

Risk Factors Comparison 2025-02-26 to 2024-02-28 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

The risk factors set forth below should be carefully considered. The risks described below are those that we believe could materially and adversely affect our business, financial condition or results of operations, however, they are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations. Risks Related to **the Restaurant** ~~Our Business and~~ Industry Food safety and food- borne illness concerns in our restaurants or throughout the industry or supply chain may have an adverse effect on our business by reducing demand and increasing costs. Regardless of the source or cause, any report of food- borne illnesses and other food safety issues, whether at one of our restaurants or in the industry or supply chain, generally could have a negative impact on our traffic and sales and adversely affect the reputation of our brands. Food safety issues could be caused by suppliers or distributors and, as a result, be out of our control and this risk may be exacerbated by ~~current~~ supply chain issues, which could delay deliveries and necessitate alternative sourcing on short notice. 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 other companies could result in negative publicity about the food service industry generally and adversely impact our sales. There is also the risk of allergen cross contamination in our restaurants despite precautionary measures to minimize the risk. Social media has dramatically increased the rate at which negative publicity, including as it relates to food- borne illnesses, can be disseminated before there is any meaningful opportunity to respond or address an issue. 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. **retain restaurant- level management and hourly team members may inhibit our ability to operate and grow successfully. Our success will continue to depend, to a significant extent, on our leadership team and other key management personnel, or we may lose institutional knowledge.** These ~~--~~ **The risks and uncertainties could result in operational and administrative inefficiencies and additional added costs, which could adversely impact our results of operations.** Further, the tight labor market in the United States has further strained and could continue to strain our ability to keep our restaurants fully staffed. If we are unable to attract and retain sufficiently experienced and capable management personnel, our business and financial results may suffer. 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, and such competition could require us to pay higher wages or incur higher costs for retaining and incentivizing our management personnel and hourly team members. If we experience high turnover, we may experience higher labor costs and have a shortage of adequate management personnel required for future growth. A shortage of team members also could cause our restaurants to operate with reduced staff, which ~~could~~ We are subject to various federal and state employment and labor laws and regulations. We and our vendors are subject to various employment and labor laws and regulations governing relationships with employees throughout the world and changes to laws and regulations may affect operating costs. These laws and regulations relate to matters including employment discrimination, pay transparency, minimum wage requirements, scheduling, overtime, tip credits, unemployment tax rates, workers' compensation rates, working conditions, immigration status, tax reporting and other wage and benefit requirements. Any significant additional government regulations and new laws governing relationships with employees, including minimum wage increases, regulations relating to union organizing rights and activities, the employment status of third- party delivery drivers, mandated benefits or other requirements that impose additional obligations on us, could increase our costs and adversely affect our business and results of operations. As a significant number of our food service and preparation personnel are paid at rates related to the applicable minimum wage, federal, state and local proposals related to minimum wage requirements or similar matters could, to the extent implemented, materially increase our labor and other costs. As minimum wage increases continue to be implemented in states in which we operate, we expect our labor costs will continue to increase. In addition, there have been in the past, and may be in the future, legislative efforts to significantly increase the federal minimum wage, which, if implemented, would materially increase our labor and other costs. Our distributors and suppliers could also be affected by higher minimum wage, benefit standards and compliance costs, which could result in higher costs for goods and services supplied to us. In addition, several U. S. jurisdictions have implemented fair workweek or " secure scheduling " legislation, which impose complex requirements related to scheduling for certain restaurant and retail employees, and additional jurisdictions are considering similar legislation. Several jurisdictions also have implemented sick pay / paid time off legislation, which requires employers to provide paid time off to employees, and " just cause " termination legislation, which restricts companies' abilities to terminate employees unless they can prove " just cause " or a " bona fide economic reason " for the termination. **Further, class action lawsuits filed pursuant to federal and state wage and hour laws may create additional material costs.** We also rely on our employees to accurately disclose the full amount of their tip income, and we base our FICA tax reporting on the disclosures provided to us by such tipped employees. Inaccurate employee FICA tax reporting could subject us to monetary liabilities, which could harm our business, results of operations and financial condition. **Our BLOOMIN² BRANDS, INC. Failure- failure to recruit- comply with government regulation related to our restaurant operations, train and retain high- the costs of compliance or non- compliance quality leadership, restaurant- level management and hourly team..... to operate with reduced staff, which could adversely affect our business ability to provide high- quality guest service.**

Challenging economic, political, state, local and social conditions may have foreign laws affecting our business. Each of our restaurants is subject to licensing and regulation by a negative number of governmental authorities, which may include, among others, alcoholic beverage control, food safety, nutritional menu labeling, health care, sanitation, hazardous material, building, zoning, land use, traffic, environmental and fire agencies in the state, municipality or country in which the restaurant is located. Our suppliers are also subject to regulation in some of these areas. Any difficulties or inability to retain or renew licenses, or increased compliance costs due to changed regulations, could adversely affect operations at existing restaurants. Additionally, difficulties in obtaining or failing to obtain the required licenses or approvals could delay or prevent the development of new restaurants. We are subject to various U. S. federal, state and international laws and regulations related to the offer and sale of franchisees. Failure to comply with these laws could adversely affect the results we generate from franchisees or otherwise impose costs on our business and financial results. Challenging economic, political, social conditions may negatively impact consumer spending and thus cause local licensing and other regulations. The failure of a restaurant to obtain or retain challenging sales environment in the casual dining sector and a liquor license would adversely decline in our financial results. For example, international, domestic and regional economic conditions, continued economic downturn or recession, or slowing or stalled recovery therefrom, unemployment levels, consumer income levels, financial market volatility, credit conditions and availability, consumer debt levels, inflation, increased energy prices, weakness in the housing market, stock market performance, rising interest rates, tariffs and trade barriers, pandemics or public health concerns, population growth, changes in government and central bank monetary policies, social unrest and governmental, political and budget matters may have a negative effect affect that on consumer confidence and discretionary spending, which the restaurant's operations industry depends upon. Further, it is difficult to predict what impact, if any, the U. S. presidential and congressional elections and their outcomes could have on consumer confidence and discretionary spending. In addition, we are subject to "dram shop" statutes in certain states. These statutes generally provide a person injured by an intoxicated person the right to recover damages effects on the global economy from the ongoing conflicts in Israel and - an Ukraine, particularly if establishment that wrongfully served alcoholic beverages to they - the intoxicated person escalate or broaden, are uncertain. We may also incur costs Terrorist attacks, heightened security requirements, attacks of critical infrastructure, protests, demonstrations, riots, civil disturbance, disobedience, insurrection, customer intimidation, mass shootings or social and other political unrest challenges in ensuring compliance with measures implemented in response to a widespread illness or a pandemic, such as requirements for physical barriers or other preventative measures in restaurants or vaccination or testing requirements for our employees, which can vary by those - the location of the restaurant seen in recent years, have and may continue to result in restrictions change. We are subject to laws relating to information security, eurfews or cashless payments and consumer credit, protection and fraud. Future laws, regulations, standards and other obligations actions and give rise to significant changes..... cybersecurity protection program based upon industry frameworks, as well as changes in the interpretation of scan and improve our environment for any vulnerabilities, perform penetration testing- existing laws, regulations, standards and other obligations could impair our ability to operate our business, such as through increased compliance costs and procedures and distraction of management from other operational and strategic matters. For example, in June 2024 in Loper Bright Enterprises v. Raimondo (Loper), the Supreme Court's holding that courts need not defer to a governmental agency's interpretation of and - an engage third parties ambiguous statute that it administers may result in increased challenges and changes to assess effectiveness existing agency regulations. The Trump administration and newly elected Congress and appointed agency chairs may seek sweeping regulatory changes. Further, the Trump administration has taken several executive actions and issued a number of our security measures executive orders in connection with oversight by our Audit Committee, among there are no assurances that such programs will prevent or detect all potential cybersecurity breaches or technological failures. Our operations and corporate functions rely heavily on information systems, including point-of-sale processing in our restaurants, management of our supply chain, payment of obligations, collection of cash, data warehousing to support analytics, finance and accounting systems, payroll and human resource systems, mobile technologies to enhance the customer experience and other various processes and procedures, some of which are areas, energy production, trade, immigration handled by third parties. Our ability to efficiently and administrative agencies. The effects effectively manage our business depends significantly on the reliability and capacity of these executive actions and executive orders systems. The failure of these systems to operate effectively, system maintenance problems, upgrading or transitioning to new platforms, or any cyber incident relating to these systems could expose our systems or information to cyber threats, result in delays in consumer service, reduced efficiency in our operations or result in negative publicity. Despite our security measures, our technology systems may be vulnerable to damage, disability or failures due to physical theft, fire, power loss, telecommunications failure or other catastrophic events, as well as any tandem regulatory changes pursued by from internal and external security breaches, employee error or malfeasance, denial of service, hacking, "phishing" attacks, social engineering, malware, ransomware, viruses, worms and other - the Trump administration attacks or disruptive problems, which have increased in sophistication, frequency and its appointees duration in recent years. In addition, the rapid evolution and increased adoption of artificial intelligence technologies may increase our cybersecurity risks, including generative artificial intelligence augmenting threat actors' technological sophistication to enhance existing or create new malware. We have been, and will continue to be, the target of attempted cyber and other security threats, including those common to most industries and those targeting us due to the confidential consumer information we obtain through our electronic processing of credit and debit card transactions. Like other restaurants and retailers, we are highly uncertain also susceptible to claims for purportedly fraudulent transactions arising out of actual or alleged theft of credit or debit card information. A security breach or even a perceived security breach or failure to appropriately respond to a cyber incident could result in litigation or

governmental investigation, as well as damage to our reputation and brands. A claim or investigation resulting from a cyber or other security threat to our systems and data may have a material adverse **adversely impact** effect on our business and distract management from running the business. Responses to cybersecurity also have the potential of incurring significant remediation costs, to the extent such costs are not covered by our applicable insurance policies. As cybersecurity risks and applicable laws and regulations evolve, we may incur significant additional costs in technology, third-party services and personnel to maintain systems designed to anticipate and prevent cyber-attacks. We are subject to a variety of continuously evolving laws and regulations regarding privacy, data protection and data security at federal, state and international levels. The California Consumer Privacy Act, for example, became effective January 1, 2020 and provides a private right of action to California residents related to data breaches and imposes disclosure and other requirements on companies with respect to their data collection, use and sharing practices as they relate to California residents. Other states and countries in which we operate have enacted, or are proposing to enact, similar laws or the laws expanding existing privacy rights. New areas of litigation related to privacy rights continue to emerge. Compliance with **these newly developed laws and regulations and monitoring and addressing**, which are subject to change **changes** and uncertain interpretations **can be costly**, may cause us to incur substantial costs. Increased commodity, energy and **any failure** other costs could decrease our **or perceived failure** profit margins or cause us to limit or otherwise modify **comply with these laws or** **or minus any breach of or our** increase prices **systems could harm our reputation or lead to litigation**, which could adversely affect our business. Further, if our suppliers..... our business, results of operations and financial condition. **If we fail to adequately address..... generally or in particular concepts or markets**. Changes in tax laws, uncertainty in the judicial interpretation of those 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 numerous foreign jurisdictions. Our effective income tax rate and other taxes in the future could be adversely affected by a number of factors, including changes in the mix of earnings in countries with different statutory tax rates, changes in the valuation of deferred tax assets and liabilities, an "ownership change" as defined under Section 382 of the Internal Revenue Code, changes in U. S. or foreign tax laws, including the **proposed** 15 % global minimum tax under the Organization for Economic Co- operation and Development (" OECD ") Pillar Two (" Pillar Two "), Global Anti- Base Erosion rules, uncertainty in the interpretation of tax laws, comprehensive tax reform measures or other legislative changes, **particularly as a result of the recent U. S. elections**, and the outcome of income tax audits and tax litigation, such as in Brazil. Further, differences in interpretations of Pillar Two and other rules by multiple jurisdictions may cause increased complexities as to compliance and increased audit controversy with tax authorities in jurisdictions where we operate. Although we believe our tax estimates are reasonable, the final determination of tax audits and tax litigation could be materially different from our historical income tax provisions and accruals. These results could have a material effect on our results of operations or cash flows in the period or periods for which these determinations are made. In addition, our effective income tax rate and our results may be impacted by our ability to realize deferred tax benefits, including our FICA tip credit carryforwards, and by any increases or decreases of our valuation allowances applied to our existing deferred tax assets. **Our failure**..If we fail to adequately address corporate citizenship and sustainability matters,it could have an adverse effect on our business,financial condition,and operating results and may damage our reputation.In recent years,there has been an increasing focus from certain investors,customers,consumers,employees,state,federal and international governments and agencies,and other stakeholders concerning corporate citizenship and sustainability matters,including practices and disclosures related to environmental stewardship;social responsibility;diversity,equity and inclusion;and workplace rights.Companies across all industries are facing increasing scrutiny relating to their corporate citizenship and sustainability practices **,including from opponents of these initiatives**. We are also subject to corporate citizenship and sustainability disclosure rules and regulations and institutional investor voting policies that seek this information,making it more accessible for scrutiny.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**.to comply with government regulation **such demands. We may also determine that certain changes are required in anticipation of further evolution of consumer preferences and demands. Increased focus and activism** related to **corporate citizenship and sustainability may also result in investors reconsidering their investment decisions as a result of their assessment of a company' s corporate citizenship and sustainability practices. In addition, corporate diversity, equity and inclusion practices have recently come under increasing challenges from advocacy groups and federal and state officials through media campaigns, lawsuits and executive orders. Any failure** our **or restaurant operations, perceived failure by us to adequately address stakeholder expectations** and the costs of compliance **legal requirements regarding corporate citizenship, including diversity, equity and inclusion, employee health, safety and welfare, and workplace rights, among others, may damage** or **our reputation and non-compliance**, could adversely affect our business the ongoing conflicts in Israel and Ukraine,particularly if they escalate or broaden,are uncertain.Terrorist attacks,heightened security requirements,attacks of critical infrastructure,protests,demonstrations,riots,civil disturbance,disobedience,insurrection,customer intimidation,mass shootings or social and other political unrest,such as those seen in recent years,have and may continue to result in restrictions,curfews or other actions and give rise to significant changes in regional and global economic conditions.If such events or disruptions persist for a prolonged period of time,our overall business and results of operations may be adversely affected.In addition,it is difficult to predict what impact,if any,changes in federal policy,including tax,economic and monetary policies,will have on our industry,the economy as a whole,consumer confidence and discretionary spending.As a result,the nature,timing and impact on our business of potential changes to the current legal and regulatory frameworks are uncertain.A decline in economic,political or social conditions or negative developments with respect to any of the other factors mentioned above,or a perception that such decline or negative developments are imminent,generally or in particular markets in which we

operate, and our consumers' reactions to these trends could result in increased pressure with respect to our pricing, traffic levels, commodity and other costs and the continuation of our innovation and productivity initiatives, which could negatively impact our business and results of operations. Further, poor economic conditions may force nearby businesses to shut down, which could cause our restaurant locations to be less attractive. ~~Increased commodity, energy~~ **The restaurant industry is highly competitive and consumer options for other prepared food offerings continue** costs could decrease our profit margins or cause us to **expand. Our inability to compete effectively** limit or otherwise modify our menus or increase prices, which could adversely affect our business. ~~The performance, financial condition and results of our operations. A substantial number of restaurants~~ **restaurant operators compete directly** depends on our ability to anticipate and react **indirectly with us with respect** to changes in the price, **service, location** and availability of food commodities **quality, some of which are well-established with significant resources**. Our business ~~There is~~ also **active competition** incurs significant costs for energy **management**, team members ~~utilities, insurance, health care, labor, marketing and other personnel, and attractive suitable real estate over which sites.~~ **Consumer tastes, nutritional and dietary trends, traffic patterns and the type, number and location of competing restaurants often affect the restaurant business, and our competitors may react more efficiently, creatively and effectively to those conditions. In addition, our competitors may generate or better implement business strategies that improve the value and relevance of their brands and reputation, relative to ours. For example, our competitors may more successfully implement menu or technology initiatives, such as remote ordering, social media or mobile technology platforms that expedite or enhance the customer experience, or artificial intelligence to develop new customer insights. Further, we face growing competition from quick service and fast-casual restaurants, the supermarket industry and meal kit and food delivery providers, with the improvement of prepared food offerings, "ghost" or "dark" kitchens where meals are prepared at a separate takeaway premises rather than a restaurant, and the trend towards convergence in grocery, deli, delivery, retail and restaurant services. Further, if this competitive environment and the breadth of alternatives results in a decline in casual dining customer traffic, it could make our financial operations dependent on our ability to increase our market share within the hyper-competitive casual dining segment. We believe all of the above factors have little control. We have experienced increased competitive pressures in the casual dining sector in recent periods and we believe** continue to experience the ~~they~~ impact of inflation and fluctuations in costs on our operating expenses and anticipate the inflationary conditions will continue to **present a challenging competitive environment** in the near future **periods**. ~~We~~ **If we are unable** anticipating 2.5% to **continue to compete effectively** 3.5% commodity inflation for 2025, but there can ~~our traffic, sales and margins could decline and our business, financial condition and results of operations would be adversely~~ no assurance that our expectations will be accurate or that we will be able to efficiently pass through any increased costs in our prices. Increased prices or shortages could affect the cost and quality of the items we buy or require us to raise prices, limit our menu options or implement alternative processes or products. In response, customers may be less willing to patronize our restaurants in favor of our competitors or lower-priced alternatives. Prices may also be affected by supply, market changes, increased competition, changes in laws, shortages or interruptions in supply due to weather, disease or other conditions beyond our control, labor shortages, port disruptions and freight carrier stoppages, or other reasons. As a result, these events, individually or combined with other more general economic and demographic conditions, could impact our pricing and negatively affect our sales and profit margins. **Risks Related to Information Technology, Privacy and Intellectual Property** Cybersecurity breaches of confidential consumer, personal employee and other material information and other threats to our technological systems may adversely affect our business. A cyber incident that compromises the information of our consumers or employees, whether affecting our technological systems or those of third-party service providers that we rely on, could result in widespread negative publicity, damage to the reputation of our brands, a loss of consumers, an interruption of our business and legal liabilities. The majority of our restaurant sales are by credit or debit cards, and we maintain certain personal information regarding our employees and confidential information about our customers, franchisees and suppliers. Although we segment our card data environment and employ a cybersecurity protection program based upon industry frameworks, ~~as well as~~. We are subject to ~~various~~ **a variety of continuously evolving laws and regulations regarding privacy, data protection and data security at** federal, state, local and foreign ~~international levels.~~ **The California Consumer Privacy Act, for example, became effective January 1, 2020 and provides a private right of action to California residents related to data breaches and imposes disclosure and other requirements on companies with respect to their data collection, use and sharing practices as they relate to California residents. Other states and countries in which we operate have enacted, or are proposing to enact, similar laws affecting our ~~or business~~ **the laws expanding existing privacy rights**. ~~Each~~ **New areas of our restaurants is** **litigation related to privacy rights continue to emerge. Compliance with newly developed laws and regulations, which are** subject to **change** licensing and regulation by a number of governmental authorities, which may include, among others, alcoholic beverage control, food safety, nutritional menu labeling, health care, sanitation, hazardous material, building, zoning, land ~~and uncertain interpretations, may cause use~~ **us to incur substantial costs**, traffic, environmental and fire agencies in the state, municipality or country in which the restaurant is located. Our ~~failure~~ suppliers are also subject to regulation in some of these areas. Any difficulties or ~~inabilities~~ **inability** to **retain enforce** or **our trademarks** renew licenses, or **other proprietary rights** increased compliance costs due to changed regulations, could adversely affect or ~~inability to enforce~~ our trademarks or other proprietary rights could adversely affect our competitive position or the value of our brand. Our trademarks, including Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill, Fleming's Prime Steakhouse & Wine Bar and Bloomin' Onion, and other proprietary rights are important to our success and our competitive position. The protective actions that we take may not be sufficient to prevent unauthorized usage or imitation by others, which could harm our image, brand or competitive position. Furthermore, our ability to protect trademarks and other proprietary rights may be more limited in certain international markets where we operate. ~~Litigation could~~ **Risks Related to Our Business Model and Strategy** We have **limited control with respect to the** operations at existing ~~of our franchisees, which could have a negative impact on our~~**

business. Our franchisees are contractually obligated to operate their restaurants. Additionally, difficulties in accordance with our standards and we provide obtaining training or failing and support to obtain franchisees. However, franchisees are generally independent third parties that we do not control, and the these required licenses or approvals could delay or prevent franchisees own, operate and oversee the daily operations of the their development of new restaurants. As a result We are subject to various U. S. federal, state and international laws and regulations related to the offer ultimate success and sale quality of any franchises franchise restaurant rests. Failure to comply with these the laws franchisee. If franchisees do not successfully operate restaurants in a manner consistent with our product and service quality standards and contractual requirements, our image and reputation could be harmed, which in turn could adversely affect the our business and operating results we generate from. A significant portion of our financial results are dependent upon the operational and financial success of our franchises franchisees. This portion will increase as a result of the sale of a majority interest in or our otherwise impose costs on us Brazil operations, which are now operated as unconsolidated franchisees. If Alcoholic beverage sales trends represent 11 % of our or consolidated restaurant sales economic conditions worsen for franchisees, their financial results may worsen and our royalty, rent are subject to extensive state and local licensing and other fee revenues may decline regulations. The failure of a restaurant to obtain or retain a liquor license would adversely affect that restaurant's operations. In addition, we are subject to "dram shop" statutes in certain states. These statutes generally provide a person injured by an intoxicated person the right to recover damages from an establishment that wrongfully served alcoholic beverages to the intoxicated person. We may also incur expenses in connection with supporting franchise restaurants that are underperforming. As small businesses, some of our franchise operators may be negatively and disproportionately impacted by strategic initiatives, capital requirements, inflation, increased interest rates, labor costs of and challenges in ensuring compliance with measures implemented in response, employee relations issues, or other causes. When Company-owned restaurants are sold to a widespread illness franchisee, one of or our a pandemic, such as requirements subsidiaries is often required to remain responsible for physical barriers lease payments or for other the sold preventative measures in restaurants or vaccination or testing requirements to the extent the purchasing franchisees default on their leases. During periods of declining sales and profitability of franchisees, the incidence of franchisee defaults for our employees, which can vary by the these lease location of the restaurant and may continue to change. We are subject to laws relating to information security, cashless payments may increase and we may consumer credit, protection and fraud. Compliance with these laws and regulations can be required costly, and any failure or perceived failure to comply with make lease payments and seek recourse against these the franchisee laws or any breach of our or agree systems could harm our reputation or lead to repayment terms litigation, which could adversely affect our financial condition. Risks associated with our remodeling, relocation and expansion plans may have adverse effects on our operating results. As part of our business strategy, we intend to continue to remodel, relocate and expand our current portfolio of restaurants. Our 2024-2025 development schedule calls for the construction of approximately 40-18 to 45-20 new system Company-wide-owned locations, with approximately half in Brazil. A variety of factors could cause the actual results and outcome of those plans to differ from the anticipated results, including, among other things, the selection of suitable locations for new or relocated restaurants, the availability and terms on which we can lease attractive sites for new or relocated restaurants, availability and terms of funding, recruiting, training and retaining skilled management and restaurant employees, construction or other delays, the availability of construction materials or restaurant equipment, construction and renovation costs and consumer tastes and acceptance of our restaurant concepts and awareness of our brands in new regions. Governmental regulations or other health guidelines concerning the operations of restaurants, including due to public health emergencies, may also cause disruptions in our plans. It is difficult to estimate the performance of newly opened restaurants and whether they may attract customers away from other restaurants we own. If new or existing restaurants do not meet targeted performance, it could have a material adverse effect on our operating results, including any impairment losses that we may be required to recognize. Some of the challenges described above could be more significant in international markets in which we have more limited experience, either generally or with a particular brand. Those markets are likely to have different competitive conditions, consumer tastes, discretionary spending patterns and brand awareness, which may cause our new restaurants to be less successful than restaurants in our existing markets or make it more difficult to estimate the performance of new restaurants. In addition, in an effort to increase same-restaurant sales and improve our operating performance, we continue to make improvements to our facilities through remodels and relocations and close underperforming restaurants. We incur significant lease termination or continuation expenses and asset impairment and other charges when we close or relocate a restaurant. If the expenses associated with remodels, relocations or closures are higher than anticipated, we cannot find suitable locations or remodeled or relocated restaurants do not perform as expected, these initiatives may not yield the desired return on investment, which could have a negative effect on our operating results. Failure to achieve projected cost savings from our efficiency initiatives could adversely affect our results of operations and eliminate potential funding for growth opportunities. In recent years, we have identified strategies and taken steps to reduce operating costs and free up resources to reinvest in our business. These strategies include improved supply chain management, implementing labor scheduling tools, improvements in kitchen equipment and integrating restaurant information systems across our brands. We continue to evaluate and implement further cost-saving initiatives. However, the ability to reduce our operating costs through these initiatives is subject to risks and uncertainties, such as our ability to obtain improved supply pricing and the reliability of any new suppliers or technology, and we cannot assure that these activities, or any other activities that we may undertake in the future, will achieve the desired cost savings and efficiencies. In addition, these measures may not be sustainable or may be detrimental to continued operations. Failure to achieve such desired savings or other negative effects from cost-saving measures could adversely affect our results of operations and financial condition and curtail investment in growth opportunities. Our success depends substantially on the value of our brands and our ability to execute innovative marketing and consumer relationship initiatives to maintain brand relevance and drive profitable sales growth. Our success depends on our

ability to preserve and grow our brands. Our brand value and reputation are especially important to differentiate our concepts in the highly competitive casual dining sector to achieve sustainable same- restaurant sales growth and warrant new unit growth. Brand value and reputation are based in large part on consumer perceptions, which are driven by both our actions and by actions beyond our control, such as new brand strategies or their implementation, business incidents, ineffective advertising or marketing efforts, or unfavorable mainstream or social media publicity involving us, our industry, our franchisees, or our suppliers. A failure to innovate and extend our brands in ways that are relevant to consumers and occasions in order to generate sustainable same- restaurant traffic growth, and produce non- traditional sales and earnings growth opportunities, could have an adverse effect on our results of operations. Additionally, insufficient focus on our competition or failure to adequately address declines in the casual dining industry, could adversely impact results of operations. If our competitors increase their spending on advertising, promotions and loyalty programs, if our advertising, media or marketing expenses increase, or if our advertising, promotions and loyalty programs become less effective than those of our competitors, or if we do not adequately leverage technology and data analytic capabilities needed to generate concise competitive insight, our results of operations could be materially and adversely affected.

There are risks and uncertainties associated with strategic actions and initiatives that we may implement, including not realizing the intended benefits of the Brazil Sale Transaction. From time to time, we consider various strategic actions and initiatives in order to grow and evolve our business and brands and improve our operating results. These actions and initiatives could include, among other things, acquisitions, development or dispositions of restaurants or brands, new joint ventures, new franchise arrangements, restaurant closures and changes to our operating model. For example, in December 2024, we completed the sale of 67 % of our Brazil operations, converting all restaurants in that market from directly owned and operated locations to franchised locations. There can be no assurance that any such strategic actions or initiatives will be successful or deliver their anticipated benefits. We may be exposed to new and unforeseen risks and challenges, particularly if we enter into markets or engage in activities with which we have limited or no prior experience, and it may be difficult to predict the success of such endeavors. If we incur significant expenses or divert management, financial and other resources to any initiative that is unsuccessful or does not meet our expectations, our results of operations and financial condition would be adversely affected. We may also incur significant asset impairment and other charges in connection with any such initiative. Regardless of the ultimate success of a strategic initiative, the implementation and integration of new business or operational processes could be disruptive to our current operations. Even if we test and evaluate an initiative on a limited basis, the diversion of management time and resources could have an adverse effect on our business. Our ability to realize continuing benefits from our minority equity investment in our formerly owned and now franchised Brazil operations is subject to various risks and uncertainties. There is no assurance that our investment will be profitable or that growth will continue or that we will be able to generate a favorable return on the sale of our remaining interest in the future. In addition, there is no assurance that we will generate anticipated royalties from our franchise arrangement, which will be subject to the general risks associated with franchise arrangements. As a minority equity investor and franchisor, we will have limited control with respect to the Brazilian operations. The performance of our franchisees these operations will also be subject to economic, which regulatory and other market conditions in Brazil. As a result of the foregoing, the intended benefits of the Brazil transaction may not be realized. We face a variety of risks associated with doing business in foreign markets that could have a negative impact on our ~~our~~ financial performance. We have a significant number of restaurants outside of the United States, and we intend to continue our efforts to grow internationally. There is no assurance that international operations will be profitable or international growth will continue. In addition, if we have a significant concentration of restaurants in a foreign market, the impact of any negative local conditions can have a sizable impact on our results. Our foreign operations are subject to all of the same risks as our U.S. restaurants, as well as additional risks including, among others, international economic, political, social and legal conditions and the possibility of instability and unrest, differing cultures and consumer preferences, diverse government regulations and tax systems, cybersecurity threats, corruption, anti- American sentiment, the ability to source high- quality ingredients and other commodities in a cost- effective manner, uncertain or differing interpretations of rights and obligations in connection with international franchise agreements and the collection of ongoing royalties from international franchisees, the availability and costs of land, construction and financing, and the availability of experienced management, appropriate franchisees and operating partners. Local or regional events or conditions in our international markets could disrupt ~~our~~ business operations and affect our results. ~~Our~~ In recent years, there were protests in cities throughout the United States as well as globally, including in Hong Kong and Brazil, in connection with civil rights, liberties, and social and governmental reform. Currency regulations and fluctuations in exchange rates could also affect our performance. We have operations in many foreign countries, including a minority equity investment in our Brazil franchisees, direct investments in ~~are contractually obligated to operate their restaurants in Hong Kong accordance with our standards and~~ international ~~we provide training and support to franchisees. However, franchisees are independent third parties that we do not control, and these franchisees own, operate and oversee the daily operations of their restaurants. As a result, the ultimate success and quality of~~ we may experience losses from fluctuations in foreign currency exchange rates or any hedging arrangements that we enter into to offset such fluctuations ~~franchise restaurant rests with the franchisee. If franchisees do not successfully operate restaurants in a manner consistent with our product and service quality standards and contractual requirements, our image and~~ such losses reputation could be harmed, which in turn could adversely affect our overall sales and earnings. We are subject to governmental regulation of our foreign operations, including antitrust and tax requirements, anti- boycott regulations, import / export / customs regulations and other international trade regulations, the USA Patriot Act and the Foreign Corrupt Practices Act. Any new regulatory or trade initiatives could impact our operations in certain countries. Failure to comply with any such legal requirements could subject us to monetary liabilities and other sanctions, which could harm our business, results of operations and operations- financial

condition. Risks Related to Our Indebtedness We may not be able to generate sufficient cash to service all of our indebtedness and operating lease obligations, and we may be forced to take other actions to satisfy our obligations under our indebtedness and operating lease obligations, which may not be successful. If we fail to meet these obligations, we would be in default under our debt agreements and the lenders could elect to declare all amounts outstanding under them to be immediately due and payable and terminate all commitments to extend further credit. Our ability to make scheduled payments on our debt obligations and to satisfy our operating lease obligations depends upon our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to financial, business and other factors, many of which are beyond our control. We cannot be certain that we will maintain a level of cash flow from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, or to pay our operating lease obligations. For example, if inflation persists, or our financial position deteriorates, our revenues and liquidity position may decline. If our cash flow and capital resources are insufficient to fund our debt service obligations and operating lease obligations, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. In the absence of sufficient operating results, **A significant portion of our cash and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations or take other actions to meet our debt service and other obligations. Our debt agreements restrict our ability to dispose of assets and how we may use the proceeds from the disposition. We may not be able to consummate those dispositions or to obtain the proceeds that we could otherwise realize from such dispositions and any such proceeds that are realized may not be adequate to meet any debt service obligations then due. The failure to meet our debt service obligations or the failure to remain in compliance with the** financial covenants under our debt agreements would constitute an event of default under those agreements and the lenders could elect to declare all amounts outstanding under them to be immediately due and payable and terminate all commitments to extend further credit. Our leverage could adversely affect our ability to raise additional capital to fund our operations or limit our ability to react to changes in the economy or our industry. As of December 31, 2023, our total net indebtedness was \$ **780.1** million and we had \$ **599.474** million in available unused borrowing capacity under our revolving credit facility, net of undrawn letters of credit of \$ **19.16** million. Our leverage could have important consequences, including: • making it more difficult for us to make payments on indebtedness; • increasing our vulnerability to general economic, industry and competitive conditions and the various risks we face in our business; • increasing our cost of borrowing or limiting our ability to obtain additional financing, if needed; • reducing our ability to use our cash flow to fund our operations, capital expenditures, dividend payments, **repurchases of our common stock** and future business and strategic opportunities; and • limiting our ability to adjust to changing market conditions and placing us at a competitive disadvantage compared to our competitors who may not be as highly leveraged. We may incur substantial additional indebtedness in the future, subject to the restrictions contained in our credit agreement. If new indebtedness is added to our current debt levels, the related risks that we now face could increase. We cannot be certain that our financial condition or credit and other market conditions will be favorable **when upon maturity of our unsecured notes or credit agreement matures** in 2026, or at any earlier time we may seek to refinance our debt. Further, turmoil in global credit markets could adversely impact the availability and cost of credit. If we are unable to refinance our indebtedness on favorable terms, our financial condition and **results of operations would be adversely affected. Our debt agreements contain restrictions that limit our flexibility in operating our business. Certain of our debt agreements limit our and our subsidiaries' abilities to, among other things, incur or guarantee additional indebtedness, pay dividends above certain thresholds, redeem or repurchase our capital stock, make certain acquisitions or investments, incur or permit to exist certain liens, enter into transactions with affiliates or sell our assets to, merge or consolidate with or into, another company. Our debt agreements require us to satisfy certain financial tests and ratios. Our ability to satisfy such tests and ratios may be affected by events outside of our control. If we breach the covenants under our debt agreements, the lenders could elect to declare all amounts outstanding under the agreements to be immediately due and payable and terminate all commitments to extend further credit. If we are unable to repay those amounts, the lenders could proceed against the collateral granted to the them** **operational and financial success to secure that indebtedness. We have pledged substantially all of our franchisees assets as collateral under our credit agreement.** If **our lenders** accelerate the repayment of borrowings, we cannot be certain that we will have sufficient assets to repay them. Risks Related to Our Common Stock Our ability to raise capital in the future may be limited, which could make us unable to fund our capital requirements. Our business and operations may consume resources faster than we anticipate. In the future, we may need to raise additional funds through the issuance of new equity securities, debt or a combination of both. Additional financing may not be available on favorable terms or at all. If adequate funds are not available on acceptable terms, we may be unable to fund our capital requirements. If we issue new debt securities, the debt holders would have rights senior to common stockholders to make claims on our assets, and the terms of any debt could restrict our operations, including our ability to pay dividends above certain thresholds on our common stock. If we issue additional equity securities, existing stockholders may experience dilution, and the new equity securities could have rights senior to those of our common stock. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Thus, our stockholders bear the risk of our future securities offerings reducing the market price of our common stock and diluting their interest. Our stock price is subject to volatility. The stock market in general is highly volatile. As a result, the market price of our common stock is similarly volatile. The price of our common stock could be subject to wide fluctuations in response to a number of factors, some of which may be beyond our control. These factors include actual or anticipated fluctuations in our operating results, changes in our ability to achieve estimates of our operating results by analysts, investors or management, analysts' recommendations regarding our stock or our competitors' stock, **sales of sales trends of substantial amounts of our common stock by our**

stockholders, actions or announcements by us or our competitors, the maintenance and growth of the value of our brands, litigation, legislation or other regulatory developments affecting us or our industry, widespread / pandemic illness, natural disasters, cyber- attacks, terrorist acts, war or other calamities and changes in general market and

economic conditions ~~worsen~~. Provisions in our certificate of incorporation and bylaws and Delaware law may discourage, delay or prevent a change of control of our Company or changes in our management and, therefore, may depress the trading price of our stock. Our certificate of incorporation and bylaws include certain provisions that could have the effect of discouraging, delaying or preventing a change of control of our Company or changes in our management. These provisions may discourage, delay or prevent a transaction involving a change in control of the Company that is in the best interests of our stockholders. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our common stock if they are viewed as discouraging future takeover attempts. Section 203 of the Delaware General Corporation Law may affect the ability of an "interested stockholder" to engage in certain business combinations, including mergers, consolidations or acquisitions of additional shares, for **a period of three years following** ~~Bonefish Grill, Fleming's Prime Steakhouse & Wine Bar and Bloomin' Onion, and other~~ -- **the time** ~~proprietary rights are important to our success and our competitive position. The protective actions that~~ **the stockholder becomes an "interested stockholder."** An "interested stockholder" is defined to **include persons owning directly or indirectly 15 % or more of the outstanding voting stock of a corporation. Although** ~~we take may have elected in our certificate of incorporation not to be sufficient subject to prevent unauthorized usage. Section 203 of the Delaware General Corporation Law, or our certificate of incorporation contains provisions that have~~ **imitation** by others, which could harm our image, brand or competitive position. Furthermore, our ability to protect trademarks and other -- **the same effect as Section 203** ~~proprietary rights may be more limited in certain international markets where we operate.~~

General Risk Factors 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. These matters typically involve claims by consumers and others regarding issues such as food borne illness, food safety, premises liability, personal injury, discrimination, " dram shop " statute liability, promotional advertising and other operational issues common to the food service industry, as well as environmental, data privacy, contract disputes and intellectual property infringement matters. We are also subject to employee claims against us based on, among other things, discrimination, harassment, wrongful termination, disability, or violation of wage and labor laws. We are also subject to the risk of being named a joint employer of workers of our ~~franchisees for alleged franchisees , their~~ **for alleged violations of labor and wage laws. These claims may divert our** ~~financial and management resources that would otherwise be used to benefit our operations. The ongoing expense of or diversion of management attention due to any resulting lawsuits, any substantial settlement payment or damage award against us and any damage to our reputation could adversely affect our business and~~ **results of operations. Significant legal** ~~may worsen and our royalty, rent and other fee-fees and costs revenues may decline. In addition, we may also incur expenses in connection with supporting franchise restaurants~~ **complex class action litigation or an adverse judgment or settlement** ~~that is not insured~~ are underperforming. As small businesses, some of our ~~or is in excess of insurance coverage could have~~ franchise operators may be negatively and disproportionately impacted by strategic initiatives, capital requirements, inflation, increased interest rates, labor costs, employee relations issues, or other causes. When Company- owned restaurants are sold to a **material adverse effect** franchisee, one of our subsidiaries is often required to remain responsible for lease payments for the sold restaurants to the extent the purchasing franchisees default on their leases. During periods of declining sales and profitability of franchisees, the incidence of franchisee defaults for these lease payments may increase and we may be required to make lease payments and seek recourse against the franchisee or ~~our~~ **agree to repayment terms** ~~financial position and results of operations~~.

Significant adverse weather conditions and other disasters or unforeseen events and our ability to execute, or success in executing, a comprehensive business recovery plan at our ~~restaurant~~ **Restaurant support Support center Center** for these events could negatively impact our results of operations and have a material adverse impact on our business. Adverse weather conditions and natural disasters and other unforeseen events, such as winter storms, severe temperatures, thunderstorms, floods, drought, fires, hurricanes and earthquakes, terrorist attacks, war and widespread / pandemic illness, and the effects of such events on economic conditions and consumer spending patterns, could disrupt our operations or supply chain and negatively impact our results of operations. These events may result in lost restaurant sales, as well as property damage, lost products, interruptions in supply, and increased costs, temporary and prolonged restaurant closures may occur and consumer traffic may decline due to the actual or perceived effects from these events. For example, the COVID- 19 pandemic, severe winter weather conditions , **wildfires** and hurricanes have impacted our traffic, and that of our ~~franchises~~ **franchisees** , and results of operations in recent years. Although we cannot predict when or where we will be negatively impacted by widespread illnesses or pandemics, adverse weather events, to the extent that climate change or other factors result in more frequent, widespread or severe events, it could adversely impact our results. U. S. and foreign governmental officials also have placed an increasing focus on environmental matters, including climate change, reduction of greenhouse gases and water consumption. This increased focus could lead to legislative, regulatory or other efforts to combat these environmental concerns. These efforts could result in further increases in taxes, cost of supplies, transportation and utilities, which could increase our operating costs and those of our franchisees and require future investments in facilities and equipment. There may also be increased pressure for us to make commitments, set targets or establish goals to take actions to meet them, which could expose us and our franchisees to market, operational, execution and reputational costs or risks. Many of our corporate systems and processes and corporate support for our restaurant operations are centralized at one location in Tampa, Florida. We have disaster recovery procedures and business continuity plans in place to address crisis- level events, including hurricanes and other natural disasters, and ~~back~~ **backup up** and off- site locations for recovery of electronic and other forms of data and information, and the ability to manage our business remotely. 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, 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. In addition, these threats are constantly evolving, which increases the difficulty of accurately and timely predicting, planning for and protecting against the threat. As a result, our disaster recovery procedures and business continuity plans may not adequately address all threats we face or protect us from loss. The United States and other countries have experienced, or may experience in the future, outbreaks of viruses or other diseases, including the COVID-19 pandemic. If a regional or global health pandemic occurs, depending upon its location, duration and severity, our business could be severely affected. In the event a health pandemic occurs, customers might avoid public places, and local, regional or national governments might limit or ban public gatherings to halt or delay the spread of disease. Jurisdictions in which we have restaurants may impose mandatory closures or impose restrictions on operations. If a virus is transmitted by human contact or respiratory transmission, our employees or guests could become infected, or could choose, or be advised, to avoid gathering in public places, any of which would adversely affect our restaurant guest traffic or our ability to perform functions at the corporate level. A regional or global health pandemic might also adversely affect our business by disrupting or delaying production and delivery of materials and products in our supply chain and by causing staffing shortages in our stores.

Our insurance policies may not provide adequate levels of coverage against all claims, and fluctuating insurance requirements and costs could negatively impact our profitability. We carry insurance programs with specific retention levels or high per-claim deductibles for a significant portion of our risks and associated liabilities with respect to workers' compensation, general liability, liquor liability, employment practices liability, property, health benefits, cybersecurity and other insurable risks. However, there are risks and uncertainties associated with initiatives types of losses we may incur that cannot be insured against or that we may implement. From time believe are not commercially reasonable to time insure. These losses, we consider various initiatives in order to grow if they occur, could have a material and evolve adverse effect on our business and brands and improve our operating results. These initiatives could include, among other things, acquisitions, development or dispositions of restaurants or brands, new joint ventures, new franchise arrangements, restaurant closures and changes to our operating operations model. Additionally, if our insurance costs increase, there there can be no assurance that we any such actions or initiatives will be able to successful successfully offset or deliver their the effect anticipated benefits. We may be exposed to new and unforeseen risks and challenges, particularly if we enter into markets or engage in activities with which we have no or limited prior experience, and it may be difficult to predict the success of such increases endeavors. If we incur significant expenses or divert management, financial and other resources to any initiative that is unsuccessful or does not meet our expectations, our results of operations may and financial condition would be adversely affected. We may also incur significant asset impairment..... as Section 203. General Risk Factors

An impairment in the carrying value of our goodwill or other intangible or long-lived assets could adversely affect our financial condition and results of operations. Along with other intangible assets, we test goodwill for impairment annually and whenever events or changes in circumstances indicate that its carrying value may not be recoverable. We also evaluate long-lived assets on a quarterly basis or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. We cannot accurately predict the amount and timing of any impairment of assets. A significant amount of judgment is involved in determining if an indication of impairment exists. Unforeseen events could make developing forecasts for, and the accounting of, valuation of goodwill and certain other assets slower and more difficult. Should the value of goodwill or other intangible or long-lived assets become impaired, there could be an adverse effect on our financial condition and consolidated results of operations. Failure to maintain effective systems of internal control over financial reporting and disclosure controls and procedures could adversely affect our business and financial results. Effective internal control over financial reporting is necessary for us to provide accurate financial information. If we are unable to adequately maintain effective internal control over financial reporting, we may not be able to accurately report our financial results. Furthermore, we cannot be certain that our internal control over financial reporting and disclosure controls and procedures will prevent all possible errors and fraud, including through cyber-attacks. Because of inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of error or fraud, if any, in our Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of a simple error or mistake, which could have an adverse impact on our business. A significant financial reporting failure or a lack of sufficient internal control over financial reporting could cause a loss of investor confidence and decline in the market price of our common stock, increase our costs, lead to litigation or result in negative publicity that could damage our reputation. Future changes to existing accounting rules, accounting standards, new pronouncements and varying interpretations of pronouncements, or the questioning of current accounting practices may adversely affect our reported financial results. Additionally, our assumptions, estimates and judgments related to complex accounting matters could significantly affect our financial results. Generally accepted accounting principles and related accounting pronouncements, implementation guidelines and interpretations with regard to a wide range of matters that are relevant to our business, including but not limited to, revenue recognition, impairment of long-lived assets, leases and related economic transactions, derivatives, intangibles, self-insurance, income taxes, property and equipment, unclaimed property laws and litigation, and stock-based compensation are highly complex and involve many subjective assumptions, estimates and judgments by us. Changes in these rules or their interpretations or changes in underlying assumptions, estimates or judgments by us could significantly change our reported or expected financial performance.

Our insurance policies may not provide adequate levels of coverage against all claims, and fluctuating insurance requirements and costs could negatively impact our profitability. We carry insurance programs with specific retention levels or high per-claim deductibles for a significant portion of our risks and associated liabilities with respect to workers' compensation, general liability, liquor liability, employment practices liability, property, health benefits, cybersecurity and other insurable risks. However, there are types of losses we may incur that cannot be insured against or that we believe are not commercially reasonable to insure. These losses, if they occur, could have a

material and adverse effect on our business and results of operations. Additionally, if our insurance costs increase, there can be no assurance that we will be able to successfully offset the effect of such increases and our results of operations may be adversely affected.