and 60.3 million shares issued and 45.0 million shares outstanding at June 26, 2024) | 6.0 | 6.0 |
| Additional paid-in capital | 714.5 | 707.8 |
| Accumulated other comprehensive loss | (6.4) | (6.3) |
| Retained earnings (Accumulated deficit) | 186.5 | (196.6) |
| Treasury stock, at cost (15.8 million shares at June 25, 2025, and 15.3 million shares at June 26, 2024) | (529.7) | (471.5) |
| Total shareholders' equity | 370.9 | 39.4 |
| Total liabilities and shareholders' equity | <u>\$ 2,678.6</u> | <u>\$ 2,593.1</u> |

See accompanying Notes to Consolidated Financial Statements

BRINKER INTERNATIONAL, INC.
Consolidated Statements of Cash Flows
(In millions)

| | Fiscal Years Ended | | |
|---|--------------------|---------------|---------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Cash flows from operating activities | | | |
| Net income | \$ 383.1 | \$ 155.3 | \$ 102.6 |
| Adjustments to reconcile Net income to Net cash provided by operating activities: | | | |
| Depreciation and amortization | 206.6 | 170.8 | 168.5 |
| Deferred income taxes, net | 12.6 | (20.6) | (30.9) |
| Non-cash other (gains) and charges | 25.7 | 28.7 | 24.0 |
| Stock-based compensation | 31.4 | 25.9 | 14.4 |
| Net loss on disposal of assets | 11.7 | 3.5 | 2.7 |
| Other | 2.6 | 2.8 | 1.8 |
| Changes in assets and liabilities: | | | |
| Accounts receivable, net | (12.9) | (0.6) | 0.7 |
| Inventories | (1.3) | (0.5) | — |
| Restaurant supplies | (2.2) | (1.0) | (1.1) |
| Prepaid expenses | (2.7) | (12.3) | (20.6) |
| Income taxes | (0.5) | 4.0 | 8.0 |
| Operating lease assets, net of liabilities | (2.6) | (4.0) | (2.8) |
| Other assets | (0.3) | (0.4) | — |
| Accounts payable | (7.6) | 30.8 | (5.8) |
| Gift card liability | (7.6) | (8.2) | (10.9) |
| Accrued payroll | 25.7 | 24.7 | (5.3) |
| Other accrued liabilities | 12.2 | 21.7 | 10.0 |
| Other liabilities | 5.1 | 1.3 | 1.0 |
| Net cash provided by operating activities | 679.0 | 421.9 | 256.3 |
| Cash flows from investing activities | | | |
| Payments for property and equipment | (265.3) | (198.9) | (184.9) |
| Proceeds from note receivable | — | 1.3 | 4.5 |
| Proceeds from sale of assets | 1.0 | 4.7 | 5.5 |
| Insurance recoveries | 0.9 | 0.7 | 0.7 |
| Net cash used in investing activities | (263.4) | (192.2) | (174.2) |
| Cash flows from financing activities | | | |
| Borrowings on revolving credit facility | 885.0 | 389.0 | 765.0 |
| Payments on revolving credit facility | (885.0) | (550.3) | (875.0) |
| Payments on long-term debt | (375.8) | (20.1) | (322.1) |
| Proceeds from issuance of long-term debt | — | — | 350.0 |
| Purchases of treasury stock | (90.2) | (25.8) | (5.0) |
| Proceeds from issuance of treasury stock | 8.3 | 27.9 | 12.5 |
| Payments for debt issuance costs | (3.6) | (0.7) | (5.3) |
| Payments of dividends | — | (0.2) | (0.6) |
| Net cash used in financing activities | (461.3) | (180.2) | (80.5) |
| Net change in cash and cash equivalents | (45.7) | 49.5 | 1.6 |
| Cash and cash equivalents at beginning of period | 64.6 | 15.1 | 13.5 |
| Cash and cash equivalents at end of period | \$ 18.9 | \$ 64.6 | \$ 15.1 |
| Supplemental disclosure of cash flow information: | | | |
| Income taxes paid, net | \$ 64.3 | \$ 26.1 | \$ 12.4 |
| Interest paid, net of amounts capitalized | 55.1 | 50.3 | 51.0 |
| Accrued capital expenditures | 31.7 | 16.5 | 11.3 |

See accompanying Notes to Consolidated Financial Statements

BRINKER INTERNATIONAL, INC.
Consolidated Statements of Shareholders' Equity (Deficit)
(In millions)

| | Common Stock | | Additional Paid-In Capital | Retained Earnings (Accumulated Deficit) | Treasury Stock | Accumulated Other Comprehensive Loss | Total |
|-----------------------------|--------------|--------|----------------------------------|--|-------------------|---|------------|
| | Shares | Amount | | | | | |
| Balances at June 29, 2022 | 43.8 | \$ 7.0 | \$ 690.9 | \$ (148.4) | \$ (812.3) | \$ (5.3) | \$ (268.1) |
| Net income | — | — | — | 102.6 | — | — | 102.6 |
| Other comprehensive loss | — | — | — | — | — | (0.7) | (0.7) |
| Stock-based compensation | — | — | 14.4 | — | — | — | 14.4 |
| Purchases of treasury stock | (0.1) | — | (0.4) | — | (4.6) | — | (5.0) |
| Issuances of treasury stock | 0.9 | — | (14.9) | — | 27.4 | — | 12.5 |
| Retirement of stock | — | (1.0) | — | (306.1) | 307.1 | — | — |
| Balances at June 28, 2023 | 44.6 | 6.0 | 690.0 | (351.9) | (482.4) | (6.0) | (144.3) |
| Net income | — | — | — | 155.3 | — | — | 155.3 |
| Other comprehensive loss | — | — | — | — | — | (0.3) | (0.3) |
| Stock-based compensation | — | — | 25.9 | — | — | — | 25.9 |
| Purchases of treasury stock | (0.8) | — | (0.5) | — | (25.3) | — | (25.8) |
| Issuances of treasury stock | 1.2 | — | (7.6) | — | 36.2 | — | 28.6 |
| Balances at June 26, 2024 | 45.0 | 6.0 | 707.8 | (196.6) | (471.5) | (6.3) | 39.4 |
| Net income | — | — | — | 383.1 | — | — | 383.1 |
| Other comprehensive loss | — | — | — | — | — | (0.1) | (0.1) |
| Stock-based compensation | — | — | 31.4 | — | — | — | 31.4 |
| Purchases of treasury stock | (1.2) | — | (9.0) | — | (81.5) | — | (90.5) |
| Issuances of treasury stock | 0.7 | — | (15.7) | — | 23.3 | — | 7.6 |
| Balances at June 25, 2025 | 44.5 | \$ 6.0 | \$ 714.5 | \$ 186.5 | \$ (529.7) | \$ (6.4) | \$ 370.9 |

See accompanying Notes to Consolidated Financial Statements

BRINKER INTERNATIONAL, INC.
Notes to Consolidated Financial Statements
Footnote Index

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1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Company is principally engaged in the ownership, operation, development and franchising of the Chili's® Grill & Bar ("Chili's") and Maggiano's Little Italy® ("Maggiano's") restaurant brands. As of June 25, 2025, we owned, operated or franchised 1,628 restaurants, consisting of 1,162 Company-owned restaurants and 466 franchised restaurants, located in the United States, 27 other countries and two United States territories.

Basis of Presentation

Principles of Consolidation - The Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), and include the accounts of Brinker International, Inc. and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. All amounts within the Notes to Consolidated Financial Statements are presented in millions unless otherwise specified.

Fiscal Year - We have a 52 or 53 week fiscal year ending on the last Wednesday in June. We utilize a 13 week accounting period for quarterly reporting purposes, except in years containing 53 weeks when the fourth quarter contains 14 weeks. Fiscal 2025, Fiscal 2024, and Fiscal 2023 which ended on June 25, 2025, June 26, 2024, and June 28, 2023, respectively, each contained 52 weeks.

Use of Estimates - The preparation of the Consolidated Financial Statements is in conformity with GAAP and requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements, and the reported amounts of revenues and costs and expenses in the reporting periods. Actual results could differ from those estimates.

Significant Accounting Policies

Cash and Cash Equivalents - Our policy is to invest cash in excess of operating requirements in income-producing investments. Income-producing investments with original maturities of three months or less are reflected as cash equivalents.

Accounts Receivable - Accounts receivable, net of the allowance for credit losses, represents the estimated net realizable value. Our primary accounts receivables are due from third-party gift card sales, vendor rebates, restaurant sales made with credit cards and franchisees. Provisions for credit losses are recorded based on management's judgment regarding our ability to collect as well as the age of the receivables. Accounts receivable are written off when they are deemed uncollectible.

Inventories - Inventories consist of food, beverages and supplies and are valued at the lower of cost (using the first-in, first-out method) or net realizable value.

Cloud-Based Computing Arrangements - The Company defers application development stage costs for cloud-based computing arrangements and amortizes those costs over the related service (subscription) agreement. The current and long term portion is included in Prepaid expenses and Other assets in the Consolidated Balance Sheets, respectively.

Fair Value Measurements - Fair value is the price that would be received to sell an asset or paid to transfer a liability, in an orderly transaction between market participants at the measurement date under market conditions. Fair value measurements are categorized in three levels based on the types of significant inputs used, as follows:

| | |
|---------|--|
| Level 1 | Quoted prices in active markets for identical assets or liabilities |
| Level 2 | Observable inputs available at measurement date other than quoted prices included in Level 1 |
| Level 3 | Unobservable inputs that cannot be corroborated by observable market data |

Property and Equipment - Property and equipment is recorded at cost and depreciated using the straight-line method over the lesser of the remaining term of the lease, including certain renewal options, or the estimated useful lives of the assets. Typical useful lives of our Buildings and leasehold improvements range from 5 to 20 years, and Furniture and equipment range from 3 to 7 years.

Depreciation expenses related to property and equipment for the fiscal years ended June 25, 2025, June 26, 2024, and June 28, 2023, of \$204.3 million, \$167.9 million, and \$165.3 million, respectively, were recorded in Depreciation and amortization in the Consolidated Statements of Comprehensive Income. Routine repair and maintenance costs are expensed when incurred. Major replacements and improvements are capitalized.

We review the carrying amount of property and equipment on an annual basis or when events or circumstances indicate that the carrying amount may not be recoverable. We have determined the restaurant level is the lowest level of identifiable cash flows. If the carrying amount is not recoverable, we record an impairment charge for the excess of the carrying amount over the fair value. We determine fair value based on discounted projected future operating cash flows of the restaurants over their remaining service life using a risk adjusted discount rate that is commensurate with the inherent risk that is considered a Level 3 fair value measurement. Impairment charges are included in Other (gains) and charges in the Consolidated Statements of Comprehensive Income. Refer to Note 3 - Fair Value Measurements for further information on impairment charges.

Leases - We recognize lease liabilities and corresponding lease assets based on the present value of the lease payments using our incremental borrowing rate applicable to the lease term. Landlord contributions are recorded as an adjustment to the lease assets. The lease term commences on the date the lessor makes the underlying asset or assets available, irrespective of when lease payments begin under the contract. When determining the lease term at commencement, we consider both termination and renewal option periods available, and only include the period for which failure to renew the lease imposes a penalty on us in such an amount that renewal, or termination options, appear to be reasonably certain. The Company accounts for lease and non-lease components, for all leases, as a single lease component.

The interest rates used in our lease contracts are not implicit. We derive our incremental borrowing rate using the interest rate we would pay on our existing borrowings, adjusted for the effect of designating collateral and the lease terms using market data as well as publicly available data for instruments with similar characteristics. The reasonably certain lease term and incremental borrowing rate for each lease requires judgment by management and can impact the classification and accounting for a lease as operating or finance, as well as the value of the lease asset and lease liability. We monitor for events or changes in circumstances that require reassessment of lease classification. When a reassessment results in the re-measurement of a lease liability, a corresponding adjustment is made to the carrying amount of the lease asset.

Variable lease costs, consisting primarily of property taxes, maintenance expenses and contingent rent, are expensed as incurred in Restaurant expenses related to restaurant properties and General and administrative for our corporate headquarters in the Consolidated Statements of Comprehensive Income and are not included in lease liabilities in the Consolidated Balance Sheets. Contingent rent represents payment of variable lease obligations based on a percentage of sales, as defined by the terms of the applicable lease, for certain restaurant facilities and is recorded at the point in time we determine that it is probable that such sales levels will be achieved.

Operating lease expenses are recognized on a straight-line basis over the lease term in Restaurant expenses for restaurant properties and General and administrative for our corporate headquarters, in the Consolidated Statements of Comprehensive Income.

Finance lease expenses are recognized on a straight-line basis over the lesser of the useful life of the leased asset or the lease term and the expenses are recognized in Depreciation and amortization in the Consolidated Statements of Comprehensive Income. Interest on each finance lease liability is recorded to Interest expenses in the Consolidated Statements of Comprehensive Income.

Lease asset carrying amounts are assessed for impairment annually or when events or circumstances indicate that the carrying amount may not be recoverable, in accordance with our long-lived asset impairment policy. Impairment charges are included in Other (gains) and charges in the Consolidated Statements of Comprehensive Income. Refer to Note 3 - Fair Value Measurements for further information on impairment charges.

Definite-Lived Intangible Assets - Definite-lived intangible assets primarily include the reacquired franchise rights resulting from acquisitions and are included in Intangibles, net in the Consolidated Balance Sheets. These assets are amortized using the straight-line method over the remaining term of the related franchise agreement. We determine the fair value of reacquired franchise rights based on discounted projected future operating cash flows of the restaurants associated with these franchise rights. We review the carrying amount annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying amount is not recoverable, we record an impairment charge for the excess of the carrying amount over the fair value. Impairment charges are included in Other (gains) and charges in the Consolidated Statements of Comprehensive Income.

Indefinite-Lived Intangible Assets - The costs of obtaining non-transferable liquor licenses from local government agencies are expensed over the specified term of the license to Restaurant expenses in the Consolidated Statements of Comprehensive Income. The costs of purchasing transferable liquor licenses through open markets in jurisdictions with a limited number of authorized liquor licenses are capitalized as indefinite-lived intangible assets and included in Intangibles, net in the Consolidated Balance Sheets.

Transferable liquor licenses are tested for impairment annually or more frequently if events or circumstances indicate that the asset might be impaired. Impairment charges are recognized based on the excess of carrying value over fair value. We determine fair value based on prices in the open market for licenses in same or similar jurisdictions. Impairment charges are included in Other (gains) and charges in the Consolidated Statements of Comprehensive Income.

Goodwill - Goodwill represents the excess of the purchase price over the fair value of net assets acquired in business combinations and is assigned to the reporting unit in which the acquired business will operate for purposes of impairment testing. Goodwill is tested for impairment annually, during the

second quarter of each fiscal year, or more frequently if events or changes in circumstances indicate that the asset might be impaired. Our two restaurant brands, Chili's and Maggiano's, are both operating segments and reporting units.

We may elect to perform a qualitative assessment to determine whether it is more likely than not that a reporting unit is impaired. If the qualitative assessment is not performed or if we determine that it is not more likely than not that the fair value of the reporting unit exceeds the carrying value, the fair value of the reporting unit is calculated. The carrying value of the reporting unit is compared to its estimated fair value, and if the carrying value of a reporting unit exceeds its fair value, goodwill is written down to its implied fair value.

During fiscal 2025, fiscal 2024 and fiscal 2023, we performed our annual goodwill impairment analysis using a qualitative approach to determine whether indicators of impairment exist. Related to the qualitative assessment, we evaluated factors including our market capitalization, as well as the market capitalization of other companies in the restaurant industry, sales at our restaurants and significant adverse changes in the operating environment for the restaurant industry. Based on these factors, no indicators of impairment were identified during our annual analysis performed in the second quarters of fiscal 2025, fiscal 2024 and fiscal 2023. Additionally, no indicators of impairment were identified through the end of each fiscal year.

Insurance Reserves - We are self-insured for certain losses related to health, general liability and workers' compensation claims. We maintain stop loss coverage with third-party insurers to limit our total exposure. The self-insurance liability represents an estimate of the ultimate cost of claims incurred and unpaid as of the balance sheet date. The estimated liability is not discounted and is established based upon analysis of historical data and actuarial estimates and is reviewed on a quarterly basis to confirm that the liability is appropriate. The estimated incurred but unreported costs to settle unpaid claims are included in Other accrued liabilities and Other liabilities, depending on their current or long-term nature, in the Consolidated Balance Sheets.

Preferred Stock - Our Board of Directors is authorized to provide for the issuance of 1.0 million preferred shares with a par value of \$1.00 per share, in one or more series, and to fix the voting rights, liquidation preferences, dividend rates, conversion rights, redemption rights, and terms, including sinking fund provisions, and certain other rights and preferences. As of June 25, 2025, no preferred shares were issued.

Revenues - Revenues are presented in the Company sales and Franchise revenues captions in the Consolidated Statements of Comprehensive Income.

Company Sales - Company sales include revenues generated by the operation of Company-owned restaurants including food and beverage sales, net of discounts, Maggiano's banquet service charge income, delivery, gift card breakage, digital entertainment revenues, merchandise income and are net of gift card discount costs from third-party gift card sales. We record revenues from the sale of food, beverages and alcohol, net of discounts, upon delivery to the customer. Sales taxes assessed by a governmental authority that are both imposed on and concurrent with specific revenue transactions and collected from a customer have been excluded from revenues.

Gift card breakage represents the monetary value associated with outstanding gift card balances that will not be redeemed. We estimate this amount based on our historical gift card redemption patterns and actuarial estimates, update the breakage rate estimate periodically and if necessary, adjust the deferred revenues balance within the Gift card liability in the Consolidated Balance Sheets. Breakage

revenues are recognized proportionate to the pattern of related gift card redemptions. We do not charge dormancy fees, or any other fees related to monitoring or administering the gift card program to cardholders. Additionally, proceeds from the sale of gift cards are recorded as deferred revenues in the Gift card liability in the Consolidated Balance Sheets and recognized as Company sales when the gift card is redeemed by the holder.

Our gift cards are sold through various outlets such as in-restaurant, Chili's and Maggiano's websites, directly to other businesses and through third-party distributors that sell our gift cards at retail locations. We incur incremental direct costs, such as commissions and activation fees, for gift cards sold by third-party businesses and distributors. These gift card discount costs are deferred and amortized against revenues proportionate to the pattern of related gift card redemptions.

Franchise Revenues - Franchise revenues include royalties, franchise advertising fees, franchise and development fees, and other service fees. Franchise royalties are based on a percentage of the sales generated by our franchise-operated restaurants. The performance obligation related to franchise sales is considered complete upon the sale of food, beverages and alcohol, therefore royalty revenues are recognized in the same period the sales are generated at the franchise-operated restaurants. Franchise advertising fees are revenues that our domestic franchisees are contractually obligated to contribute into certain marketing funds. Franchise and development fees are received from franchises for new restaurant openings and for territory development arrangements. The performance obligation related to these arrangements are collectively deferred as a contract liability and recognized on a straight-line basis into Franchise revenues in the Consolidated Statements of Comprehensive Income over the term of the underlying agreements.

Advertising Expenses - Advertising production costs are expensed in the period when the advertising first takes place. Other advertising costs are expensed as incurred. In the fiscal years ended June 25, 2025, June 26, 2024 and June 28, 2023, advertising expenses of \$146.6 million, \$130.2 million and \$58.2 million, respectively, were included in Restaurant expenses, and advertising contributions from franchisees of \$6.5 million, \$6.0 million and \$3.0 million, respectively, were recorded in Franchise revenues in the Consolidated Statements of Comprehensive Income.

Income Taxes - Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

We record a liability for unrecognized tax benefits resulting from tax positions taken, or expected to be taken, in an income tax return that is not more-likely-than-not to be realized. We recognize any interest and penalties related to unrecognized tax benefits in Provision (benefit) for income taxes in the Consolidated Statements of Comprehensive Income. Additionally, income taxes are computed on a consolidated legal jurisdiction basis with no regard to brand.

Stock-Based Compensation - We measure and recognize compensation costs at fair value for all share-based payments. We recognize compensation expenses, net of forfeitures, using a graded-vesting schedule or on a straight-line basis, as applicable, over the vesting period, or the date on which retirement eligibility is achieved, if earlier.

Certain employees are generally awarded performance shares and restricted stock units, while non-employee members of the Board of Directors are generally awarded restricted stock units. Awards granted to the Board of Directors are non-forfeitable and are fully expensed upon grant. Awards to eligible employees may vest over a specified period of time or service period and may also contain performance-based conditions. The fair values of restricted stock units that do not contain a performance condition are based on our closing stock price on the date of grant.

Performance shares represent a right to receive shares of common stock upon satisfaction of Company performance goals as defined in the grant agreements. The fair value of our performance shares with a market-based metric, such as total shareholder return (“TSR”), is determined by a Monte Carlo simulation on the grant date. Refer to Note 11 - Stock-based Compensation for further information about the Monte Carlo simulation assumptions. Performance shares are expensed on a straight-line basis over the applicable vesting period. Our performance shares with vesting contingent only upon Company TSR performance were granted in fiscal 2025 and have a five year vesting period. Our performance shares with vesting contingent upon meeting Company performance goals based on earnings at the end of a three-fiscal-year vesting period also include a TSR component and are expensed over the vesting period based on management’s periodic estimates of the number of shares that will be earned under the Company earnings performance metric. A cumulative expenses adjustment is recognized when that estimate changes.

Foreign Currency - Foreign currency translation adjustments represents the unrealized impact of translating the financial statements of our Canadian restaurants from their respective functional currency to United States dollars and are reported as a component of Comprehensive income and recorded in Accumulated other comprehensive loss on our Consolidated Balance Sheets.

Net Income Per Share - Basic net income per share is computed by dividing Net income by the Basic weighted average shares outstanding for the reporting period. Diluted net income per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock. For the calculation of Diluted net income per share, the Basic weighted average shares outstanding is increased by the dilutive effect of stock options and restricted share awards. Stock options and restricted share awards with an anti-dilutive effect are not included in the Diluted net income per share calculation. Basic weighted average shares outstanding are reconciled to Diluted weighted average shares outstanding as follows:

| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
|---|---------------|---------------|---------------|
| Basic weighted average shares outstanding | 44.6 | 44.4 | 44.1 |
| Dilutive stock options | 0.1 | 0.1 | 0.1 |
| Dilutive restricted shares | 1.4 | 1.2 | 0.8 |
| Total dilutive impact | 1.5 | 1.3 | 0.9 |
| Diluted weighted average shares outstanding | 46.1 | 45.7 | 45.0 |
| Awards excluded due to anti-dilutive effect | — | 0.4 | 1.3 |

Recently Issued Accounting Standards

As of June 25, 2025, we adopted Accounting Standards Update (“ASU”) 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which updates reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses.

The adoption of ASU 2023-07 did not impact our results of operations, cash flow or financial condition. See Note 14 - Segment Information for our segment disclosures.

In December 2023, the Financial Accounting Standards Board (“FASB”) issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires disaggregated information about a company’s effective tax rate reconciliation and requires disclosure of income taxes paid by jurisdiction. The amendments are effective for fiscal years beginning after December 15, 2024, which require us to adopt the provisions in our fiscal 2026 Form 10-K. The amendments should be applied prospectively; however, retrospective application is permitted. Management does not expect this ASU to have a material impact on our disclosures.

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, which requires, for each relevant expense caption on the income statement, detailed disclosure amounts for purchases of inventory, employee compensation, depreciation, and intangible asset amortization. In addition, this ASU requires companies to include amounts already required by GAAP in the same disclosure, provide a qualitative description of remaining amounts not separately disaggregated, and disclose the amount of total selling expenses along with the companies’ definition of selling expenses. The amendment is effective for fiscal years beginning after December 15, 2026, which would require us to adopt the provisions in our fiscal 2028 Form 10-K. Early adoption is permitted. The amendments should be applied prospectively; however, retrospective application is permitted. Management is currently evaluating this ASU to determine its impact on our disclosures.

2. REVENUE RECOGNITION

Deferred Franchise and Development Fees

Our deferred franchise and development fees consist of the unrecognized fees received from franchisees. Recognition of these fees in subsequent periods is based on satisfaction of the contractual performance obligations of the active contracts with franchisees. We also expect to earn subsequent period royalties and advertising fees related to our franchise contracts; however, due to the variability and uncertainty of these future revenues based upon a sales-based measure, these future revenues are not yet estimable as the performance obligations remain unsatisfied. Deferred franchise and development fees are classified within Other accrued liabilities for the current portion expected to be recognized within the next 12 months and Other liabilities for the long-term portion in the Consolidated Balance Sheets.

The following table reflects the changes in deferred franchise and development fees for the fiscal years ended on June 25, 2025 and June 26, 2024:

| | June 25, 2025 | June 26, 2024 |
|---|---------------|---------------|
| Beginning balance | \$ 9.7 | \$ 11.1 |
| Additions | 1.5 | 0.6 |
| Amount recognized to Franchise revenues | (1.4) | (2.0) |
| Ending balance | <u>\$ 9.8</u> | <u>\$ 9.7</u> |

The following table illustrates franchise and development fees expected to be recognized in the future related to performance obligations that were unsatisfied or partially unsatisfied as of June 25, 2025:

| Fiscal Year | Franchise and Development Fees Revenue Recognition |
|-------------|--|
| 2026 | \$ 0.8 |
| 2027 | 0.8 |
| 2028 | 0.7 |
| 2029 | 0.6 |
| 2030 | 0.5 |
| Thereafter | 6.4 |
| | <u>\$ 9.8</u> |

Deferred Gift Card Revenues

Total deferred revenues related to our gift cards include the full value of unredeemed gift card balances less recognized breakage and the unamortized portion of third-party fees. The following table reflects the changes in the Gift card liability for fiscal years ended on June 25, 2025 and June 26, 2024:

| | June 25, 2025 | June 26, 2024 |
|---|----------------|----------------|
| Beginning balance | \$ 64.8 | \$ 73.0 |
| Gift card sales | 122.8 | 122.2 |
| Gift card redemptions recognized to Company sales | (120.4) | (119.5) |
| Gift card breakage recognized to Company sales | (10.0) | (11.1) |
| Other | — | 0.2 |
| Ending balance | <u>\$ 57.2</u> | <u>\$ 64.8</u> |

3. FAIR VALUE MEASUREMENTS

Financial Instruments

The fair values of cash and cash equivalents, accounts receivable and accounts payable approximate their carrying amounts because of the short maturity of these items.

The carrying amount of long-term debt outstanding related to our revolving credit facility approximates fair value as the interest rate on this instrument approximates current market rates (Level 2). The fair values of our notes are based on observable bid prices and are considered Level 2 fair value measurements, and the carrying amounts and the fair values are as follows:

| | June 25, 2025 | | June 26, 2024 | |
|----------------------------|-----------------|------------|-----------------|------------|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| 8.25% notes | \$ 346.0 | \$ 372.3 | \$ 345.2 | \$ 367.8 |
| 5.00% notes ⁽¹⁾ | — | — | 349.8 | 349.6 |

⁽¹⁾ On October 1, 2024, the 5.00% notes matured and were repaid in full using borrowings under our revolving credit facility.

Non-Financial Assets

We review the carrying amounts of non-financial assets, primarily long-lived property and equipment, finance lease assets, operating lease assets, reacquired franchise rights, goodwill and transferable liquor licenses annually or when events or circumstances indicate that the fair value may not substantially exceed the carrying amount. We determined the fair values of property and equipment, including finance lease assets, operating lease assets and reacquired franchise rights are based on Level 3 fair value measurements. The fair values of transferable liquor licenses are based on prices in the open market for licenses in the same or similar jurisdictions and are categorized as Level 2. We record an impairment charge for the excess of the carrying amount over the fair value.

During fiscal 2025 and fiscal 2024 we impaired certain long-lived assets and operating lease assets primarily related to 13 and 35 underperforming Chili's restaurants, respectively. The table below presents the carrying values and related charges recorded on these impaired restaurants for the periods presented:

| | Pre-Impairment Carrying Value | | Impairment Charges | |
|-----------------------------|-------------------------------|----------------|--------------------|----------------|
| | | | Fiscal Years Ended | |
| | June 25, 2025 | June 26, 2024 | June 25, 2025 | June 26, 2024 |
| Property and equipment | \$ 4.9 | \$ 10.2 | \$ 4.4 | \$ 9.3 |
| Reacquired franchise rights | 0.1 | 0.4 | 0.1 | 0.4 |
| Operating lease assets | 8.4 | 21.4 | — | 2.5 |
| Total | <u>\$ 13.4</u> | <u>\$ 32.0</u> | <u>\$ 4.5</u> | <u>\$ 12.2</u> |

During fiscal 2025 and fiscal 2024 we impaired certain transferable liquor licenses with related charges of \$0.1 million in each of the respective fiscal years.

All impairment charges were included in Other (gains) and charges in the Consolidated Statements of Comprehensive Income for the periods presented. Refer to Note 13 - Other Gains and Charges for more information.

4. GOODWILL AND INTANGIBLES

There have been no impairments of Goodwill for the fiscal years ended June 25, 2025, June 26, 2024 and June 28, 2023. The changes in the carrying amount of Goodwill by segment are as follows:

| | June 25, 2025 | | | June 26, 2024 | | |
|---|-----------------|----------------|-----------------|-----------------|----------------|-----------------|
| | Chili's | Maggiano's | Consolidated | Chili's | Maggiano's | Consolidated |
| Balance at beginning of year | \$ 156.4 | \$ 38.4 | \$ 194.8 | \$ 156.6 | \$ 38.4 | \$ 195.0 |
| Changes in Goodwill: | | | | | | |
| Foreign currency translation adjustment | (0.1) | — | (0.1) | (0.2) | — | (0.2) |
| Balance at end of year | <u>\$ 156.3</u> | <u>\$ 38.4</u> | <u>\$ 194.7</u> | <u>\$ 156.4</u> | <u>\$ 38.4</u> | <u>\$ 194.8</u> |

Intangible assets, net are as follows:

| | June 25, 2025 | | | June 26, 2024 | | |
|-------------------------------------|-----------------------|--------------------------|---------------------|-----------------------|--------------------------|---------------------|
| | Gross Carrying Amount | Accumulated Amortization | Net Carrying Amount | Gross Carrying Amount | Accumulated Amortization | Net Carrying Amount |
| Definite-lived intangible assets | | | | | | |
| Chili's reacquired franchise rights | \$ 26.0 | \$ (18.6) | \$ 7.4 | \$ 26.0 | \$ (16.2) | \$ 9.8 |
| Chili's other | 0.4 | (0.4) | — | 0.4 | (0.4) | — |
| | <u>\$ 26.4</u> | <u>\$ (19.0)</u> | <u>\$ 7.4</u> | <u>\$ 26.4</u> | <u>\$ (16.6)</u> | <u>\$ 9.8</u> |
| Indefinite-lived intangible assets | | | | | | |
| Chili's liquor licenses | \$ 9.2 | | | \$ 9.3 | | |
| Maggiano's liquor licenses | 0.8 | | | 0.8 | | |
| | <u>\$ 10.0</u> | | | <u>\$ 10.1</u> | | |

Amortization expenses for all definite-lived intangible assets were recorded in Depreciation and amortization in the Consolidated Statements of Comprehensive Income as follows:

| | Fiscal Years Ended | | |
|---|--------------------|---------------|---------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Definite-lived intangibles amortization expense | \$ 2.3 | \$ 3.0 | \$ 3.2 |

Estimated annual amortization expenses for definite-lived intangible assets for the next five years are as follows:

| Fiscal Year | Amortization Expense |
|-------------|----------------------|
| 2026 | \$ 2.1 |
| 2027 | 1.9 |
| 2028 | 0.8 |
| 2029 | 0.5 |
| 2030 | 0.5 |

5. ACCRUED LIABILITIES

Other accrued liabilities consist of the following:

| | June 25, 2025 | June 26, 2024 |
|---|-----------------|-----------------|
| Insurance | \$ 39.7 | \$ 31.4 |
| Property tax | 25.2 | 24.6 |
| Sales tax | 22.8 | 18.4 |
| Current installments of finance lease obligations | 17.6 | 14.1 |
| Interest | 13.5 | 18.1 |
| Utilities and services | 10.5 | 10.0 |
| Other | 43.3 | 28.1 |
| | <u>\$ 172.6</u> | <u>\$ 144.7</u> |

6. LEASES

As of June 25, 2025, 1,108 of our 1,162 Company-owned restaurant facilities were leased. We typically lease our restaurant facilities through ground leases (where we lease land only, but construct the building and leasehold improvements) or retail leases (where we lease the land/retail space and building, but construct the leasehold improvements). As of June 25, 2025, the restaurant leases have cumulative renewal clauses of 3 to 40 years at our option. Our leased restaurants typically have an initial lease term of 10 to 20 years, with one or more renewal terms ranging from 3 to 10 years. The leases typically provide for a fixed rental or a fixed rental plus percentage rentals based on sales volume. In addition to our restaurant facilities, we also lease our corporate headquarters location and certain equipment. Our lease agreements do not contain any material residual value guarantees or material covenant restrictions.

Consolidated Balance Sheet Disclosure of Lease Amounts

The following table includes a detail of lease assets and liabilities included in the Consolidated Balance Sheets:

| | June 25, 2025 | | |
|-----------------------------|-------------------------------|---------------------------------|--------------|
| | Finance Leases ⁽¹⁾ | Operating Leases ⁽²⁾ | Total Leases |
| Lease assets | \$ 85.8 | \$ 1,149.1 | \$ 1,234.9 |
| Current lease liabilities | 17.6 | 114.6 | 132.2 |
| Long-term lease liabilities | 80.0 | 1,135.3 | 1,215.3 |
| Total lease liabilities | \$ 97.6 | \$ 1,249.9 | \$ 1,347.5 |
| | | | |
| | June 26, 2024 | | |
| | Finance Leases ⁽¹⁾ | Operating Leases ⁽²⁾ | Total Leases |
| Lease assets | \$ 93.4 | \$ 1,095.2 | \$ 1,188.6 |
| Current lease liabilities | 14.1 | 114.1 | 128.2 |
| Long-term lease liabilities | 91.3 | 1,084.5 | 1,175.8 |
| Total lease liabilities | \$ 105.4 | \$ 1,198.6 | \$ 1,304.0 |

(1) Finance lease assets are recorded in Property and equipment, at cost, and the related current and long-term lease liabilities are recorded within Other accrued liabilities and Long-term debt and finance leases, less current installments, respectively.

(2) Operating lease assets are recorded in Operating lease assets and the related current and long-term lease liabilities are recorded within Operating lease liabilities and Long-term operating lease liabilities, less current portion, respectively.

Consolidated Statement of Comprehensive Income Disclosure of Lease Amounts

The components of lease expenses, including variable lease costs primarily consisting of rent based on a percentage of sales, common area maintenance and real estate tax charges, and short-term lease expenses for leases with lease terms less than twelve months are included in the Consolidated Statements of Comprehensive Income as follows:

| | Fiscal Years Ended | | |
|----------------------------|--------------------|-----------------|-----------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Operating lease cost | \$ 183.9 | \$ 182.5 | \$ 181.0 |
| Finance lease amortization | 25.6 | 14.0 | 19.7 |
| Finance lease interest | 6.2 | 4.2 | 4.1 |
| Short-term lease cost | 0.9 | 0.3 | 0.3 |
| Variable lease cost | 70.7 | 63.4 | 63.5 |
| Sublease income | (1.5) | (1.2) | (2.8) |
| Total lease costs, net | <u>\$ 285.8</u> | <u>\$ 263.2</u> | <u>\$ 265.8</u> |

Consolidated Statement of Cash Flows Disclosure of Lease Amounts

Supplemental cash flow information related to leases recorded in the Consolidated Statements of Cash Flows is as follows:

| | Fiscal Years Ended | | |
|--|--------------------|---------------|---------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Cash flows from operating activities | | | |
| Cash paid related to lease liabilities | | | |
| Operating leases | \$ 189.4 | \$ 186.3 | \$ 184.3 |
| Finance leases | 6.2 | 4.2 | 4.1 |
| Cash flows from financing activities | | | |
| Cash paid related to lease liabilities | | | |
| Finance leases | 25.6 | 20.1 | 22.1 |
| Non-cash lease assets obtained in exchange for lease liabilities | | | |
| Operating leases | 167.5 | 82.6 | 101.7 |
| Finance leases | 17.9 | 53.7 | 0.3 |

Weighted Average Lease Term and Discount Rate

Other information related to leases is as follows:

| | Fiscal Years Ended | | | |
|---------------------------------------|--------------------|------------------|----------------|------------------|
| | June 25, 2025 | | June 26, 2024 | |
| | Finance Leases | Operating Leases | Finance Leases | Operating Leases |
| Weighted average remaining lease term | 6.3 years | 11.3 years | 7.4 years | 11.6 years |
| Weighted average discount rate | 5.9 % | 6.1 % | 5.9 % | 6.0 % |

Lease Maturity Analysis

Finance leases and Operating leases total future lease payments represent the contractual obligations due under the lease agreements, including cancellable option periods where we are reasonably assured to exercise the options. As of June 25, 2025, the future minimum lease payments on finance and operating leases, as well as sublease income were as follows:

| Fiscal Year | June 25, 2025 | | |
|----------------------------------|----------------|------------------|-----------------|
| | Finance Leases | Operating Leases | Sublease Income |
| 2026 | \$ 22.7 | \$ 186.1 | \$ 0.9 |
| 2027 | 28.5 | 175.7 | 0.7 |
| 2028 | 24.0 | 158.4 | 0.5 |
| 2029 | 8.9 | 150.4 | 0.4 |
| 2030 | 5.6 | 145.9 | 0.2 |
| Thereafter | 27.9 | 952.4 | 0.7 |
| Total future lease payments | 117.6 | 1,768.9 | \$ 3.4 |
| Less: Imputed interest | 20.0 | 519.0 | |
| Present value of lease liability | \$ 97.6 | \$ 1,249.9 | |

Pre-Commencement Leases

In fiscal 2025, we executed 3 real estate leases for new or relocated Chili's and Maggiano's locations with undiscounted fixed payments over the initial term of \$30.5 million. These leases will commence when the landlords make the property available to us for new restaurant construction. We will assess the reasonably certain lease term at the lease commencement date.

7. DEBT

Long-term debt consists of the following:

| | June 25, 2025 | June 26, 2024 |
|--|---------------|---------------|
| 8.25% notes | \$ 350.0 | \$ 350.0 |
| 5.00% notes ⁽¹⁾ | — | 350.0 |
| Revolving credit facility | — | — |
| Finance lease obligations | 97.6 | 105.4 |
| Total long-term debt | 447.6 | 805.4 |
| Less: unamortized debt issuance costs and discounts | (4.0) | (5.0) |
| Total long-term debt, less unamortized debt issuance costs and discounts | 443.6 | 800.4 |
| Less: current installments of finance lease obligations ⁽²⁾ | (17.6) | (14.1) |
| Total long-term debt, less current portion | \$ 426.0 | \$ 786.3 |

(1) On October 1, 2024, the 5.00% notes matured and were repaid in full using borrowings under our revolving credit facility.

(2) Current installments of finance lease obligations, for the periods presented, are recorded within Other accrued liabilities in the Consolidated Balance Sheets. Refer to Note 5 - Accrued Liabilities for further details.

Excluding finance lease obligations and interest, our long-term debt maturities for the five fiscal years following June 25, 2025 and thereafter are as follows:

| Fiscal Year | Long-Term Debt |
|--------------------|-----------------------|
| 2026 | \$ — |
| 2027 | — |
| 2028 | — |
| 2029 | — |
| 2030 | — |
| Thereafter | 350.0 |
| | <u>\$ 350.0</u> |

8.25% Notes

In fiscal 2023, we issued \$350.0 million of 8.25% senior notes due July 15, 2030. The 8.25% notes require semi-annual interest payments in arrears, on each January 15 and July 15, which began on January 15, 2024.

Revolving Credit Facility

On May 1, 2025, we amended our \$900.0 million revolving credit facility to increase the capacity to \$1.0 billion. The Company incurred and capitalized \$3.6 million of debt issuance costs associated with the revolving credit facility during fiscal 2025, which are included in Other assets in the Consolidated Balance Sheets.

The \$1.0 billion revolving credit facility, as amended, matures on May 1, 2030 and bears interest of SOFR plus an applicable margin of 1.25% to 2.00% and an undrawn commitment fee of 0.20% to 0.30%, both based on a function of our debt-to-cash-flow ratio. As of June 25, 2025, our interest rate was 5.82% consisting of SOFR of 4.32% plus the applicable margin and spread adjustment of 1.50%. As of June 25, 2025, there was \$1.0 billion available under the revolving credit facility.

Financial and Other Covenants

The 8.25% notes contain certain covenants, including, but not limited to, limitations and restrictions on the ability of the Company and its Restricted Subsidiaries (as defined in the indentures) to (i) create liens on Principal Property (as defined in the indenture) and (ii) merge, consolidate or amalgamate with or into any other person or sell, transfer, assign, lease, convey or otherwise dispose of all or substantially all of their property. These covenants are subject to a number of important conditions, qualifications, exceptions and limitations.

Our debt agreements contain various financial covenants that, among other things, require the maintenance of certain leverage ratios. As of June 25, 2025, we were in compliance with our covenants pursuant to the \$1.0 billion revolving credit facility and under the terms of the indentures governing our 8.25% notes.

8. COMMITMENTS AND CONTINGENCIES

Lease Commitments and Guarantees

We have, in certain cases, divested brands or sold restaurants to franchisees and have not been released from lease guarantees for the related restaurants. As of June 25, 2025 and June 26, 2024, we have outstanding lease guarantees or are secondarily liable for \$11.9 million and \$15.7 million, respectively. These amounts represent the maximum known potential liability of rent payments under the leases, but outstanding rent payments can exist outside of our knowledge as a result of the landlord and tenant relationship being between two third parties. These leases have been assigned to the buyers and expire at the end of the respective lease terms, which range from fiscal 2026 through fiscal 2035. In the event of default under a lease by an owner of a divested brand, the indemnity and default clauses in our agreements with such third parties and applicable laws govern our ability to pursue and recover amounts we may pay on behalf of such third parties.

We have received notices of default and have been named a party in lawsuits pertaining to some of these leases in circumstances where the current lessee did not pay its rent obligations. We recorded a \$1.7 million, \$0.8 million, and \$2.0 million charge related to these leases and lawsuits in fiscal 2025, fiscal 2024 and fiscal 2023 respectively, which are included in Other (gains) and charges in the Consolidated Statements of Comprehensive Income. We will continue to closely monitor our exposure.

Letters of Credit

We provide letters of credit to various insurers to collateralize obligations for outstanding claims. As of June 25, 2025, we had \$5.8 million in undrawn standby letters of credit outstanding. All standby letters of credit are renewable within the next 9 months.

Cybersecurity Litigation

In fiscal 2018, we discovered malware at certain Chili's restaurants that may have resulted in unauthorized access or acquisition of customer payment card data. We settled all claims from payment card companies related to this incident and do not expect material claims from payment card companies in the future. In connection with this event, the Company was also named as a defendant in a putative class action lawsuit in the United States District Court for the Middle District of Florida (the "Litigation") relating to this incident. In the Litigation, plaintiffs assert various claims at the Company's Chili's restaurants involving customer payment card information and seek monetary damages in excess of \$5.0 million, injunctive and declaratory relief, and attorney's fees and costs.

On June 27, 2025, two days following the end of fiscal 2025, the district court issued an order denying plaintiff's motion for class certification and further ordered the plaintiff to file a notice regarding whether she intends to proceed with the case on an individual basis. We anticipate the plaintiff will not pursue the matter further and the case will be dismissed. In light of these developments, we have concluded that a loss from this matter is not likely, and therefore have not recorded a liability related to the Litigation. We will continue to evaluate this matter based on new information as it becomes available.

Legal Proceedings

Evaluating contingencies related to litigation is a process involving judgment on the potential outcome of future events, and the ultimate resolution of litigated claims may differ from our current analysis.

Accordingly, we review the adequacy of accruals and disclosures pertaining to litigated matters each quarter in consultation with legal counsel and we assess the probability and range of possible losses associated with contingencies for potential accrual in the Consolidated Financial Statements.

We are engaged in various legal proceedings and have certain unresolved claims pending. Liabilities have been established based on our best estimates of our potential liability in certain of these matters. Based upon consultation with legal counsel, management is of the opinion that there are no matters pending or threatened which are expected to have a material adverse effect, individually or in the aggregate, on the consolidated financial condition or results of operations.

9. INCOME TAXES

Income before income taxes consists of the following:

| | Fiscal Years Ended | | |
|----------------------------|--------------------|-----------------|----------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Domestic | \$ 457.8 | \$ 161.8 | \$ 87.8 |
| Foreign | 2.2 | 3.1 | 3.0 |
| Income before income taxes | <u>\$ 460.0</u> | <u>\$ 164.9</u> | <u>\$ 90.8</u> |

The Provision (benefit) for income taxes and effective tax rate consists of the following:

| | Fiscal Years Ended | | |
|--|--------------------|---------------|------------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Current income tax expenses: | | | |
| Federal | \$ 33.2 | \$ 17.5 | \$ 12.2 |
| State | 30.6 | 12.3 | 6.8 |
| Foreign | 0.6 | 0.4 | 0.2 |
| Total current income tax expenses | <u>64.4</u> | <u>30.2</u> | <u>19.2</u> |
| Deferred income tax expenses (benefit): | | | |
| Federal | 15.2 | (18.2) | (29.5) |
| State | (2.6) | (2.5) | (2.0) |
| Foreign | (0.1) | 0.1 | 0.5 |
| Total deferred income tax expenses (benefit) | <u>12.5</u> | <u>(20.6)</u> | <u>(31.0)</u> |
| Provision (benefit) for income taxes | <u>\$ 76.9</u> | <u>\$ 9.6</u> | <u>\$ (11.8)</u> |
| Effective tax rate | 16.7 % | 5.8 % | (13.0) % |

A reconciliation between the reported Provision (benefit) for income taxes and the amount computed by applying the statutory Federal income tax rate to Income before income taxes is as follows:

| | Fiscal Years Ended | | |
|---|--------------------|---------------|------------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Income tax expense at statutory rate | \$ 96.6 | \$ 34.6 | \$ 19.0 |
| FICA and other tax credits | (41.2) | (34.2) | (34.6) |
| State income taxes, net of Federal benefit | 22.1 | 7.7 | 4.7 |
| Officers' compensation | 7.7 | 3.7 | — |
| Stock based compensation tax shortfall (windfall) | (7.5) | (1.2) | 0.8 |
| Other | (0.8) | (1.0) | (1.7) |
| Provision (benefit) for income taxes | <u>\$ 76.9</u> | <u>\$ 9.6</u> | <u>\$ (11.8)</u> |

Our federal statutory tax rate for fiscal 2025, fiscal 2024 and fiscal 2023 was 21.0%.

Deferred Tax and Allowances

The income tax effects of temporary differences that give rise to significant portions of deferred income tax assets and liabilities are as follows:

| | June 25, 2025 | June 26, 2024 |
|---|-----------------|-----------------|
| Deferred income tax assets: | | |
| Lease liabilities | \$ 510.0 | \$ 472.4 |
| Gift cards | 7.3 | 8.3 |
| Insurance reserves | 21.3 | 15.2 |
| Stock-based compensation | 13.1 | 10.3 |
| Federal credit carryover | 26.7 | 61.2 |
| Employee benefit plans | 0.1 | — |
| Net operating losses | 3.7 | 4.4 |
| State credit carryover | 0.2 | 1.8 |
| Restructure charges and impairments | 3.8 | 3.0 |
| Depreciation and capitalized interest on property and equipment | 31.3 | 15.8 |
| Other, net | 13.9 | 11.9 |
| Less: Valuation allowance | (6.3) | (5.8) |
| Total deferred income tax assets | <u>625.1</u> | <u>598.5</u> |
| Deferred income tax liabilities: | | |
| Lease assets | 482.2 | 444.0 |
| Goodwill and other amortization | 23.0 | 23.0 |
| Prepaid expenses | 17.9 | 16.8 |
| Other, net | 0.6 | 0.8 |
| Total deferred income tax liabilities | <u>523.7</u> | <u>484.6</u> |
| Deferred income taxes, net | <u>\$ 101.4</u> | <u>\$ 113.9</u> |

As of June 25, 2025, we have deferred tax assets of \$4.7 million reflecting the benefit of state loss carryforwards, before federal benefit and valuation allowance, which expire at various dates between 2026 and 2045. We have deferred tax assets of \$26.7 million of federal and \$0.2 million of state tax credits, before federal benefit and valuation allowance, which expire at various dates between 2026 and 2045. The recognized deferred tax asset, net of valuation allowance and federal benefit, for the state loss carryforwards is \$2.0 million and there is no valuation allowance on the state credit carryovers. There is no valuation allowance on the federal credit carryover and \$4.6 million is limited by Section 382 of the Internal Revenue Code.

The valuation allowance is \$6.3 million at the end of fiscal 2025 to recognize certain deductions and tax credits management believes are more-likely-than-not to not be realized. In assessing whether a deferred tax asset will be realized, we consider the likelihood of the realization, and the reversal of existing taxable temporary differences, projected future taxable income and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income, as of June 25, 2025, we believe it is more-likely-than-not that we will realize the benefits of the deferred tax assets, net of the existing valuation allowances.

Unrecognized Tax Benefits

A reconciliation of unrecognized tax benefits are as follows:

| | June 25, 2025 | June 26, 2024 |
|--|---------------|---------------|
| Balance at beginning of year | \$ 2.9 | \$ 2.8 |
| Additions based on tax positions related to the current year | 0.5 | 0.4 |
| Expiration of statute of limitations | (0.7) | (0.3) |
| Balance at end of year | <u>\$ 2.7</u> | <u>\$ 2.9</u> |

The total amount of unrecognized tax benefits, excluding interest and penalties, which would affect income tax expenses if resolved in our favor was \$2.2 million and \$2.3 million as of June 25, 2025 and June 26, 2024, respectively. We do not expect any material changes to our liability for uncertain tax positions in the next 12 months.

We recognize accrued interest and penalties related to unrecognized tax benefits in Provision (benefit) for income taxes in the Consolidated Statements of Comprehensive Income. As of June 25, 2025, we had \$0.3 million (\$0.4 million net of a \$0.1 million Federal deferred tax benefit) of interest and penalties accrued, compared to \$0.2 million (\$0.2 million net of a \$0.0 million Federal deferred tax benefit) as of June 26, 2024.

Our income tax returns are subject to examination by taxing authorities in the jurisdictions in which we operate. The periods subject to examination for our federal return are fiscal 2024 to fiscal 2026, and fiscal 2022 to fiscal 2024 for our Canadian returns. State income tax returns are generally subject to examination for a period of three to five years from date return is filed. We have various state income tax returns in the process of examination or settlements. Our federal return for fiscal 2024 is currently under examination through the Internal Revenue Service: Compliance Assurance Process (CAP) program. Our federal returns for fiscal 2025 to fiscal 2026 are under examination through the Internal Revenue Service: Bridge Plus program. There are no unrecorded liabilities associated with these examinations.

10. SHAREHOLDERS' EQUITY

Share Repurchases

Our Board of Directors approved a \$300.0 million share repurchase program in August 2021. Our share repurchase program is used to return capital to shareholders and to minimize the dilutive impact of stock options and other share-based awards. We evaluate potential share repurchases under our plan based on several factors, including our cash position, share price, operational liquidity, proceeds from divestitures, borrowings and planned investment and financing needs. Repurchased shares are reflected as an increase in Treasury stock within Shareholders' equity in the Consolidated Balance Sheets.

In fiscal 2025, we repurchased 1.0 million shares of our common stock for \$76.0 million as part of our share repurchase program and 0.2 million shares of our common stock for \$14.2 million from team members to satisfy tax withholding obligations on the vesting of restricted shares. In fiscal 2024, the Company repurchased 0.7 million shares of our common stock for \$21.0 million as part of our share repurchase program and 0.1 million shares of our common stock for \$4.8 million from team members to satisfy tax withholding obligations on the vesting of restricted shares. These withheld shares of common stock in fiscal 2025 and fiscal 2024 are not considered common stock repurchases under our authorized common stock repurchase plan. The company did not repurchase any shares under the repurchase program in fiscal 2023. As of June 25, 2025, we had \$107.0 million of authorized repurchases remaining under the share repurchase program.

11. STOCK-BASED COMPENSATION

Our stockholder-approved stock-based compensation plans include the 2024 Stock Option and Incentive Plan (the "2024 Plan") for employees, the 1998 Stock Option and Incentive Plan (as amended, the "1998 Plan") for employees, and the 1999 Stock Option and Incentive Plan for Non-Employee Directors and Consultants (the "Non-Employee Plan" and collectively, the "Plans"). In November 2024, our stockholders approved the 2024 Plan and authorized approximately 3.5 million shares of our common stock for issuance under the 2024 Plan. The 2024 Plan replaced the 1998 Plan, and no further awards will be granted under the 1998 Plan. Our Non-Employee Plan remains in effect. In fiscal 2023, our stockholders approved an additional 0.3 million shares of our common stock for issuance under the Non-Employee Plan. The Plans provide for grants of options to purchase our common stock, performance shares, restricted stock, restricted stock units, and stock appreciation rights. Additionally, grants to eligible employees may vest over a specified period of time or service period, or may contain performance-based conditions. As of June 25, 2025, the total number of shares available for issuance pursuant to future awards under the Plans was 3.6 million shares.

Presented below is total stock-based compensation expenses, and the related total income tax benefit recognized in the Consolidated Statements of Comprehensive Income:

| | Fiscal Years Ended | | |
|--|--------------------|---------------|---------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Stock-based compensation expenses | \$ 31.4 | \$ 25.9 | \$ 14.4 |
| Tax benefit related to stock-based compensation expenses | 4.1 | 4.3 | 2.6 |

Restricted Share Awards

In fiscal 2025, fiscal 2024 and fiscal 2023, eligible employees under the Plans were granted performance shares whose vesting is contingent upon meeting Company performance goals based on

our earnings at the end of a three-fiscal-year period. The number of shares that will vest varies depending on the amount of earnings achieved as compared to the target amount. The grants also include a provision that will increase or decrease the number of shares to be vested if Brinker's TSR ranking compared to the peer group falls in the top 25% or bottom 25%, respectively. The number of shares that can vest ranges from 0% of target to 200% of target. Expenses are recorded to General and administrative expenses on a straight-line basis over the vesting period, or to the date on which retirement eligibility is achieved, if shorter, based upon management's periodic estimates of the number of shares that will be earned under the Company earnings performance metric.

In November 2024, the Board of Directors approved the 2025 Executive Performance Share Retention Plan and the granting of performance shares to Kevin Hochman, our CEO and President of the Company and President of Chili's Grill & Bar, and certain other executives of the Company at a total grant date fair value of \$25.0 million. The number of shares that can vest ranges from 0% to 200% of the target number of performance shares granted based on Brinker's TSR over a five-year period from September 26, 2024 through September 25, 2029, relative to the TSR of the peer group. There is a cap on the dollar value of performance shares that may be earned based on a multiple of the target number of performance shares and the Company's stock price on the grant date. Additionally, vesting is generally contingent upon continuous service during the performance period. Expense is recorded to General and administrative expenses on a straight-line basis over the vesting period based on the fair value of the shares as determined by a Monte Carlo simulation on the grant date. The Monte Carlo simulation used a volatility assumption of 68.47% for Brinker stock, a risk-free interest rate of 4.22%, a dividend yield of 0%, and a term of 4.88 years which resulted in a fair value per share of \$100.62.

Restricted stock units granted to eligible employees under the Plans generally vest over a three-year period from the date of grant. Restricted stock units issued to eligible employees under our career equity plan generally vest upon each employee's retirement from the Company. Expenses are recognized ratably over the vesting period, or to the date on which retirement eligibility is achieved, if shorter. Full or partial vesting of awards may occur upon a change in control (as defined in the Plans), or upon an employee's death, disability or involuntary termination.

Restricted stock units granted to non-employee directors under the Non-Employee Plan are non-forfeitable and are expensed upon grant. Non-employee directors' awards have variable distribution dates ranging from one year after grant to two years following departure from the Board.

Restricted share award transactions, including unvested performance shares reflected at target, during fiscal 2025 were as follows (fair value per award in dollars):

| | Number of Restricted Share Awards | Weighted Average Grant Date Fair Value Per Award |
|--|--|--|
| Restricted share awards outstanding at June 26, 2024 | 1.6 | \$ 35.12 |
| Granted | 0.6 | 87.16 |
| Granted adjustment for performance achievement | (0.1) | 53.76 |
| Vested | (0.5) | 37.15 |
| Forfeited | — | 40.10 |
| Restricted share awards outstanding at June 25, 2025 | 1.6 | \$ 52.14 |

As of June 25, 2025, unrecognized compensation expenses related to unvested restricted share awards that are expected to vest totaled approximately \$45.8 million and will be recognized over a weighted average period of 2.9 years. The fair value of shares that vested is as follows:

| | Fiscal Years Ended | | |
|--|--------------------|---------------|---------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Fair value of restricted share awards vested | \$ 46.1 | \$ 16.8 | \$ 16.1 |

Stock Options

Stock options were granted to eligible employees in the fiscal years prior to fiscal 2021. Expenses related to these stock options were recognized using a graded-vesting schedule over the vesting period or to the date on which retirement eligibility was achieved, if shorter. Stock options generally vested over a period of 1 to 4 years and had contractual terms to exercise of 8 years. Full or partial vesting of awards may have occurred upon a change in control (as defined in the Plans), or upon an employee's death, disability or involuntary termination.

No stock options have been granted in fiscal 2025, fiscal 2024, or fiscal 2023.

Stock option transactions during fiscal 2025 were as follows (option prices in dollars):

| | Number of Options | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life (Years) | Aggregate Intrinsic Value |
|--|-------------------|---------------------------------|---|---------------------------|
| Stock options outstanding and exercisable at June 26, 2024 | 0.24 | \$ 38.03 | | |
| Exercised | (0.20) | 38.85 | | |
| Canceled | — | 36.49 | | |
| Stock options outstanding and exercisable at June 25, 2025 | 0.04 | \$ 34.43 | 1.9 years | \$ 6.2 |

The intrinsic value and related tax benefit of options exercised is as follows:

| | Fiscal Years Ended | | |
|---|--------------------|---------------|---------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Intrinsic value of options exercised | \$ 10.8 | \$ 11.5 | \$ 3.3 |
| Tax benefit realized on options exercised | 1.8 | 1.1 | 0.8 |

12. DEFINED CONTRIBUTION PLAN

We sponsor a qualified defined contribution retirement plan. The plan covers all employees who have attained the age of 21 and have completed 90 days of eligible service.

Eligible employees are allowed to contribute, subject to IRS limitations on total annual contributions, up to 50% of their base compensation and 100% of their eligible bonuses, as defined in the plan, to various investment funds. We match, in cash, what an employee contributes at a rate of 100% of the first 3% and 50% of the next 2% with immediate vesting.

We contributed employer matching contributions in each fiscal year which is recorded to General and administrative in the Consolidated Statements of Comprehensive Income:

| | Fiscal Years Ended | | |
|---------------------------------------|--------------------|---------------|---------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Employer contributions match expenses | \$ 15.6 | \$ 13.6 | \$ 11.9 |

13. OTHER GAINS AND CHARGES

Other (gains) and charges in the Consolidated Statements of Comprehensive Income consist of the following:

| | Fiscal Years Ended | | |
|--|--------------------|----------------|----------------|
| | June 25, 2025 | June 26, 2024 | June 28, 2023 |
| Litigation & claims, net | \$ 22.4 | \$ 6.6 | \$ 2.5 |
| Enterprise system implementation costs | 14.1 | 14.0 | 4.7 |
| Restaurant-level impairment charges | 4.6 | 12.3 | 12.1 |
| Restaurant closure asset write-offs and charges | 4.1 | 10.1 | 8.3 |
| Severance and other benefit charges | 2.4 | 0.5 | 3.7 |
| Lease contingencies | 1.7 | 0.8 | 2.0 |
| Gain on sale of assets, net | (0.5) | (2.7) | (3.7) |
| Loss from natural disasters, net (of insurance recoveries) | (3.7) | (0.4) | 0.8 |
| Lease modification gain, net | (5.1) | (0.3) | (0.7) |
| Other | 1.8 | 2.3 | 3.0 |
| | <u>\$ 41.8</u> | <u>\$ 43.2</u> | <u>\$ 32.7</u> |

Litigation & claims, net in the current year primarily relates to legal contingencies, inclusive of certain extraordinary one-time settlements related to employment and intellectual property claims, and alcohol service-related cases.

Enterprise system implementation costs primarily consists of software subscription fees and certain other costs prior to implementation and post go-live support of the cloud based Enterprise Resource Planning (“ERP”) system.

Restaurant-level impairment charges primarily associated with the following long-lived assets:

- Fiscal 2025 - 13 underperforming Chili’s restaurants. Refer to Note 3 - Fair Value Measurements for further details.
- Fiscal 2024 - 35 underperforming Chili’s restaurants.
- Fiscal 2023 - 38 underperforming Chili’s restaurants.

Restaurant closure asset write-offs and charges includes costs associated with the closure of certain Chili’s and Maggiano’s restaurants.

Severance and other benefit charges relates to changes in our management team and organizational structure.

Lease contingencies includes expenses related to lease guarantees and certain sublease receivables for divested brands when we have determined it is probable that the current lessee will default on the lease obligation. Refer to Note 8 - Commitments and Contingencies for additional information about our secondarily liable lease guarantees.

Gain on sale of assets, net relates to the sale of alcohol licenses for closed restaurants in fiscal 2025 and the sale of a land parcel for a closed Chili's restaurant in fiscal 2024.

Loss from natural disasters, net (of insurance recoveries) in the current year primarily relates to proceeds received from fiscal 2021 Winter Storm claim, partially offset by costs incurred related to Hurricane Helene and Hurricane Milton.

Lease modification gain, net in the current year primarily relates to a lease termination fee received from a landlord associated with a Maggiano's location and reduction of lease liabilities of certain closed Chili's restaurants.

14. SEGMENT INFORMATION

Our chief operating decision maker ("CODM") is the President and Chief Executive Officer. Our CODM uses Operating income as the measure for assessing performance and allocating resources of our segments. Our operating segments are Chili's and Maggiano's. The Chili's segment includes the results of our Company-owned Chili's restaurants, which are principally located in the United States, within the full-service casual dining segment of the industry. The Chili's segment also includes results of our Canadian Company-owned restaurants and royalties and other fees from our franchised locations in the United States, 27 other countries and two United States territories. The Maggiano's segment includes the results of our Company-owned Maggiano's restaurants in the United States as well as royalties and other fees from our domestic franchise business. Costs related to our restaurant support teams for the Chili's and Maggiano's brands, including operations, brand recruiting, finance, marketing, culinary innovation and franchise are included in the results of our operating segments. The Corporate segment includes unallocated costs such as information technology, human capital management, accounting, legal, purchasing, and restaurant development.

Company sales for each operating segment include revenues generated by the operation of Company-owned restaurants including food and beverage sales, net of discounts, Maggiano's banquet service charge income, delivery, gift card breakage, digital entertainment revenues, merchandise income and are net of gift card discount costs from third-party gift card sales. Franchise revenues for each operating segment include royalties, franchise advertising fees, franchise and development fees, and other service fees.

Operating income includes revenues and expenses directly attributable to segment-level results of operations. Restaurant expenses during the years presented primarily includes restaurant rent, repairs and maintenance, advertising, supplies, utilities, delivery fees, payment processing fees, franchise and property taxes, workers' compensation and general liability insurance, to-go supplies, and supervision expenses.

We do not rely on any major customers as a source of sales, and the customers and long-lived assets of our operating segments are predominantly located in the United States. There were no material transactions between our operating segments.

The following tables reconcile our segment results to our consolidated results reported in accordance with GAAP:

| | Fiscal Year Ended June 25, 2025 | | | |
|------------------------------------|---------------------------------|------------|------------|--------------|
| | Chili's | Maggiano's | Corporate | Consolidated |
| Company sales | \$ 4,834.8 | \$ 500.5 | \$ — | \$ 5,335.3 |
| Franchise revenues | 48.1 | 0.8 | — | 48.9 |
| Total revenues | 4,882.9 | 501.3 | — | 5,384.2 |
| Food and beverage costs | 1,233.1 | 117.5 | — | 1,350.6 |
| Restaurant labor | 1,561.4 | 155.9 | — | 1,717.3 |
| Restaurant expenses | 1,187.8 | 145.3 | 0.8 | 1,333.9 |
| Depreciation and amortization | 182.5 | 14.6 | 9.5 | 206.6 |
| General and administrative | 50.4 | 9.7 | 161.9 | 222.0 |
| Other (gains) and charges | 23.7 | (1.8) | 19.9 | 41.8 |
| Total operating costs and expenses | 4,238.9 | 441.2 | 192.1 | 4,872.2 |
| Operating income (loss) | 644.0 | 60.1 | (192.1) | 512.0 |
| Interest expenses | 5.4 | 0.2 | 47.5 | 53.1 |
| Other income, net | (0.2) | — | (0.9) | (1.1) |
| Income (loss) before income taxes | \$ 638.8 | \$ 59.9 | \$ (238.7) | \$ 460.0 |
| Segment assets | \$ 2,153.8 | \$ 256.4 | \$ 268.4 | \$ 2,678.6 |

| | Fiscal Year Ended June 26, 2024 | | | |
|------------------------------------|---------------------------------|------------|------------|--------------|
| | Chili's | Maggiano's | Corporate | Consolidated |
| Company sales | \$ 3,876.0 | \$ 495.1 | \$ — | \$ 4,371.1 |
| Franchise revenues | 43.3 | 0.7 | — | 44.0 |
| Total revenues | 3,919.3 | 495.8 | — | 4,415.1 |
| Food and beverage costs | 990.7 | 116.9 | — | 1,107.6 |
| Restaurant labor | 1,309.0 | 158.3 | — | 1,467.3 |
| Restaurant expenses | 1,073.2 | 139.2 | 0.5 | 1,212.9 |
| Depreciation and amortization | 147.7 | 13.1 | 10.0 | 170.8 |
| General and administrative | 42.8 | 10.2 | 130.7 | 183.7 |
| Other (gains) and charges | 26.9 | 0.6 | 15.7 | 43.2 |
| Total operating costs and expenses | 3,590.3 | 438.3 | 156.9 | 4,185.5 |
| Operating income (loss) | 329.0 | 57.5 | (156.9) | 229.6 |
| Interest expenses | 3.9 | 0.3 | 60.8 | 65.0 |
| Other income, net | 0.1 | — | (0.4) | (0.3) |
| Income (loss) before income taxes | \$ 325.0 | \$ 57.2 | \$ (217.3) | \$ 164.9 |
| Segment assets | \$ 2,158.4 | \$ 259.1 | \$ 175.6 | \$ 2,593.1 |

| | Fiscal Year Ended June 28, 2023 | | | |
|------------------------------------|---------------------------------|------------|------------|--------------|
| | Chili's | Maggiano's | Corporate | Consolidated |
| Company sales | \$ 3,606.7 | \$ 486.5 | \$ — | \$ 4,093.2 |
| Franchise revenues | 39.4 | 0.6 | — | 40.0 |
| Total revenues | 3,646.1 | 487.1 | — | 4,133.2 |
| Food and beverage costs | 1,022.9 | 123.4 | — | 1,146.3 |
| Restaurant labor | 1,232.3 | 157.0 | — | 1,389.3 |
| Restaurant expenses | 966.2 | 130.4 | 0.9 | 1,097.5 |
| Depreciation and amortization | 145.3 | 13.0 | 10.2 | 168.5 |
| General and administrative | 35.5 | 7.8 | 111.2 | 154.5 |
| Other (gains) and charges | 22.0 | 1.4 | 9.3 | 32.7 |
| Total operating costs and expenses | 3,424.2 | 433.0 | 131.6 | 3,988.8 |
| Operating income (loss) | 221.9 | 54.1 | (131.6) | 144.4 |
| Interest expenses | 3.7 | 0.3 | 50.9 | 54.9 |
| Other income, net | (0.1) | — | (1.2) | (1.3) |
| Income (loss) before income taxes | \$ 218.3 | \$ 53.8 | \$ (181.3) | \$ 90.8 |
| Segment assets | \$ 2,079.5 | \$ 244.5 | \$ 163.0 | \$ 2,487.0 |

15. SUBSEQUENT EVENT

Share Repurchase Program

In August 2025, our Board of Directors authorized an additional \$400.0 million under our share repurchase program, allowing for a total available authority of \$507.0 million.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain 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”)) that are designed to provide reasonable assurance that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer and, as appropriate, to allow timely decisions regarding required disclosures.

In connection with the preparation of this Form 10-K, we carried out an evaluation under the supervision of and with the participation of management, including the principal executive officer and principal financial officer, as of June 25, 2025, of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon this evaluation, the principal executive officer and principal financial officer concluded that as of June 25, 2025, our disclosure controls and procedures were effective.

Management’s Report on Internal Control over Financial Reporting

“Management’s Report on Internal Control over Financial Reporting” and the attestation report of the independent registered public accounting firm of KPMG LLP on internal control over financial reporting are presented within Part II, Item 8 - Financial Statements and Supplementary Data of this Annual Report on Form 10-K.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting in the fourth quarter of fiscal 2025 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Rule 10b5-1 Trading Arrangements

On June 5, 2025, James C. Katzman, a member of the Company’s Board of Directors, adopted a trading plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act to sell up to 2,072 shares over a period ending on September 11, 2026, subject to certain conditions.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTION

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information about our executive officers, Board of Directors, including its committees, and Section 16(a) reporting compliance, contained in the sections entitled “Proposal 1 - Election of Directors”, “Information About the Board of Directors and Governance of the Company”, “Information About Our Executive Officers”, “Insider Trader Policy” and to the extent applicable “Delinquent Section 16(a) Reports” in our Proxy Statement for the 2025 annual meeting of shareholders is incorporated herein by reference.

We adopted a code of ethics that applies to all of our team members, including the principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. We also have a code of conduct that applies to our Board of Directors. These documents are posted on our website at: <https://investors.brinker.com> under the Governance tab. You may obtain free of charge copies of the code from our website at the above internet address. Any amendment of, or waiver from, our code of ethics required to be disclosed by applicable SEC rules or stock exchange listing requirements will be posted on our website within four business days of such amendment or waiver.

We also have adopted a set of corporate governance guidelines and charters for all of our Board committees. The corporate governance guidelines and committee charters are available on our website at: <https://investors.brinker.com> under the Governance tab. You may obtain free of charge copies of the guidelines and charters from our website at the above internet address.

ITEM 11. EXECUTIVE COMPENSATION

The information about our executive and director compensation, contained in the sections entitled “Executive Compensation” and “Information About the Board of Directors and Governance of the Company – Directors’ Compensation” in our Proxy Statement for the 2025 annual meeting of shareholders is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information about our security ownership of certain beneficial owners and management and related stockholder matters, contained in the sections entitled “Stock Ownership of Certain Persons” and “Executive Compensation - Equity Compensation Plan Information” in our Proxy Statement for the 2025 annual meeting of shareholders is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information about certain relationships and related transactions, contained in the section entitled “Certain Relationships and Related Transactions” in our Proxy Statement for the 2025 annual meeting of shareholders is incorporated herein by reference.

For information about the independence of our non-management directors, contained in the section entitled “Information About the Board of Directors and Governance of the Company - Director

Independence” in our Proxy Statement for the 2025 annual meeting of shareholders is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information about principal accountant fees and services, contained in the section entitled “Proposal 2 - Ratification of Independent Registered Public Accounting Firm” in our Proxy Statement for the 2025 annual meeting of shareholders is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) Financial Statements - For a list of all financial statements, refer to the Consolidated Financial Statements Table of Contents in Part II, Item 8 - Financial Statements and Supplementary Data of this Annual Report on Form 10-K.

(a)(2) Financial Statement Schedules - All schedules are omitted as the required information is inapplicable or the information is presented in the Part II, Item 8 - Financial Statements and Supplementary Data financial statements or related notes.

(a)(3) Exhibits - We make reference to the exhibits listed under Part (b) below.

(b) Exhibits

| Exhibit | Description |
|---------|--|
| 3.1 | Certificate of Incorporation of the Registrant, as amended ⁽¹⁾ |
| 3.2 | Amended and Restated Bylaws of the Registrant ⁽²⁾ |
| 4.1 | Form of 5.00% Senior Note due 2024 ⁽³⁾ |
| 4.2 | Senior Notes Indenture dated as of September 23, 2016, by and among the Registrant, the Guarantors named therein and U.S. Bank National Association, as trustee ⁽³⁾ |
| 4.3 | Form of 8.25% Senior Notes due 2030 ⁽⁴⁾ |
| 4.4 | Indenture, dated as of June 27, 2023, by and among the Company, the Guarantors named therein and U.S. Bank Trust Company, National Association, as trustee ⁽⁴⁾ |
| 4.5 | Purchase Agreement, dated as of June 22, 2023, by and among the Company, the Guarantors named therein and J.P. Morgan Securities LLC, as representative to the initial purchasers ⁽⁴⁾ |
| 4.6 | Description of Registered Securities ⁽⁵⁾ |
| 10.1 | Registrant’s Stock Option and Incentive Plan, as amended ⁽⁶⁾ |
| 10.2 | Registrant’s 2024 Stock Option and Incentive Plan ⁽⁷⁾ |
| 10.3 | Registrant’s 1999 Stock Option and Incentive Plan for Non-Employee Directors and Consultants, as amended ⁽⁸⁾ |
| 10.4 | Credit Agreement dated August 18, 2021 ⁽⁹⁾ |
| 10.5 | Fourth Amendment to the Credit Agreement dated May 1, 2025 ⁽¹⁰⁾ |
| 10.6 | SVP Change in Control Agreement ⁽¹¹⁾ |
| 10.7 | Executive Severance Benefits Plan and Summary Plan Description ⁽¹¹⁾ |
| 10.8 | NEO Change in Control Severance Agreement ⁽¹²⁾ |

| Exhibit | Description |
|---------|--|
| 10.9 | Registrant's Terms of Stock Option Award ⁽⁵⁾ |
| 10.10 | Registrant's Terms of Retention Stock Unit Award ⁽⁵⁾ |
| 10.11 | Registrant's Terms of Fiscal 2024 Retention Restricted Stock Unit Award ⁽¹³⁾ |
| 10.12 | Registrant's Terms of Restricted Stock Unit Award for Fiscal 2022-2023 ⁽¹⁴⁾ |
| 10.13 | Registrant's Terms of Restricted Stock Unit Award for Fiscal 2024 ⁽¹³⁾ |
| 10.14 | Registrant's Terms of Restricted Stock Unit Award ⁽²⁾ |
| 10.15 | Registrant's Terms of Board of Directors Restricted Stock Unit Award ⁽¹⁵⁾ |
| 10.16 | Registrant's Fiscal 2022 Performance Share Plan ⁽¹⁴⁾ |
| 10.17 | Registrant's Fiscal 2023 Performance Share Plan ⁽¹⁶⁾ |
| 10.18 | Registrant's Fiscal 2024 Performance Share Plan ⁽¹³⁾ |
| 10.19 | Registrant's Fiscal 2025 Performance Share Plan ⁽²⁾ |
| 10.20 | Registrant's Fiscal 2025 Executive Performance Share Retention Plan ⁽¹⁷⁾ |
| 10.21 | Employment Agreement between Registrant and Kevin Hochman ⁽¹¹⁾ |
| 10.22 | Form of Director and Officer Indemnification Agreement ⁽¹⁸⁾ |
| 19.1 | Registrant's Insider Trading Policy ⁽²⁾ |
| 21 | Subsidiaries of the Registrant* |
| 23 | Consent of Independent Registered Public Accounting Firm* |
| 31(a) | Certification by Kevin D. Hochman, President and Chief Executive Officer of the Registrant, pursuant to 17 CFR 240.13a-14(a) or 17 CFR 240.15d-14(a)* |
| 31(b) | Certification by Michaela M. Ware, Executive Vice President and Chief Financial Officer of the Registrant, pursuant to 17 CFR 240.13a-14(a) or 17 CFR 240.15d-14(a)* |
| 32(a) | Certification by Kevin D. Hochman, President and Chief Executive Officer of the Registrant, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002* |
| 32(b) | Certification by Michaela M. Ware, Executive Vice President and Chief Financial Officer of the Registrant, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002* |
| 97.1 | Recovery of Incentive-Based Compensation from Executive Officers in Event of Accounting Restatement ⁽²⁾ |
| 101.INS | Inline XBRL Instance Document |
| 101.SCH | Inline XBRL Schema Document |
| 101.CAL | Inline XBRL Calculation Linkbase Document |
| 101.DEF | Inline XBRL Definition Linkbase Document |
| 101.LAB | Inline XBRL Label Linkbase Document |
| 101.PRE | Inline XBRL Presentation Linkbase |
| 104 | The cover page from the Registrant's Annual Report on Form 10-K for the fiscal year ended June 25, 2025 is formatted in Inline XBRL |

* Filed herewith.

The following are filed as an exhibit to the specified filing, and incorporated herein by reference:

⁽¹⁾ Annual report on Form 10-K for year ended June 28, 1995

- (2) Annual report on Form 10-K for year ended June 26, 2024
- (3) Current report on Form 8-K dated September 23, 2016
- (4) Current report on Form 8-K dated June 22, 2023
- (5) Annual report on Form 10-K for year ended June 26, 2019
- (6) Quarterly report on Form 10-Q for quarter ended September 28, 2022
- (7) Proxy Statement of Registrant filed on September 27, 2024
- (8) Quarterly report on Form 10-Q for quarter ended December 28, 2022
- (9) Current report on Form 8-K dated August 18, 2021
- (10) Current report on Form 8-K dated May 1, 2025
- (11) Annual report on Form 10-K for year ended June 29, 2022
- (12) Quarterly report on Form 10-Q for quarter ended March 29, 2017
- (13) Quarterly report on Form 10-Q for quarter ended September 27, 2023
- (14) Current report on Form 8-K dated August 26, 2021
- (15) Annual report on Form 10-K for year ended June 24, 2020
- (16) Current report on Form 8-K dated October 31, 2022
- (17) Current report on Form 8-K dated November 6, 2024
- (18) Annual report on Form 10-K for year ended June 28, 2023

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BRINKER INTERNATIONAL, INC.,
a Delaware corporation

Date: August 15, 2025

By: /S/ MICHAELA M. WARE

Michaela M. Ware,
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, we have signed in our indicated capacities on August 15, 2025:

| <u>Name</u> | <u>Title</u> |
|---|--|
| <u>/S/ KEVIN D. HOCHMAN</u> Kevin D. Hochman | President and Chief Executive Officer of Brinker International, Inc. and President of Chili's Grill & Bar and Maggiano's Little Italy (Principal Executive Officer) and Director |
| <u>/S/ MICHAELA M. WARE</u> Michaela M. Ware | Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer) |
| <u>/S/ JOSEPH M. DEPINTO</u> Joseph M. DePinto | Chairman of the Board |
| <u>/S/ FRANCES L. ALLEN</u> Frances L. Allen | Director |
| <u>/S/ CYNTHIA L. DAVIS</u> Cynthia L. Davis | Director |
| <u>/S/ HARRIET EDELMAN</u> Harriet Edelman | Director |
| <u>/S/ WILLIAM T. GILES</u> William T. Giles | Director |
| <u>/S/ RAMONA T. HOOD</u> Ramona T. Hood | Director |
| <u>/S/ TIMOTHY A. JOHNSON</u> Timothy A. Johnson | Director |
| <u>/S/ JAMES C. KATZMAN</u> James C. Katzman | Director |
| <u>/S/ FRANK D. LIBERIO</u> Frank D. Liberio | Director |
| <u>/S/ PRASHANT N. RANADE</u> Prashant N. Ranade | Director |

**BRINKER INTERNATIONAL, INC., A DELAWARE CORPORATION
SUBSIDIARIES**

BRINKER RESTAURANT CORPORATION, a Virginia corporation
BRINKER INTERNATIONAL PAYROLL COMPANY, L.P., a Delaware limited partnership
BRINKER ALABAMA, INC., a Virginia corporation
BRINKER ARKANSAS, INC., a Virginia corporation
BRINKER BRAZIL, LLC, a Delaware limited liability company
BRINKER CANADIAN HOLDING CO., ULC, a British Columbia unlimited liability company
BRINKER CANADIAN RESTAURANT CO., ULC, a British Columbia unlimited liability company
BRINKER FHC B.V., a Netherlands private company
BRINKER FLORIDA, INC., a Virginia corporation
BRINKER FREEHOLD, INC., a New Jersey corporation
BRINKER GEORGIA, INC., a Virginia corporation
BRINKER LOUISIANA, INC., a Virginia corporation
BRINKER MICHIGAN, INC., a Virginia corporation
BRINKER MISSISSIPPI, INC., a Virginia corporation
BRINKER MISSOURI, INC., a Virginia corporation
BRINKER NEVADA, INC., a Nevada corporation
BRINKER NEW JERSEY, INC., a Virginia corporation
BRINKER NORTH CAROLINA, INC., a Virginia corporation
BRINKER OF BALTIMORE COUNTY, INC., a Maryland corporation
BRINKER OF CARROLL COUNTY, INC., a Maryland corporation
BRINKER OF CECIL COUNTY, INC., a Maryland corporation
BRINKER OKLAHOMA, INC., a Virginia corporation
BRINKER OPCO, LLC, a Virginia limited liability company
BRINKER PENN TRUST, a Pennsylvania business trust
BRINKER PROPCO FLORIDA, INC., a Delaware corporation
BRINKER PROPERTY CORPORATION, a Delaware corporation
BRINKER PURCHASING, INC., a Delaware corporation
BRINKER SERVICES CORPORATION, a Virginia corporation
BRINKER SOUTH CAROLINA, INC., a Virginia corporation
BRINKER TEXAS, INC., a Virginia corporation
BRINKER VIRGINIA, INC., a Virginia corporation
CHILI'S BEVERAGE COMPANY, INC., a Texas corporation
CHILI'S, INC., a Delaware corporation
CHILI'S, INC., a Tennessee corporation
CHILI'S INTERNATIONAL BASES, B.V., a Netherlands private company
CHILI'S OF BEL AIR, INC., a Maryland corporation
CHILI'S OF KANSAS, INC., a Kansas corporation
CHILI'S OF MARYLAND, INC., a Maryland corporation
CHILI'S OF SALISBURY, LLC, a Maryland limited liability company
CHILI'S OF WEST VIRGINIA, INC., a West Virginia corporation
MAGGIANO'S, INC., an Illinois corporation
MAGGIANO'S BEVERAGE COMPANY, a Texas corporation
MAGGIANO'S HOLDING CORPORATION, a Virginia corporation
MAGGIANO'S OF ANNAPOLIS, INC., a Maryland corporation
MAGGIANO'S OF HOWARD COUNTY, INC., a Maryland corporation

MAGGIANO'S OF KANSAS, INC., a Kansas corporation
MAGGIANO'S OF TYSON'S, INC., a Virginia corporation
MAGGIANO'S PROPERTY CORPORATION, a Delaware corporation
MAGGIANO'S TEXAS, INC., a Virginia corporation
PEPPER DINING HOLDING CORP., a Virginia corporation
PEPPER DINING, INC., a Virginia corporation
PEPPER DINING VERMONT, INC., a Vermont corporation
BIPC GLOBAL PAYROLL COMPANY, LLC, a Delaware limited liability company
BIPC MANAGEMENT, LLC, a Delaware limited liability company
BIPC INVESTMENTS, LLC, a Delaware limited liability company

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-93755, 333-105720, 333-125289, 333-157050, 333-201929, 333-230574, and 333-269619) on Form S-8 of our reports dated August 15, 2025, with respect to the consolidated financial statements of Brinker International, Inc. and subsidiaries and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Dallas, Texas

August 15, 2025

CERTIFICATION

I, Kevin D. Hochman, certify that:

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

Date: August 15, 2025

By: /S/ KEVIN D. HOCHMAN

Kevin D. Hochman,
*President and Chief Executive Officer
of Brinker International, Inc.
and President of Chili's Grill & Bar and
Maggiano's Little Italy
(Principal Executive Officer)*

CERTIFICATION

I, Michaela M. Ware, certify that:

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

Date: August 15, 2025

By: /S/ MICHAELA M. WARE

Michaela M. Ware,
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

CERTIFICATION

Pursuant to 18 U.S.C. Section 1350, the undersigned officer of Brinker International, Inc. (the “Company”), hereby certifies that the Company’s Annual Report on Form 10-K for the year ended June 25, 2025 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 15, 2025

By: /S/ KEVIN D. HOCHMAN

Kevin D. Hochman,
*President and Chief Executive Officer
of Brinker International, Inc.
and President of Chili’s Grill & Bar and
Maggiano’s Little Italy
(Principal Executive Officer)*

CERTIFICATION

Pursuant to 18 U.S.C. Section 1350, the undersigned officer of Brinker International, Inc. (the “Company”), hereby certifies that the Company’s Annual Report on Form 10-K for the year ended June 25, 2025 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 15, 2025

By: /S/ MICHAELA M. WARE

Michaela M. Ware,
*Executive Vice President and Chief Financial
Officer*
(Principal Financial and Accounting Officer)

BOARD OF DIRECTORS

Frances L. Allen

Former Chief Executive Officer
Checkers Drive-In Restaurants, Inc.

Cynthia L. Davis

Former Executive
Nike Inc. and Nike Golf

Joseph M. DePinto

Chairman of the Board, Brinker International, Inc.
Chief Executive Officer
7-Eleven, Inc.

Harriet Edelman

Vice Chairman
Emigrant Bank

William T. Giles

Former Chief Financial Officer and Executive Vice President,
Finance, Information Technology and Store Development,
Customer Satisfaction
AutoZone

Kevin D. Hochman

Chief Executive Officer and President of Brinker
International, Inc., President of Chili's Grill & Bar and
Maggiano's Little Italy

Ramona T. Hood

Former President and Chief Executive Officer
FedEx Custom Critical, Inc.

Timothy A. Johnson

Former Chief Financial and Chief Administrative Officer
Victoria's Secret & Co.

James C. Katzman

Senior Vice President, Corporate Development
GE Aerospace

Frank D. Liberio

Former Executive Vice President and
Global Chief Information Officer
Restaurant Brands International

Prashant N. Ranade

Co-Founder
IndusSME LLC

EXECUTIVE OFFICERS

Kevin D. Hochman

Chief Executive Officer and President of Brinker
International, Inc., President of Chili's Grill & Bar and
Maggiano's Little Italy

James M. Butler

Senior Vice President, Chief Supply Chain and Corporate
Strategy Officer

Christopher M. Caldwell

Senior Vice President and Chief Information Officer

Douglas N. Comings

Senior Vice President and Chief Operating Officer for
Chili's Grill & Bar

George S. Felix

Senior Vice President and Chief Marketing Officer of
Chili's Grill & Bar

Daniel S. Fuller

Senior Vice President, Chief Legal Officer and Secretary

Michaela M. Ware

Executive Vice President and Chief Financial Officer

Aaron M. White

Executive Vice President, Chief Operating Officer and
Chief People Officer

SHAREHOLDER INFORMATION

Principal Executive Office

Brinker International, Inc.
3000 Olympus Blvd.
Dallas, TX 75019
(972) 980-9917

Annual Meeting

Thursday, November 20, 2025 at 9:00 a.m. (EST)
To be held via live webcast-please visit
www.proxydocs.com/EAT for more details.

Independent Public Accountants

KPMG LLP
717 N. Harwood, Suite 3100
Dallas, TX 75201

NYSE Symbol: **EAT**

Stock Transfer Agent And Registrar

Computershare
P.O. Box 43078
Providence, RI 02940-3078
or
150 Royall St.
Suite 101
Canton, MA 02021
Customer Service (800) 213-5156
TDD for Hearing Impaired (800) 231-5469
Foreign Shareowners (201) 680-6578
You can now access your Brinker Shareholder Account
online via
Investor Centre at www.computershare.com

10-K Availability

The company will furnish to any shareholder, without charge,
a copy of the company's annual report filed with the
Securities and Exchange Commission on Form 10-K for the
2025 fiscal year from our website at: www.brinker.com or
upon written request from the shareholder.

Please send your written request to:

Secretary/Investor Relations
Brinker International, Inc.
3000 Olympus Blvd.
Dallas, TX 75019

CEO/CFO Certifications

On November 11, 2024, the company submitted its annual
Section 303A CEO certification to the New York Stock
Exchange.

The company also filed the CEO and CFO certifications
required under Section 302 of the Sarbanes-Oxley Act of
2002 with the Securities and Exchange Commission as
exhibits to its Annual Report on Form 10-K for the year
ended June 25, 2025.

Chili's® Grill & Bar and Maggiano's Little Italy® are
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International Payroll Company, L.P.



3000 Olympus Blvd., Dallas, TX 75019 • www.brinker.com