

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 29, 2024

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-35625



**BLOOMIN' BRANDS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation or organization)

**20-8023465**

(IRS Employer Identification No.)

**2202 North West Shore Boulevard, Suite 500, Tampa, FL 33607**

(Address of principal executive offices) (Zip Code)

**(813) 282-1225**

(Registrant's telephone number, including area code)

**N/A**

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<b>Common Stock \$0.01 par value</b>	<b>BLMN</b>	<b>The Nasdaq Stock Market LLC (Nasdaq Global Select Market)</b>

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 the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer   
Smaller reporting company  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

As of November 5, 2024, 84,843,072 shares of common stock of the registrant were outstanding.

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**BLOOMIN' BRANDS, INC.**INDEX TO QUARTERLY REPORT ON FORM 10-Q  
For the Quarterly Period Ended September 29, 2024  
(Unaudited)

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**BLOOMIN' BRANDS, INC.**
**PART I: FINANCIAL INFORMATION**
**Item 1. Financial Statements**
**CONSOLIDATED BALANCE SHEETS**  
**(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)**

	SEPTEMBER 29, 2024 (UNAUDITED)	DECEMBER 31, 2023
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 83,632	\$ 111,519
Restricted cash and cash equivalents	—	2,854
Inventories	71,949	75,939
Other current assets, net	105,477	153,002
Total current assets	261,058	343,314
Property, fixtures and equipment, net	1,069,447	1,031,922
Operating lease right-of-use assets	1,081,498	1,084,951
Goodwill	268,594	276,317
Intangible assets, net	437,602	442,985
Deferred income tax assets, net	177,798	159,405
Other assets, net	137,612	85,187
Total assets	\$ 3,433,609	\$ 3,424,081
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable	\$ 168,293	\$ 189,202
Current operating lease liabilities	169,407	175,442
Accrued and other current liabilities	217,773	255,814
Unearned revenue	293,497	381,877
Total current liabilities	848,970	1,002,335
Non-current operating lease liabilities	1,141,936	1,131,639
Long-term debt, net	1,092,189	780,719
Other long-term liabilities, net	105,543	97,385
Total liabilities	3,188,638	3,012,078
Commitments and contingencies (Note 13)		
Stockholders' equity		
Bloomin' Brands stockholders' equity		
Preferred stock, \$0.01 par value, 25,000,000 shares authorized; no shares issued and outstanding as of September 29, 2024 and December 31, 2023	—	—
Common stock, \$0.01 par value, 475,000,000 shares authorized; 84,830,409 and 86,968,536 shares issued and outstanding as of September 29, 2024 and December 31, 2023, respectively	848	870
Additional paid-in capital	1,291,576	1,115,387
Accumulated deficit	(846,376)	(528,831)
Accumulated other comprehensive loss	(203,929)	(178,304)
Total Bloomin' Brands stockholders' equity	242,119	409,122
Noncontrolling interests	2,852	2,881
Total stockholders' equity	244,971	412,003
Total liabilities and stockholders' equity	\$ 3,433,609	\$ 3,424,081

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

**BLOOMIN' BRANDS, INC.**
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME**  
**(IN THOUSANDS, EXCEPT PER SHARE DATA, UNAUDITED)**

	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
<b>Revenues</b>				
Restaurant sales	\$ 1,025,090	\$ 1,064,413	\$ 3,308,142	\$ 3,429,977
Franchise and other revenues	13,681	15,420	44,822	47,296
Total revenues	1,038,771	1,079,833	3,352,964	3,477,273
<b>Costs and expenses</b>				
Food and beverage	304,285	321,865	998,177	1,057,305
Labor and other related	312,968	314,432	985,083	981,908
Other restaurant operating	280,018	281,084	851,111	837,349
Depreciation and amortization	50,208	47,998	149,015	141,865
General and administrative	68,485	62,246	196,413	191,408
Provision for impaired assets and restaurant closings	5,597	(6,008)	32,731	(857)
Total costs and expenses	1,021,561	1,021,617	3,212,530	3,208,978
Income from operations	17,210	58,216	140,434	268,295
Loss on extinguishment of debt	(225)	—	(136,022)	—
Interest expense, net	(15,953)	(12,843)	(44,371)	(38,248)
Income (loss) before (benefit) provision for income taxes	1,032	45,373	(39,959)	230,047
(Benefit) provision for income taxes	(6,509)	(58)	5,159	21,186
Net income (loss)	7,541	45,431	(45,118)	208,861
Less: net income attributable to noncontrolling interests	629	903	3,439	4,745
Net income (loss) attributable to Bloomin' Brands	\$ 6,912	\$ 44,528	\$ (48,557)	\$ 204,116
Net income (loss)	\$ 7,541	\$ 45,431	\$ (45,118)	\$ 208,861
<b>Other comprehensive (loss) income:</b>				
Foreign currency translation adjustment	(11,849)	3,103	(23,638)	6,471
Net loss on derivatives, net of tax	(3,474)	—	(1,987)	—
Comprehensive (loss) income	(7,782)	48,534	(70,743)	215,332
Less: comprehensive income attributable to noncontrolling interests	629	903	3,439	4,745
Comprehensive (loss) income attributable to Bloomin' Brands	\$ (8,411)	\$ 47,631	\$ (74,182)	\$ 210,587
<b>Earnings (loss) per share:</b>				
Basic	\$ 0.08	\$ 0.50	\$ (0.56)	\$ 2.30
Diluted	\$ 0.08	\$ 0.45	\$ (0.56)	\$ 2.08
<b>Weighted average common shares outstanding:</b>				
Basic	85,063	88,707	86,258	88,794
Diluted	86,164	98,548	86,258	97,987

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

**BLOOMIN' BRANDS, INC.**
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
**(IN THOUSANDS, EXCEPT PER SHARE DATA, UNAUDITED)**

	BLOOMIN' BRANDS, INC.						
	COMMON STOCK		ADDITIONAL PAID-IN CAPITAL	ACCUM- ULATED DEFICIT	ACCUMULATED OTHER COMPREHENSIVE LOSS	NON- CONTROLLING INTERESTS	TOTAL
	SHARES	AMOUNT					
Balance, June 30, 2024	85,776	\$ 858	\$ 1,309,482	\$ (834,926)	\$ (188,606)	\$ 2,885	\$ 289,693
Net income	—	—	—	6,912	—	629	7,541
Other comprehensive loss, net of tax	—	—	—	—	(15,323)	—	(15,323)
Cash dividends declared, \$0.24 per common share	—	—	(20,375)	—	—	—	(20,375)
Repurchase and retirement of common stock, including excise tax of \$177	(969)	(10)	—	(18,362)	—	—	(18,372)
Stock-based compensation	—	—	2,360	—	—	—	2,360
Common stock issued under stock plans (1)	23	—	109	—	—	—	109
Distributions to noncontrolling interests	—	—	—	—	—	(1,082)	(1,082)
Contributions from noncontrolling interests	—	—	—	—	—	420	420
Balance, September 29, 2024	<u>84,830</u>	<u>\$ 848</u>	<u>\$ 1,291,576</u>	<u>\$ (846,376)</u>	<u>\$ (203,929)</u>	<u>\$ 2,852</u>	<u>\$ 244,971</u>
Balance, December 31, 2023	86,969	\$ 870	\$ 1,115,387	\$ (528,831)	\$ (178,304)	\$ 2,881	\$ 412,003
Net (loss) income	—	—	—	(48,557)	—	3,439	(45,118)
Other comprehensive loss, net of tax	—	—	—	—	(25,625)	—	(25,625)
Cash dividends declared, \$0.72 per common share	—	—	(62,212)	—	—	—	(62,212)
Repurchase and retirement of common stock, including excise tax of \$328	(10,073)	(100)	(5,681)	(260,645)	—	—	(266,426)
Stock-based compensation	—	—	5,291	—	—	—	5,291
Common stock issued under stock plans (1)	734	7	(1,617)	—	—	—	(1,610)
Distributions to noncontrolling interests	—	—	—	—	—	(4,556)	(4,556)
Contributions from noncontrolling interests	—	—	—	—	—	1,088	1,088
Issuance of common stock from repurchase of convertible senior notes	7,489	74	216,078	—	—	—	216,152
Retirement of convertible senior note hedges	(289)	(3)	126,543	(8,343)	—	—	118,197
Retirement of warrants	—	—	(102,213)	—	—	—	(102,213)
Balance, September 29, 2024	<u>84,830</u>	<u>\$ 848</u>	<u>\$ 1,291,576</u>	<u>\$ (846,376)</u>	<u>\$ (203,929)</u>	<u>\$ 2,852</u>	<u>\$ 244,971</u>

(Continued...)

**BLOOMIN' BRANDS, INC.**
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
**(IN THOUSANDS, EXCEPT PER SHARE DATA, UNAUDITED)**

	BLOOMIN' BRANDS, INC.						
	COMMON STOCK		ADDITIONAL PAID-IN CAPITAL	ACCUM- ULATED DEFICIT	ACCUMULATED OTHER COMPREHENSIVE LOSS	NON- CONTROLLING INTERESTS	TOTAL
	SHARES	AMOUNT					
Balance, June 25, 2023	87,339	\$ 873	\$ 1,132,732	\$ (582,738)	\$ (181,943)	\$ 2,944	\$ 371,868
Net income	—	—	—	44,528	—	903	45,431
Other comprehensive income	—	—	—	—	3,103	—	3,103
Cash dividends declared, \$0.24 per common share	—	—	(20,901)	—	—	—	(20,901)
Repurchase and retirement of common stock, including excise tax of \$45	(590)	(6)	—	(15,995)	—	—	(16,001)
Stock-based compensation	—	—	4,411	—	—	—	4,411
Common stock issued under stock plans (1)	422	5	9,080	—	—	—	9,085
Distributions to noncontrolling interests	—	—	—	—	—	(1,306)	(1,306)
Contributions from noncontrolling interests	—	—	—	—	—	229	229
Balance, September 24, 2023	<u>87,171</u>	<u>\$ 872</u>	<u>\$ 1,125,322</u>	<u>\$ (554,205)</u>	<u>\$ (178,840)</u>	<u>\$ 2,770</u>	<u>\$ 395,919</u>
Balance, December 25, 2022	87,696	\$ 877	\$ 1,161,912	\$ (706,109)	\$ (185,311)	\$ 2,540	\$ 273,909
Net income	—	—	—	204,116	—	4,745	208,861
Other comprehensive income	—	—	—	—	6,471	—	6,471
Cash dividends declared, \$0.72 per common share	—	—	(62,905)	—	—	—	(62,905)
Repurchase and retirement of common stock, including excise tax of \$93	(2,072)	(21)	—	(52,212)	—	—	(52,233)
Stock-based compensation	—	—	12,453	—	—	—	12,453
Common stock issued under stock plans (1)	1,547	16	13,862	—	—	—	13,878
Distributions to noncontrolling interests	—	—	—	—	—	(5,946)	(5,946)
Contributions from noncontrolling interests	—	—	—	—	—	1,431	1,431
Balance, September 24, 2023	<u>87,171</u>	<u>\$ 872</u>	<u>\$ 1,125,322</u>	<u>\$ (554,205)</u>	<u>\$ (178,840)</u>	<u>\$ 2,770</u>	<u>\$ 395,919</u>

(1) Net of shares withheld for employee taxes.

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

**BLOOMIN' BRANDS, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(DOLLARS IN THOUSANDS, UNAUDITED)**

	THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Cash flows provided by operating activities:		
Net (loss) income	\$ (45,118)	\$ 208,861
Adjustments to reconcile Net (loss) income to cash provided by operating activities:		
Depreciation and amortization	149,015	141,865
Amortization of debt discounts and issuance costs	1,993	2,305
Amortization of deferred gift card sales commissions	17,155	17,891
Provision for impaired assets and restaurant closings	32,731	(857)
Non-cash operating lease costs	64,729	64,845
Stock-based compensation expense	5,291	12,453
Deferred income tax benefit	(18,166)	(3,610)
Loss on extinguishment of debt	136,022	—
Other, net	(3,653)	(3,067)
Change in assets and liabilities	(231,617)	(67,133)
Net cash provided by operating activities	<u>108,382</u>	<u>373,553</u>
Cash flows used in investing activities:		
Capital expenditures	(198,668)	(227,086)
Other investments, net	2,192	1,551
Net cash used in investing activities	<u>(196,476)</u>	<u>(225,535)</u>
Cash flows provided by (used in) financing activities:		
Proceeds from borrowings on revolving credit facilities	2,040,000	728,000
Repayments of borrowings on revolving credit facilities	(1,646,000)	(768,000)
Financing fees	(6,945)	—
Repayments of finance lease obligations	(2,060)	(1,302)
Principal settlements and repurchase of convertible senior notes	(2,335)	(214)
Proceeds from retirement of convertible senior note hedges	118,197	—
Payments for retirement of warrants	(102,213)	—
(Payment of taxes) proceeds from share-based compensation, net	(1,610)	13,878
Distributions to noncontrolling interests	(4,556)	(5,946)
Contributions from noncontrolling interests	1,088	1,431
Purchase of noncontrolling interests	(100)	(100)
Repurchase of common stock	(265,695)	(52,347)
Cash dividends paid on common stock	(62,212)	(62,905)
Net cash provided by (used in) financing activities	<u>65,559</u>	<u>(147,505)</u>
Effect of exchange rate changes on cash and cash equivalents	(8,206)	1,331
Net (decrease) increase in cash, cash equivalents and restricted cash	(30,741)	1,844
Cash, cash equivalents and restricted cash as of the beginning of the period	114,373	84,735
Cash, cash equivalents and restricted cash as of the end of the period	<u>\$ 83,632</u>	<u>\$ 86,579</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 41,914	\$ 30,486
Cash paid for income taxes, net of refunds	\$ 19,509	\$ 22,244
Supplemental disclosures of non-cash investing and financing activities:		
Leased assets obtained in exchange for new operating lease liabilities	\$ 79,758	\$ 70,305
Leased assets obtained in exchange for new finance lease liabilities	\$ 1,163	\$ 5,435
Increase in liabilities from the acquisition of property, fixtures and equipment	\$ 2,662	\$ 15,486
Shares issued on settlement of convertible senior notes	\$ 216,152	\$ —
Shares received and retired on exercise of call option under bond hedge upon settlement of convertible senior notes	\$ (8,346)	\$ —
Financing fees in accrued liabilities	\$ 2,040	\$ —

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



**BLOOMIN' BRANDS, INC.****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED)****1. Description of the Business and Basis of Presentation**

*Description of the Business* - Bloomin' Brands ("Bloomin' Brands" or the "Company") owns and operates casual, upscale casual and fine dining restaurants. OSI Restaurant Partners, LLC ("OSI") is the Company's primary operating entity. The Company's restaurant portfolio includes Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill and Fleming's Prime Steakhouse & Wine Bar. Additional Outback Steakhouse, Carrabba's Italian Grill and Bonefish Grill restaurants in which the Company has no direct investment are operated under franchise agreements.

*Basis of Presentation* - The accompanying interim unaudited condensed consolidated financial statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all the information and footnotes required by generally accepted accounting principles in the United States ("U.S. GAAP") for complete financial statements. In the opinion of the Company, all adjustments necessary for fair financial statement presentation for the periods presented have been included and are of a normal, recurring nature. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. These financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

*Recently Issued Financial Accounting Standards Not Yet Adopted* - In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures," ("ASU No. 2023-07") which requires disclosure of significant segment expenses regularly provided to the Company's chief operating decision-maker ("CODM"). ASU No. 2023-07 also allows for multiple measures of segment profit (loss) if the CODM utilizes such measures to allocate resources or assess performance. ASU No. 2023-07 is effective for the Company beginning with the 2024 Form 10-K, with early adoption permitted, and is required to be applied retrospectively for all prior periods presented. The Company expects ASU No. 2023-07 to only impact its disclosures with no impacts to its results of operations, cash flows and financial condition.

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," ("ASU No. 2023-09") which expands existing income tax disclosures, including disaggregation of the Company's effective income tax rate reconciliation table and income taxes paid disclosures. ASU No. 2023-09 is effective for the Company beginning with the 2025 Form 10-K, with early adoption permitted. The Company is currently evaluating the impact ASU No. 2023-09 will have on its disclosures.

In March 2024, the SEC adopted the final rule under SEC Release No. 33-11275, "The Enhancement and Standardization of Climate-Related Disclosures for Investors," which requires registrants to include climate-related disclosures in their annual reports, including, but not limited to, material Scope 1 and Scope 2 greenhouse gas emissions, climate-related financial metrics, and governance, oversight and risk management processes for material climate-related risks in their audited financial statements. The final rule also requires certain disclosures regarding expenses incurred in relation to severe weather events and other natural conditions. The disclosure requirements are first effective for the Company beginning with the 2026 Form 10-K. In April 2024, the SEC voluntarily stayed the final rule due to pending legal challenges. The Company is currently monitoring legal challenges to the final rule and evaluating the impact the rule will have on its disclosures.

In November 2024, the FASB issued ASU No. 2024-03, "Income Statement - Reporting Comprehensive Income (Subtopic 220-40): Disaggregation of Income Statement Expenses," ("ASU No. 2024-03") which requires detailed disclosures in the notes to financial statements of expense categories within relevant income statement captions including purchases of inventory, employee compensation, depreciation and intangible asset amortization. ASU No. 2024-03 is effective for the Company beginning with the 2027 Form 10-K, with early adoption permitted, and may



**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) - Continued**

The following table includes a detail of assets and liabilities from contracts with customers included on the Company's Consolidated Balance Sheets as of the periods indicated:

(dollars in thousands)	SEPTEMBER 29, 2024	DECEMBER 31, 2023
Other current assets, net		
Deferred gift card sales commissions	\$ 11,137	\$ 18,081
Unearned revenue		
Deferred gift card revenue	\$ 283,810	\$ 374,274
Deferred loyalty revenue	6,633	5,664
Deferred franchise fees - current	491	473
Other	2,563	1,466
Total Unearned revenue	<u>\$ 293,497</u>	<u>\$ 381,877</u>
Other long-term liabilities, net		
Deferred franchise fees - non-current	\$ 3,939	\$ 4,036

The following table is a rollforward of deferred gift card sales commissions for the periods indicated:

(dollars in thousands)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Balance, beginning of the period	\$ 12,650	\$ 12,694	\$ 18,081	\$ 17,755
Deferred gift card sales commissions amortization	(4,494)	(4,711)	(17,155)	(17,891)
Deferred gift card sales commissions capitalization	3,570	3,766	12,426	13,509
Other	(589)	(608)	(2,215)	(2,232)
Balance, end of the period	<u>\$ 11,137</u>	<u>\$ 11,141</u>	<u>\$ 11,137</u>	<u>\$ 11,141</u>

The following table is a rollforward of unearned gift card revenue for the periods indicated:

(dollars in thousands)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Balance, beginning of the period	\$ 300,590	\$ 304,942	\$ 374,274	\$ 386,495
Gift card sales	42,541	44,374	148,486	162,717
Gift card redemptions	(55,733)	(60,412)	(225,057)	(248,870)
Gift card breakage	(3,588)	(3,641)	(13,893)	(15,079)
Balance, end of the period	<u>\$ 283,810</u>	<u>\$ 285,263</u>	<u>\$ 283,810</u>	<u>\$ 285,263</u>

**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) - Continued**
**3. Impairments and Exit Costs**

The components of Provision for impaired assets and restaurant closings are as follows for the periods indicated:

(dollars in thousands)	THIRTEEN WEEKS ENDED SEPTEMBER 29, 2024	THIRTY-NINE WEEKS ENDED SEPTEMBER 29, 2024
<b>Impairment losses</b>		
U.S. (1)	\$ 1,251	\$ 3,103
International (2)	17	14,065
Total impairment losses	\$ 1,268	\$ 17,168
<b>Restaurant closure charges</b>		
U.S. (1)	\$ 615	\$ 11,834
International (2)	3,714	3,729
Total restaurant closure charges	4,329	15,563
<b>Provision for impaired assets and restaurant closings</b>	<b>\$ 5,597</b>	<b>\$ 32,731</b>

(1) Primarily includes charges in connection with the 2023 Restaurant Closures, as discussed below.

(2) Primarily includes charges in connection with the Q2 2024 decision to close nine restaurants in Hong Kong.

*2023 Restaurant Closures* - During the fourth quarter of 2023, the Company closed three U.S. and two international Aussie Grill restaurants and made the decision to close 36 predominantly older, underperforming U.S. restaurants (the "2023 Restaurant Closures"). Following is a summary of expenses recognized in the Consolidated Statements of Operations and Comprehensive (Loss) Income for the period indicated (dollars in thousands):

DESCRIPTION	CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME CLASSIFICATION	THIRTY-NINE WEEKS ENDED SEPTEMBER 29, 2024
Asset impairments and closure charges	Provision for impaired assets and restaurant closings	\$ 11,890
Severance and other expenses	General and administrative	3,403
Closure-related labor costs	Labor and other related	434
Total (1)		<b>\$ 15,727</b>

(1) During the fourth quarter of 2023, the Company recognized \$32.4 million of net charges in connection with the 2023 Restaurant Closures.

**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) - Continued**
**4. Earnings (Loss) Per Share**

The following table presents the computation of basic and diluted earnings (loss) per share for the periods indicated:

(in thousands, except per share data)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Net income (loss) attributable to Bloomin' Brands	\$ 6,912	\$ 44,528	\$ (48,557)	\$ 204,116
Basic weighted average common shares outstanding	85,063	88,707	86,258	88,794
Effect of dilutive securities:				
Stock-based compensation awards	84	674	—	719
Convertible senior notes (1)	744	5,367	—	5,067
Warrants (1)	273	3,800	—	3,407
Diluted weighted average common shares outstanding	86,164	98,548	86,258	97,987
Basic earnings (loss) per share	\$ 0.08	\$ 0.50	\$ (0.56)	\$ 2.30
Diluted earnings (loss) per share	\$ 0.08	\$ 0.45	\$ (0.56)	\$ 2.08
Antidilutive stock-based compensation awards	2,155	373	1,541	951

(1) During the thirty-nine weeks ended September 29, 2024, the Company repurchased \$83.6 million of the convertible notes due in 2025 and settled the corresponding portion of the related note hedges and warrants (the "2025 Notes Partial Repurchase").

**5. Stock-based Compensation Plans**

The Company recognized stock-based compensation expense as follows for the periods indicated:

(dollars in thousands)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Stock-based compensation expense, net of capitalized expense (1)	\$ 2,342	\$ 4,392	\$ 5,237	\$ 12,395

(1) The thirty-nine weeks ended September 29, 2024 includes a cumulative life-to-date adjustment to decrease expense for PSUs granted in fiscal year 2023 based on updated assumptions regarding the criteria set forth in the award agreements.

**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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The following table presents a summary of the Company's performance-based share units ("PSUs") and restricted stock units ("RSUs") activity:

(in thousands, except per unit data)	PSUs	RSUs	WEIGHTED AVERAGE GRANT DATE FAIR VALUE PER UNIT		AGGREGATE INTRINSIC VALUE (1)	
			PSUs	RSUs	PSUs	RSUs
Outstanding as of December 31, 2023	818	631	\$ 26.92	\$ 23.58	\$ 23,026	\$ 17,757
Granted (2)	290	619	\$ 27.26	\$ 20.25		
Performance adjustment (3)	237	—	\$ 25.40	\$ —		
Vested	(473)	(288)	\$ 25.40	\$ 24.26		
Forfeited	(150)	(73)	\$ 27.55	\$ 23.93		
Outstanding as of September 29, 2024	722	889	\$ 27.42	\$ 21.02	\$ 12,133	\$ 14,937
Expected to vest as of September 29, 2024 (4)	264	889			\$ 4,432	\$ 14,937

- (1) Based on the \$28.15 and \$16.80 share price of the Company's common stock on December 29, 2023 and September 27, 2024, the last trading day of the year ended December 31, 2023 and thirty-nine weeks ended September 29, 2024, respectively.
- (2) The weighted average dividend yield for RSUs granted during 2024 is 4.53%.
- (3) Represents adjustment to 200% payout for PSUs granted during 2021.
- (4) For PSUs, estimated number of units to be issued upon the vesting of outstanding PSUs based on Company performance projections of performance criteria set forth in the 2022, 2023 and 2024 PSU award agreements.

Assumptions used in the Monte Carlo simulation model and the grant date fair value of PSUs granted were as follows for the periods indicated:

Assumptions:	THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Risk-free interest rate (1)	4.37 %	4.26 %
Dividend yield (2)	3.49 %	3.47 %
Volatility (3)	51.41 %	51.02 %
Grant date fair value per unit (4)	\$ 27.26	\$ 29.01

- (1) Risk-free interest rate is the U.S. Treasury yield curve in effect as of the grant date for the performance period of the unit.
- (2) Dividend yield is the level of dividends expected to be paid on the Company's common stock over the expected term.
- (3) Based on the historical volatility of the Company's stock over the last seven years.
- (4) Represents a discount below and a premium above the grant date per share value of the Company's common stock for the relative total shareholder return modifier of (1.6)% and 2.7% during the thirty-nine weeks ended September 29, 2024 and September 24, 2023, respectively.

The following represents unrecognized stock-based compensation expense and the remaining weighted average recognition period as of September 29, 2024:

	UNRECOGNIZED COMPENSATION EXPENSE (dollars in thousands)	REMAINING WEIGHTED AVERAGE RECOGNITION PERIOD (in years)
Performance-based share units	\$ 5,787	2.4
Restricted stock units	\$ 14,308	1.9

## BLOOMIN' BRANDS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) - Continued

## 6. Supplemental Balance Sheet Information

*Other current assets, net*, consisted of the following as of the periods indicated:

(dollars in thousands)	SEPTEMBER 29, 2024	DECEMBER 31, 2023
Prepaid expenses	\$ 30,102	\$ 26,674
Accounts receivable - gift cards, net	7,887	67,424
Accounts receivable - vendors, net	23,466	13,648
Accounts receivable - franchisees, net	3,789	3,671
Accounts receivable - other, net	21,534	18,100
Deferred gift card sales commissions	11,137	18,081
Other current assets, net	7,562	5,404
	<u>\$ 105,477</u>	<u>\$ 153,002</u>

*Goodwill and Intangible Assets* - The Company performs its annual assessment for impairment of goodwill and other indefinite-lived intangible assets during its second fiscal quarter. The Company's 2024 assessment was qualitative and its 2023 assessment was quantitative. In connection with these assessments, the Company did not record any impairment charges.

*Other assets, net*, consisted of the following as of the periods indicated:

(dollars in thousands)	SEPTEMBER 29, 2024	DECEMBER 31, 2023
Company-owned life insurance	\$ 31,874	\$ 28,018
Deferred debt issuance costs - revolving credit facility (1)	11,310	3,813
Liquor licenses	22,583	23,125
Judicial deposits (2)	64,493	20,485
Other assets	7,352	9,746
	<u>\$ 137,612</u>	<u>\$ 85,187</u>

- (1) Net of accumulated amortization of \$0.1 million and \$11.7 million as of September 29, 2024 and December 31, 2023, respectively. During the thirteen weeks ended September 29, 2024, the Company recorded \$9.0 million of deferred debt issuance costs in connection with the Third Amended and Restated Credit Agreement, as defined below. See *Long-term debt, net* below for details regarding the Third Amended and Restated Credit Agreement.
- (2) These assets arise from the Company's Brazilian operations and their realization could take several years. Includes \$43.2 million as of September 29, 2024 related to the Brazil tax legislation. See Note 12 - *Income Taxes* for details regarding the judicial deposits in connection with Brazil tax legislation.

*Accrued and other current liabilities* consisted of the following as of the periods indicated:

(dollars in thousands)	SEPTEMBER 29, 2024	DECEMBER 31, 2023
Accrued payroll and other compensation	\$ 72,976	\$ 98,903
Accrued insurance	16,995	19,310
Other current liabilities	127,802	137,601
	<u>\$ 217,773</u>	<u>\$ 255,814</u>

**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) - Continued**

Long-term debt, net, consisted of the following as of the periods indicated:

	SEPTEMBER 29, 2024		DECEMBER 31, 2023	
	OUTSTANDING BALANCE	INTEREST RATE	OUTSTANDING BALANCE	INTEREST RATE
(dollars in thousands)				
Senior secured credit facility - revolving credit facility (1)	\$ 775,000	6.86 %	\$ —	
Former credit facility - revolving credit facility (1)	—		381,000	6.96 %
2025 Notes (2)(3)	20,724	5.00 %	104,786	5.00 %
2029 Notes	300,000	5.13 %	300,000	5.13 %
Long-term debt	1,095,724		785,786	
Less: unamortized debt discount and issuance costs (2)	(3,535)		(5,067)	
Long-term debt, net	\$ 1,092,189		\$ 780,719	

- (1) Interest rate represents the weighted average interest rate as of the respective periods.
- (2) During the thirty-nine weeks ended September 29, 2024, the Company repurchased \$83.6 million of the 2025 Notes and as a result, wrote off \$0.8 million of debt issuance costs. See Note 7 - *Convertible Senior Notes* for additional details.
- (3) Obligations under the 2025 Notes, which mature on May 1, 2025, have been classified as long-term, reflecting the Company's intent and ability to refinance these notes through its existing revolving credit facility.

*Third Amended and Restated Credit Agreement* – On September 19, 2024, the Company and OSI, as co-borrowers, entered into the Third Amended and Restated Credit Agreement (the “Third Amended and Restated Credit Agreement”), which provides for senior secured financing of up to \$1.2 billion consisting of a revolving credit facility (the “Senior Secured Credit Facility”). The Senior Secured Credit Facility matures on September 19, 2029 and replaced the Company's prior senior secured financing of up to \$1.0 billion (the “Former Credit Facility”). The total indebtedness of the Company and interest rate applied to the Company's borrowings remained unchanged as a result of the Third Amended and Restated Credit Agreement.

The commitments under the Third Amended and Restated Credit Agreement may be increased in an aggregate principal amount of up to; (i) \$550.0 million or (ii) at the Company's option, up to an unlimited amount of incremental facilities, so long as the Consolidated Senior Secured Net Leverage Ratio, as defined in the Third Amended and Restated Credit Agreement, is no more than 3.00 to 1.00 as of the last day of the most recent period of four consecutive fiscal quarters ended, after giving effect to any such incurrence on a pro forma basis.

Under the Third Amended and Restated Credit Agreement, the Company may elect an interest rate at each reset period based on the Base Rate or Term SOFR, plus an applicable spread. The Term SOFR rate is the forward-looking term rate based on the secured overnight financing rate (“SOFR”) that is published by CME Group Benchmark Administration Limited (“Term SOFR”). The Base Rate option is the highest of: (i) the prime rate of Wells Fargo Bank, National Association, (ii) the federal funds effective rate plus 0.5 of 1.0% or (iii) the one-month Term SOFR plus a 0.10% Term SOFR Adjustment, plus 1.0% (the “Base Rate”). The Adjusted Term SOFR option is the Term SOFR rate plus a 0.10% Term SOFR Adjustment, subject to a 0% floor. The interest rate spreads are as follows:

	BASE RATE ELECTION	ADJUSTED TERM SOFR ELECTION
Revolving credit facility	50 to 150 basis points over the Base Rate	150 to 250 basis points over the Adjusted Term SOFR

The Third Amended and Restated Credit Agreement requires a Total Net Leverage Ratio (“TNLR”) not to exceed 4.50 to 1.00 (with a limited ability to temporarily increase TNLR to 5.00 to 1.00 in connection with material acquisitions). TNLR is the ratio of Consolidated Total Debt (Current portion of long-term debt and Long-term debt, net of cash, excluding the 2025 Notes) to Consolidated EBITDA (earnings before interest, taxes, depreciation and amortization and certain other adjustments as defined in the Third Amended and Restated Credit Agreement).

*Debt Covenants* - As of September 29, 2024 and December 31, 2023, the Company was in compliance with its debt covenants.



**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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*Maturities* - Following is a summary of principal payments of the Company's total consolidated debt outstanding as of September 29, 2024:

(dollars in thousands)	PERIOD						THEREAFTER	TOTAL
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5			
Debt repayments	\$ 20,724	\$ —	\$ —	\$ —	\$ 1,075,000	\$ —	\$ 1,095,724	

**7. Convertible Senior Notes**

*2025 Notes* - On February 29, 2024, the Company entered into exchange agreements (the "Exchange Agreements") with certain holders (the "Noteholders") of its 5.00% Convertible Senior Notes due 2025 (the "2025 Notes"). The Exchange Agreements provided for the Company to deliver and pay at the closing of the transactions on March 5, 2024, an aggregate of approximately 7.5 million shares of its common stock and \$3.3 million in cash, including accrued interest, in exchange for \$83.6 million in aggregate principal amount of the Company's outstanding 2025 Notes (the "2025 Notes Partial Repurchase"). In connection with the 2025 Notes Partial Repurchase, the Company recognized a loss on extinguishment of debt of \$135.8 million and recorded a \$216.1 million increase to Additional paid-in capital during the thirty-nine weeks ended September 29, 2024.

In connection with dividends paid during the thirty-nine weeks ended September 29, 2024, the conversion rate for the Company's remaining 2025 Notes decreased to approximately \$10.79 per share, which represents 92.643 shares of common stock per \$1,000 principal amount of the 2025 Notes, or a total of approximately 1.920 million shares.

The following table includes the outstanding principal amount and carrying value of the 2025 Notes as of the periods indicated:

(dollars in thousands)	SEPTEMBER 29, 2024	DECEMBER 31, 2023
Principal	\$ 20,724	\$ 104,786
Less: unamortized debt issuance costs (1)	(97)	(1,138)
Net carrying amount	\$ 20,627	\$ 103,648

(1) During the thirty-nine weeks ended September 29, 2024, the Company wrote off \$0.8 million of debt issuance costs as a result of the 2025 Notes Partial Repurchase.

Following is a summary of interest expense for the 2025 Notes by component for the periods indicated:

(dollars in thousands)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Coupon interest	\$ 259	\$ 1,310	\$ 1,524	\$ 3,932
Debt issuance cost amortization	41	201	239	594
Total interest expense (1)	\$ 300	\$ 1,511	\$ 1,763	\$ 4,526

(1) The effective rate of the 2025 Notes over their expected life is 5.85%. The decrease in interest expense during the thirteen and thirty-nine weeks ended September 29, 2024 relates to the 2025 Notes Partial Repurchase in February 2024.

Based on the daily closing prices of the Company's stock during the quarter ended September 29, 2024, the remaining holders of the 2025 Notes are eligible to convert their notes during the fourth quarter of 2024.

*Convertible Note Hedge and Warrant Transactions* - In connection with the 2025 Notes Partial Repurchase, on February 29, 2024, the Company entered into partial unwind agreements with certain financial institutions (the "Derivative Counterparties") relating to a portion of the convertible note hedge transactions (the "Note Hedge Early Termination Agreements") and a portion of the warrant transactions (the "Warrant Early Termination Agreements" and together with the Note Hedge Early Termination Agreements, the "Early Termination Agreements") that were

**BLOOMIN' BRANDS, INC.****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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previously entered into by the Company in connection with the issuance of the 2025 Notes. Pursuant to the Early Termination Agreements, the Derivative Counterparties made a termination payment to the Company which consisted of approximately \$118.2 million in cash and 0.3 million shares of common stock, and the Company made a termination payment to the Derivative Counterparties in an aggregate amount of approximately \$102.2 million in cash. In connection with the Note Hedge Early Termination Agreements and the Warrant Early Termination Agreements, the Company recorded a \$126.5 million increase and a \$102.2 million decrease, respectively, to Additional paid-in capital during the thirty-nine weeks ended September 29, 2024. The Company also recorded an \$8.3 million increase to Accumulated deficit in connection with the Note Hedge Early Termination Agreements.

The remaining warrants have a dilutive effect on the Company's common stock to the extent that the price of its common stock exceeds the strike price of the warrants. In connection with dividends paid during thirty-nine weeks ended September 29, 2024, the strike price for the remaining warrants decreased to \$15.11.

#### 8. Stockholders' Equity

*Share Repurchases* - In February 2024, the Company's Board of Directors (the "Board") canceled the remaining \$57.5 million under the Company's former share repurchase authorization and approved a new \$350.0 million share repurchase authorization (the "2024 Share Repurchase Program"). The 2024 Share Repurchase Program includes capacity above the Company's normal repurchase activity to provide flexibility in retiring the 2025 Notes at or prior to their May 2025 maturity. The 2024 Share Repurchase Program will expire on August 13, 2025.

On March 1, 2024, the Company entered into an accelerated share repurchase agreement (the "ASR Agreement"), in connection with the 2024 Share Repurchase Program, with Wells Fargo Bank, National Association ("Wells Fargo") to repurchase \$220.0 million of the Company's common stock.

Under the ASR Agreement, the Company made an aggregate payment of \$220.0 million to Wells Fargo and received an aggregate initial delivery of approximately 6.5 million shares of common stock on March 4, 2024, representing approximately 80% of the total shares that were estimated to be repurchased under the ASR Agreement based on the price per share of common stock as of that date. The \$176.0 million fair value of the initial shares received was recorded as a reduction to Accumulated deficit and the par value from Common stock, with the remaining \$44.0 million recorded within Additional paid-in capital during the thirteen weeks ended March 31, 2024. The exact number of shares the Company repurchased under the ASR Agreement was based generally on the average of the daily volume-weighted average price per share of common stock during the repurchase period, less a discount and subject to adjustments pursuant to the terms and conditions of the ASR Agreement. On April 23, 2024, the Company received 1.4 million additional shares of common stock from Wells Fargo in connection with the final settlement of the ASR Agreement. In connection with the settlement, the Company reduced Accumulated deficit and the par value from Common stock by an aggregate of \$38.3 million based on the fair value of the shares delivered on the date of settlement, with an offset of \$38.3 million within Additional paid-in capital during the thirteen weeks ended June 30, 2024.

The Company funded the payment under the ASR Agreement, together with the cash portion of the amounts payable under the Exchange Agreements, primarily with borrowings under the revolving credit facility and net proceeds from the Early Termination Agreements.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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As of September 29, 2024, \$96.8 million remained available for repurchase under the 2024 Share Repurchase Program. Following is a summary of the shares repurchased during fiscal year 2024:

(in thousands, except per share data)	NUMBER OF SHARES	AVERAGE REPURCHASE PRICE PER SHARE	AMOUNT
First fiscal quarter	6,948	\$ 27.13	\$ 188,500
Second fiscal quarter (1)	2,156	\$ 27.36	59,000
Third fiscal quarter	969	\$ 18.78	18,195
Total common stock repurchases (2)	<u>10,073</u>	\$ 26.38	<u>\$ 265,695</u>

(1) Includes \$44.0 million of share repurchases in connection with the ASR Agreement that settled during the thirteen weeks ended June 30, 2024.

(2) Excludes \$0.4 million of fees recorded in Accumulated deficit related to repurchases under the ASR Agreement.

*Dividends* - The Company declared and paid dividends per share during fiscal year 2024 as follows:

(dollars in thousands, except per share data)	DIVIDENDS PER SHARE	AMOUNT
First fiscal quarter	\$ 0.24	\$ 21,075
Second fiscal quarter	0.24	20,762
Third fiscal quarter	0.24	20,375
Total cash dividends declared and paid	<u>\$ 0.72</u>	<u>\$ 62,212</u>

In October 2024, the Board declared a quarterly cash dividend of \$0.24 per share, payable on December 11, 2024 to shareholders of record at the close of business on November 25, 2024.

*Accumulated Other Comprehensive Loss ("AOCL")* - The following table is a rollforward of the components of AOCL for the periods indicated:

(dollars in thousands)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
<b>Foreign currency translation adjustment:</b>				
Balance, beginning of the period	\$ (189,478)	\$ (181,943)	\$ (177,689)	\$ (185,311)
Foreign currency translation adjustment	(11,849)	3,103	(23,638)	6,471
Balance, end of the period	<u>\$ (201,327)</u>	<u>\$ (178,840)</u>	<u>\$ (201,327)</u>	<u>\$ (178,840)</u>
<b>Loss on derivatives, net of tax:</b>				
Balance, beginning of the period	\$ 872		\$ (615)	
Change in fair value of derivatives, net of tax	(2,917)		(584)	
Reclassification realized in Net income (loss), net of tax	(557)		(1,403)	
Balance, end of the period	<u>\$ (2,602)</u>		<u>\$ (2,602)</u>	
<b>Accumulated other comprehensive loss:</b>				
Balance beginning of the period	\$ (188,606)	\$ (181,943)	\$ (178,304)	\$ (185,311)
Other comprehensive (loss) income attributable to Bloomin' Brands	(15,323)	3,103	(25,625)	6,471
Balance, end of the period	<u>\$ (203,929)</u>	<u>\$ (178,840)</u>	<u>\$ (203,929)</u>	<u>\$ (178,840)</u>

**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) - Continued**
**9. Derivative Instruments and Hedging Activities**

*Cash Flow Hedges of Interest Rate Risk* - In March 2024 and December 2023, OSI entered into 11 interest rate swap agreements with ten counterparties (the "Swap Transactions") to manage its exposure to fluctuations in variable interest rates. The Swap Transactions have an aggregate notional amount of \$375.0 million and include one and two-year tenors with the following terms:

NOTIONAL AMOUNT	WEIGHTED AVERAGE FIXED INTEREST RATE (1)	EFFECTIVE DATE	TERMINATION DATE
\$ 100,000,000	4.92%	December 29, 2023	December 31, 2024
100,000,000	4.34%	December 29, 2023	December 31, 2025
175,000,000	4.40%	March 29, 2024	March 31, 2026
<u>\$ 375,000,000</u>	<u>4.52%</u>		

(1) The weighted average fixed interest rate excludes the term SOFR adjustment and interest rate spread described below.

In connection with the Swap Transactions, the Company effectively converted \$375.0 million of its outstanding indebtedness from SOFR, plus a term SOFR adjustment of 0.10% and a spread of 150 to 250 basis points, to the weighted average fixed interest rates within the table above, plus a term SOFR adjustment of 0.10% and a spread of 150 to 250 basis points. The Swap Transactions have an embedded floor of minus 0.10%.

The Swap Transactions have been designated and qualify as cash flow hedges, are recognized on the Company's Consolidated Balance Sheets at fair value and are classified based on the instruments' maturity dates. The Company estimates \$1.9 million of interest expense will be reclassified from AOCL to Interest expense, net over the next 12 months related to its Swap Transactions.

The following table presents the fair value and classification of the Company's swap agreements as of the periods indicated:

(dollars in thousands)	SEPTEMBER 29, 2024	DECEMBER 31, 2023	CONSOLIDATED BALANCE SHEET CLASSIFICATION
Interest rate swaps - asset (1)	<u>\$ —</u>	<u>\$ 320</u>	Other current assets, net
Interest rate swaps - liability	\$ 1,617	\$ 253	Accrued and other current liabilities
Interest rate swaps - liability	1,879	893	Other long-term liabilities, net
Total fair value of derivative instruments - liabilities (1)	<u>\$ 3,496</u>	<u>\$ 1,146</u>	

(1) See Note 11 - *Fair Value Measurements* for fair value discussion of the interest rate swaps.

By utilizing the interest rate swaps, the Company is exposed to credit-related losses in the event that the counterparty fails to perform under the terms of the derivative contract. To mitigate this risk, the Company enters into derivative contracts with major financial institutions based upon credit ratings and other factors. The Company continually assesses the creditworthiness of its counterparties. As of September 29, 2024, all counterparties to the Swap Transactions performed in accordance with their contractual obligations.

As of September 29, 2024 and December 31, 2023, the fair value of the Swap Transactions was in a net liability position, including accrued interest but excluding any adjustment for nonperformance risk, of \$3.3 million and \$0.8 million, respectively. As of September 29, 2024 and December 31, 2023, the Company has not posted any collateral related to the Swap Transactions.

The Swap Transactions contain provisions whereby the Company could be declared in default on its derivative obligations if the repayment of the underlying indebtedness is accelerated by the lender due to the Company's default on indebtedness. If the Company had breached any of these provisions as of September 29, 2024 and

**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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December 31, 2023, it could have been required to settle its obligations under the Swap Transactions at their termination value of \$3.3 million and \$0.8 million, respectively.

**10. Leases**

The following table includes a detail of lease assets and liabilities included on the Company's Consolidated Balance Sheets as of the periods indicated:

(dollars in thousands)	CONSOLIDATED BALANCE SHEET CLASSIFICATION		SEPTEMBER 29, 2024	DECEMBER 31, 2023
Operating lease right-of-use assets	Operating lease right-of-use assets		\$ 1,081,498	\$ 1,084,951
Finance lease right-of-use assets (1)	Property, fixtures and equipment, net		8,733	9,941
Total lease assets, net			<u>\$ 1,090,231</u>	<u>\$ 1,094,892</u>
Current operating lease liabilities	Current operating lease liabilities		\$ 169,407	\$ 175,442
Current finance lease liabilities	Accrued and other current liabilities		2,481	3,197
Non-current operating lease liabilities	Non-current operating lease liabilities		1,141,936	1,131,639
Non-current finance lease liabilities	Other long-term liabilities, net		7,127	7,414
Total lease liabilities			<u>\$ 1,320,951</u>	<u>\$ 1,317,692</u>

(1) Net of accumulated amortization of \$5.3 million and \$4.7 million as of September 29, 2024 and December 31, 2023, respectively.

Following is a summary of expenses and income related to leases recognized in the Company's Consolidated Statements of Operations and Comprehensive (Loss) Income for the periods indicated:

(dollars in thousands)	CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME CLASSIFICATION	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
		SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Operating lease cost (1)	Other restaurant operating	\$ 44,622	\$ 46,686	\$ 135,557	\$ 138,670
Variable lease cost	Other restaurant operating	2,085	2,081	6,867	5,434
Finance lease costs:					
Amortization of leased assets	Depreciation and amortization	732	572	2,299	1,609
Interest on lease liabilities	Interest expense, net	191	191	581	501
Sublease revenue	Franchise and other revenues	(1,833)	(2,530)	(5,426)	(5,873)
Lease costs, net		<u>\$ 45,797</u>	<u>\$ 47,000</u>	<u>\$ 139,878</u>	<u>\$ 140,341</u>

(1) Excludes rent expense for office facilities and Company-owned closed or subleased properties of \$3.7 million and \$3.1 million for the thirteen weeks ended September 29, 2024 and September 24, 2023, respectively, and \$10.9 million and \$9.1 million for the thirty-nine weeks ended September 29, 2024 and September 24, 2023, respectively, which is included in General and administrative expense.

The following table is a summary of cash flow impacts to the Company's Consolidated Financial Statements related to its leases for the periods indicated:

(dollars in thousands)	THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Cash flows from operating activities:		
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 147,845	\$ 147,051

**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) - Continued**
**11. Fair Value Measurements**

Fair value is the price that would be received for an asset or paid to transfer a liability, or the exit price, in an orderly transaction between market participants on the measurement date. Fair value is categorized into one of the following three levels based on the lowest level of significant input:

Level 1	Unadjusted quoted market 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

*Fair Value Measurements on a Recurring Basis* - The following table summarizes the Company's financial assets and liabilities measured at fair value by hierarchy level on a recurring basis as of the periods indicated:

(dollars in thousands)	CONSOLIDATED BALANCE SHEET CLASSIFICATION	MEASUREMENT LEVEL	FAIR VALUE	
			SEPTEMBER 29, 2024	DECEMBER 31, 2023
<b>Assets:</b>				
Short-term investments	Cash and cash equivalents	Level 1	\$ 12,106	\$ 23,920
Short-term investments	Restricted cash and cash equivalents	Level 1	\$ —	\$ 2,854
Interest rate swaps	Other current assets, net	Level 2	\$ —	\$ 320
<b>Liabilities:</b>				
Interest rate swaps	Accrued and other current liabilities	Level 2	\$ 1,617	\$ 253
Interest rate swaps	Other long-term liabilities	Level 2	\$ 1,879	\$ 893

Fair value of each class of financial instruments is determined based on the following:

FINANCIAL INSTRUMENT	METHODS AND ASSUMPTIONS
Short-term investments	Carrying value approximates fair value because maturities are less than three months.
Interest rate swaps	Fair value measurements are based on the contractual terms of the derivatives and observable market-based inputs. The interest rate swaps are valued using a discounted cash flow analysis on the expected cash flows of each derivative using observable inputs including interest rate curves and credit spreads. The Company also considers its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. As of September 29, 2024 and December 31, 2023, the Company determined that the credit valuation adjustments were not significant to the overall valuation of its derivatives.

*Interim Disclosures about Fair Value of Financial Instruments* - The Company's non-derivative financial instruments consist of cash equivalents, accounts receivable, accounts payable and long-term debt. The fair values of cash equivalents, accounts receivable and accounts payable approximate their carrying amounts reported on its Consolidated Balance Sheets due to their short duration.

Debt is carried at amortized cost; however, the Company estimates the fair value of debt for disclosure purposes. The following table includes the carrying value and fair value of the Company's debt by hierarchy level as of the periods indicated:

(dollars in thousands)	SEPTEMBER 29, 2024		DECEMBER 31, 2023	
	CARRYING VALUE	FAIR VALUE LEVEL 2	CARRYING VALUE	FAIR VALUE LEVEL 2
Senior secured credit facility - revolving credit facility	\$ 775,000	\$ 775,000	\$ 381,000	\$ 381,000
2025 Notes	\$ 20,724	\$ 31,767	\$ 104,786	\$ 265,896
2029 Notes	\$ 300,000	\$ 280,887	\$ 300,000	\$ 277,809

**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) - Continued**
**12. Income Taxes**

(dollars in thousands)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Income (loss) before (benefit) provision for income taxes	\$ 1,032	\$ 45,373	\$ (39,959)	\$ 230,047
(Benefit) provision for income taxes	\$ (6,509)	\$ (58)	\$ 5,159	\$ 21,186
Effective income tax rate	(NM)	(0.1)%	(12.9)%	9.2 %

NM Not meaningful.

For the thirteen weeks ended September 29, 2024, the benefit for income taxes includes: (i) the impact of changes to the estimate of forecasted annual pre-tax book income relative to the prior quarter in 2024, (ii) the benefit of FICA tax credits on certain tipped wages and (iii) the temporary reduction in the Brazilian income tax rate from 34% to 0% under the new Brazil tax legislation.

For the thirteen weeks ended September 24, 2023, the benefit for income taxes includes the benefits of Brazil tax legislation, that included a temporary reduction in the Brazilian income tax rate from 34% to 0%, as well as the income tax exemption on Brazil state value added tax ("VAT") benefits.

The effective income tax rate for the thirty-nine weeks ended September 29, 2024 is lower than the effective income tax rate for the thirty-nine weeks ended September 24, 2023, primarily due to the impact of nondeductible losses associated with the 2025 Notes Partial Repurchase which, relative to a pre-tax book loss during the period, resulted in a negative effective income tax rate.

On January 24, 2024, the Company's Brazilian subsidiary received an unfavorable second level court ruling related to its ongoing litigation regarding its eligibility for tax exemptions under the Brazil tax legislation. This legislation temporarily granted certain industries a 100% exemption from income tax (IRPJ and CSLL) and federal value added taxes (PIS and COFINS). The Company claimed this benefit for the periods between September 2022 and December 2023. The Company is appealing this ruling and in connection with the appeal made a cash judicial deposit of \$42.9 million, inclusive of principal, interest and potential penalties, in July 2024. The deposit was recorded in Other assets, net, on the Company's Consolidated Balance Sheet. The judicial deposit accumulates interest income until final resolution of the judicial proceedings. The Company believes that it will more likely than not prevail in this appeal and, accordingly, has not recorded any expense or liability for the disputed amounts.

On November 6, 2024, the Company entered into a purchase agreement to sell 67% of its Brazil operations. In connection with the purchase agreement, the Company expects to retain the legal rights to fully recover the judicial deposit related to the Brazil tax legislation. The Company is still evaluating the value of those legal rights to recovery and the accounting for such amounts. See Note 15 - *Subsequent Events* of the Notes to Consolidated Financial Statements for additional details regarding the purchase agreement.

During the second quarter of 2024, Brazil enacted new tax legislation that temporarily grants certain industries a 100% exemption from income tax (IRPJ and CSLL) for the periods between May 23, 2024 and December 2024 and 100% exemption from federal value added taxes (PIS and COFINS) for the periods between May 23, 2024 and December 2026. The Company applied for this exemption and was approved by the Brazilian tax authorities. The Company's estimated annual effective income tax rate for the thirteen and thirty-nine weeks ended September 29, 2024 includes the benefit expected from this legislation. The new Brazil tax legislation also established a country-wide limitation to the total benefits that will be granted under this law. The exemption from value added taxes could end before December 2026 due to this country-wide limitation.

In the U.S., a restaurant company employer may claim a credit against its federal income taxes for FICA taxes paid on certain tipped wages (the "FICA tax credit"). The level of FICA tax credits is primarily driven by U.S. Restaurant sales and is not impacted by costs incurred that may reduce Income before provision for income taxes.

**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) - Continued**

The effective income tax rate for the thirty-nine weeks ended September 29, 2024 was lower than the Company's blended federal and state statutory rate of approximately 26% primarily due to the impact of nondeductible losses associated with the 2025 Notes Partial Repurchase which, relative to a pre-tax book loss during the period, resulted in a negative effective income tax rate.

The effective income tax rates for the thirteen and thirty-nine weeks ended September 24, 2023 were lower than the Company's blended federal and state statutory rate of approximately 26% primarily due to the benefit of FICA tax credits on certain tipped wages, benefits of Brazil tax legislation that include a temporary reduction in the Brazilian income tax rate from 34% to 0%, and the income tax exemption on Brazil state VAT benefits.

**13. Commitments and Contingencies**

*Litigation and Other Matters* - The Company recorded reserves of \$5.1 million and \$13.3 million for certain of its outstanding legal proceedings as of September 29, 2024 and December 31, 2023, respectively, within Accrued and other current liabilities on its Consolidated Balance Sheets. While the Company believes that additional losses beyond these accruals are reasonably possible, it cannot estimate a possible loss contingency or range of reasonably possible loss contingencies beyond these accruals.

*Lease Guarantees* - The Company assigned its interest, and is contingently liable, under certain real estate leases. These leases have varying terms, the latest of which expires in 2032. As of September 29, 2024, the undiscounted payments that the Company could be required to make in the event of non-payment by the primary lessees was \$11.1 million. The present value of these potential payments discounted at the Company's incremental borrowing rate as of September 29, 2024 was \$8.7 million. In the event of default, the indemnity clauses in the Company's purchase and sale agreements generally govern its ability to pursue and recover damages incurred. As of September 29, 2024 and December 31, 2023, the Company's recorded contingent lease liability was \$1.8 million and \$5.3 million, respectively.

**14. Segment Reporting**

The following is a summary of reporting segments:

REPORTABLE SEGMENT (1)	CONCEPT	GEOGRAPHIC LOCATION
U.S.	Outback Steakhouse Carrabba's Italian Grill Bonefish Grill Fleming's Prime Steakhouse & Wine Bar	United States of America
International	Outback Steakhouse Carrabba's Italian Grill (Abbraccio)	Brazil, Hong Kong/China Brazil

(1) Includes franchise locations.

Segment accounting policies are the same as those described in Note 2 - *Summary of Significant Accounting Policies* in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. Revenues for all segments include only transactions with customers and exclude intersegment revenues. Excluded from Income from operations for U.S. and international are certain legal and corporate costs not directly related to the performance of the segments, most stock-based compensation expenses, a portion of insurance expenses and certain bonus expenses.



**BLOOMIN' BRANDS, INC.**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) - Continued**

The following tables summarize Total revenues, Depreciation and amortization, and Income (loss) from operations by segment for the periods indicated:

(dollars in thousands)	THIRTEEN WEEKS ENDED SEPTEMBER 29, 2024			
	U.S.	INTERNATIONAL	CORPORATE	CONSOLIDATED
Total revenues	\$ 887,325	\$ 151,446	\$ —	\$ 1,038,771
Depreciation and amortization	\$ 41,922	\$ 6,184	\$ 2,102	\$ 50,208
Income (loss) from operations	\$ 38,853	\$ 15,608	\$ (37,251)	\$ 17,210

(dollars in thousands)	THIRTEEN WEEKS ENDED SEPTEMBER 24, 2023			
	U.S.	INTERNATIONAL	CORPORATE	CONSOLIDATED
Total revenues	\$ 912,972	\$ 166,861	\$ —	\$ 1,079,833
Depreciation and amortization	\$ 39,829	\$ 6,231	\$ 1,938	\$ 47,998
Income (loss) from operations	\$ 68,014	\$ 22,034	\$ (31,832)	\$ 58,216

(dollars in thousands)	THIRTY-NINE WEEKS ENDED SEPTEMBER 29, 2024			
	U.S.	INTERNATIONAL	CORPORATE	CONSOLIDATED
Total revenues	\$ 2,904,602	\$ 448,362	\$ —	\$ 3,352,964
Depreciation and amortization	\$ 122,506	\$ 20,140	\$ 6,369	\$ 149,015
Income (loss) from operations	\$ 216,014	\$ 30,496	\$ (106,076)	\$ 140,434

(dollars in thousands)	THIRTY-NINE WEEKS ENDED SEPTEMBER 24, 2023			
	U.S.	INTERNATIONAL	CORPORATE	CONSOLIDATED
Total revenues	\$ 3,011,197	\$ 466,076	\$ —	\$ 3,477,273
Depreciation and amortization	\$ 117,367	\$ 18,276	\$ 6,222	\$ 141,865
Income (loss) from operations	\$ 304,265	\$ 67,028	\$ (102,998)	\$ 268,295

The following table is a reconciliation of segment income from operations to Income (loss) before (benefit) provision for income taxes for the periods indicated:

(dollars in thousands)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Income from operations	\$ 17,210	\$ 58,216	\$ 140,434	\$ 268,295
Loss on extinguishment of debt	(225)	—	(136,022)	—
Interest expense, net	(15,953)	(12,843)	(44,371)	(38,248)
Income (loss) before (benefit) provision for income taxes	\$ 1,032	\$ 45,373	\$ (39,959)	\$ 230,047

**15. Subsequent Events**

On November 6, 2024, Bloom Group Holdings, B.V., (the “Seller”) and an indirect wholly owned subsidiary of the Company, entered into a Quota Purchase Agreement and Other Covenants (the “Purchase Agreement”), by and among the Seller, Bloom Participações Ltda. (“BPar”), Outback Steakhouse Restaurantes Brasil S.A. (“OSRB” and, together with BPar, the “Target Entities”), and Osaka Participações Societárias S.A. (“Buyer”). Buyer is owned by a fund managed by an affiliate of Vinci Partners Investments Ltd.

BPar is a wholly owned subsidiary of Seller and owns substantially all of the capital stock and all of the voting rights of OSRB. Pursuant to the Purchase Agreement, the Seller will sell to Buyer shares representing 67% of the capital stock of BPar and, as a consequence, Buyer will hold the corresponding pro rata portion of the capital stock of the Target Entities (such purchase and sale, together with the other transactions and agreements contemplated by the Purchase Agreement, the “Transaction”). The Company will retain an indirect 33% interest in its Brazil operations through the Target Entities. Under the terms and conditions of the Purchase Agreement, the aggregate

**BLOOMIN' BRANDS, INC.**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) - Continued**

consideration paid to the Seller consists of 67% of the enterprise valuation of the Target Entities in the amount of R\$2.06 billion Brazilian Reais, which equals R\$1.4 billion Brazilian Reais (approximately \$243 million in U.S. Dollars based on the current exchange rate), subject to customary adjustments for working capital, net indebtedness and unpaid transactions expenses, and withholding for Brazilian taxes (the "Purchase Price"). The Purchase Price will be paid in two installments: 52% on the closing date (the "Closing Date") of the Purchase Agreement and 48% on the first anniversary of the Closing Date.

The Purchase Agreement contains customary representations, warranties and agreements by the Company, customary conditions to closing, and customary indemnification obligations of the Company.

Subject to satisfaction of closing conditions, the Company expects the Transaction to close on or before December 31, 2024.

Following the closing, the Brazil restaurants will be operated as unconsolidated franchisees and a subsidiary of the Company will enter into amended and restated franchise agreements with OSRB.

At the closing, the Seller will also enter into a Shareholders Agreement (the "Shareholders Agreement") by and among Seller, BPar, OSRB and Buyer, pursuant to which Buyer and Seller will have representation on the board of directors and in executive management of the Target Entities based on their respective post-Transaction interests. The Shareholders Agreement will also contain customary corporate governance provisions, customary restrictions on transfer of shares and customary shareholders' rights.

The Shareholders Agreement will set forth a put-call mechanism pursuant to which: (i) Buyer may cause Seller to sell the totality of its interest in the Target Entities for a period between October 1, 2028 and December 31, 2028 (the "Option Exercise Period"), and (ii) the Seller may cause Buyer to purchase the totality of Seller's interest in the Target Entities during the Option Exercise Period.

In connection with the Transaction, the Company expects to mitigate most of the exchange rate risk associated with the Purchase Price installment payments by entering into foreign exchange forward contracts.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS****Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

Management's discussion and analysis of financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements and the related notes. Unless the context otherwise indicates, as used in this report, the term the "Company," "we," "us," "our" and other similar terms mean Bloomin' Brands, Inc. and its subsidiaries.

**Cautionary Statement**

This Quarterly Report on Form 10-Q (the "Report") includes statements that express our opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results and therefore are, or may be deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "feels," "seeks," "forecasts," "projects," "intends," "plans," "may," "will," "should," "could" or "would" or, in each case, their negative or other variations or comparable terminology, although not all forward-looking statements are accompanied by such terms. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Report and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Although we base these forward-looking statements on assumptions that we believe are reasonable when made, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and industry developments may differ materially from statements made in or suggested by the forward-looking statements contained in this Report. In addition, even if our results of operations, financial condition and liquidity, and industry developments are consistent with the forward-looking statements contained in this Report, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause actual results to differ materially from statements made or suggested by forward-looking statements include, but are not limited to, the following:

- (i) Consumer reactions to public health and food safety issues;
- (ii) Minimum wage increases, additional mandated employee benefits and fluctuations in the cost and availability of employees;
- (iii) Our ability to recruit and retain high-quality leadership, restaurant-level management and team members;
- (iv) Economic and geopolitical conditions and their effects on consumer confidence and discretionary spending, consumer traffic, the cost and availability of credit and interest rates;
- (v) Our ability to compete in the highly competitive restaurant industry with many well-established competitors and new market entrants;
- (vi) Our ability to protect our information technology systems from interruption or security breach, including cybersecurity threats, and to protect consumer data and personal employee information;

**BLOOMIN' BRANDS, INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

- (vii) Fluctuations in the price and availability of commodities, including supplier freight charges and restaurant distribution expenses, and other impacts of inflation and our dependence on a limited number of suppliers and distributors to meet our beef, pork, chicken and other major product supply needs;
- (viii) Our ability to preserve and grow the reputation and value of our brands, particularly in light of changes in consumer engagement with social media platforms and limited control with respect to the operations of our franchisees;
- (ix) The effects of international economic, political and social conditions and legal systems on our foreign operations and on foreign currency exchange rates;
- (x) Our ability to complete the Brazil franchise partnership transaction and the impact of such transaction on our future results;
- (xi) Our ability to comply with new corporate citizenship and sustainability reporting requirements and investor expectations or our failure to achieve any goals, targets or objectives that we establish with respect to corporate citizenship and sustainability matters;
- (xii) Our ability to effectively respond to changes in patterns of consumer traffic, including by maintaining relationships with third-party delivery apps and services, consumer tastes and dietary habits;
- (xiii) Our ability to comply with governmental laws and regulations, the costs of compliance with such laws and regulations and the effects of changes to applicable laws and regulations, including tax laws and unanticipated liabilities, and the impact of any litigation;
- (xiv) Our ability to implement our remodeling, relocation and expansion plans, due to uncertainty in locating and acquiring attractive sites on acceptable terms, obtaining required permits and approvals, recruiting and training necessary personnel, obtaining adequate financing and estimating the performance of newly opened, remodeled or relocated restaurants, and our cost savings plans to enable reinvestment in our business, due to uncertainty with respect to macroeconomic conditions and the efficiency that may be added by the actions we take;
- (xv) Seasonal and periodic fluctuations in our results and the effects of significant adverse weather conditions and other disasters or unforeseen events;
- (xvi) The effects of our leverage and restrictive covenants in our various credit facilities on our ability to raise additional capital to fund our operations, to make capital expenditures to invest in new or renovate restaurants and to react to changes in the economy or our industry;
- (xvii) Any impairment in the carrying value of our goodwill or other intangible or long-lived assets and its effect on our financial condition and results of operations; and
- (xviii) Such other factors as discussed in Part I, Item IA. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2023.

Given these risks and uncertainties, we caution you not to place undue reliance on these forward-looking statements. Any forward-looking statement that we make in this Report speaks only as of the date of such statement, and we undertake no obligation to update any forward-looking statement or to publicly announce the results of any revision to any of those statements to reflect future events or developments. Comparisons of results for current and any prior

**BLOOMIN' BRANDS, INC.****MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

**Overview**

We are one of the largest casual dining restaurant companies in the world with a portfolio of leading, differentiated restaurant concepts. As of September 29, 2024, we owned and operated 1,173 restaurants and franchised 290 restaurants across 46 states, Guam and 13 countries. We have four founder-inspired concepts: Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill and Fleming's Prime Steakhouse & Wine Bar.

*Financial Overview* - Our financial overview for the thirteen weeks ended September 29, 2024 includes the following:

- U.S. combined and Outback Steakhouse comparable restaurant sales of (1.5)% and (1.3)%, respectively;
- Decrease in Total revenues of (3.8)% as compared to the third quarter of 2023;
- Operating income and restaurant-level operating margins of 1.7% and 12.5%, respectively, as compared to 5.4% and 13.8%, respectively, for the third quarter of 2023;
- Operating income of \$17.2 million as compared to \$58.2 million in the third quarter of 2023; and
- Diluted earnings per share of \$0.08 as compared to \$0.45 for the third quarter of 2023.

*Agreement to Sell Majority Ownership of our Brazil Operations* - On November 8, 2024, we announced an agreement to sell 67% of our Brazil operations at a total enterprise valuation of R\$2.06 billion Brazilian Reais, which equals R\$1.4 billion Brazilian Reais (approximately \$243 million in U.S. Dollars based on current exchange rates) to Buyer. We will retain an indirect 33% interest in our Brazil operations.

The sale transaction is expected to close on or before December 31, 2024. Following the closing of the sale, our subsidiary will enter into amended and restated franchise agreements with the buyer and our Brazil restaurants will be operated as unconsolidated franchisees. See Note 15 - *Subsequent Events* of the Notes to Consolidated Financial Statements for additional details regarding the sale agreement.

*Key Financial Performance Indicators* - Key measures that we use in evaluating our restaurants and assessing our business include the following:

- *Average restaurant unit volumes*—average sales (excluding gift card breakage and the benefit of value added tax exemptions in Brazil) per restaurant to measure changes in customer traffic, pricing and development of the brand.
- *Comparable restaurant sales*—year-over-year comparison of the change in sales volumes (excluding gift card breakage and the benefit of value added tax exemptions in Brazil) for Company-owned restaurants that are open 18 months or more in order to remove the impact of new restaurant openings in comparing the operations of existing restaurants.
- *System-wide sales*—total restaurant sales volume for all Company-owned and franchise restaurants, regardless of ownership, to interpret the overall health of our brands.
- *Restaurant-level operating margin, Income from operations, Net income (loss) and Diluted earnings (loss) per share*—financial measures utilized to evaluate our operating performance.

Restaurant-level operating margin is a non-GAAP financial measure widely regarded in the industry as a useful metric to evaluate restaurant-level operating efficiency and performance of ongoing restaurant-level operations, and we use it for these purposes, overall and particularly within our two segments. Our

**BLOOMIN' BRANDS, INC.****MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

restaurant-level operating margin is expressed as the percentage of our Restaurant sales that Food and beverage costs, Labor and other related expense and Other restaurant operating expense (including advertising expenses) represent, in each case as such items are reflected in our Consolidated Statements of Operations and Comprehensive (Loss) Income. The following categories of revenue and operating expenses are not included in restaurant-level operating income and corresponding margin because we do not consider them reflective of operating performance at the restaurant-level within a period:

- (i) Franchise and other revenues, which are earned primarily from franchise royalties and other non-food and beverage revenue streams, such as rental and sublease income;
- (ii) Depreciation and amortization, which, although substantially all of which is related to restaurant-level assets, represent historical sunk costs rather than cash outlays for the restaurants;
- (iii) General and administrative expense, which includes primarily non-restaurant-level costs associated with support of the restaurants and other activities at our corporate offices; and
- (iv) Asset impairment charges and restaurant closing costs, which are not reflective of ongoing restaurant performance in a period.

Restaurant-level operating margin excludes various expenses, as discussed above, that are essential to support the operations of our restaurants and may materially impact our Consolidated Statements of Operations and Comprehensive (Loss) Income. As a result, restaurant-level operating margin is not indicative of our consolidated results of operations and is presented exclusively as a supplement to, and not a substitute for, Net income (loss) or Income from operations. In addition, our presentation of restaurant-level operating margin may not be comparable to similarly titled measures used by other companies in our industry.

- *Adjusted restaurant-level operating margin, Adjusted income from operations, Adjusted net income and Adjusted diluted earnings per share*—non-GAAP financial measures utilized to evaluate our operating performance.

We believe that our use of these non-GAAP financial measures permits investors to assess the operating performance of our business relative to our performance based on U.S. GAAP results and relative to other companies within the restaurant industry by isolating the effects of certain items that may vary from period to period without correlation to core operating performance or that vary widely among similar companies. However, our inclusion of these adjusted measures should not be construed as an indication that our future results will be unaffected by unusual or infrequent items or that the items for which we have made adjustments are unusual or infrequent or will not recur. We believe that the disclosure of these non-GAAP measures is useful to investors as they form part of the basis for how our management team and Board evaluate our operating performance, allocate resources and administer employee incentive plans.

**BLOOMIN' BRANDS, INC.**
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

*Selected Operating Data* - The table below presents the number of our restaurants in operation as of the periods indicated:

Number of restaurants (at end of the period):	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
<b>U.S.</b>		
Outback Steakhouse		
Company-owned	550	557
Franchised	123	127
Total	<u>673</u>	<u>684</u>
Carrabba's Italian Grill		
Company-owned	192	199
Franchised	18	19
Total	<u>210</u>	<u>218</u>
Bonefish Grill		
Company-owned	162	170
Franchised	4	5
Total	<u>166</u>	<u>175</u>
Fleming's Prime Steakhouse & Wine Bar		
Company-owned	63	64
Aussie Grill		
Company-owned	4	7
Franchised	2	—
Total	<u>6</u>	<u>7</u>
U.S. total	<u>1,118</u>	<u>1,148</u>
<b>International</b>		
Company-owned		
Outback Steakhouse - Brazil (1)	172	153
Other (1)	30	37
Franchised		
Outback Steakhouse - South Korea	94	92
Other	49	47
International total	<u>345</u>	<u>329</u>
System-wide total	<u>1,463</u>	<u>1,477</u>
System-wide total - Company-owned	1,173	1,187
System-wide total - Franchised	290	290

(1) The restaurant counts for Brazil, including Abbraccio and Aussie Grill restaurants within International Company-owned Other, are reported as of August 31, 2024 and 2023, respectively, to correspond with the balance sheet dates of this subsidiary.

**BLOOMIN' BRANDS, INC.**
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**
**Results of Operations**
**REVENUES**

*Restaurant Sales* - Following is a summary of the change in Restaurant sales for the periods indicated:

(dollars in millions)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
For the periods ended September 24, 2023	\$	1,064.4	\$	3,430.0
Change from:				
Restaurant closures (1)		(31.6)		(92.8)
Comparable restaurant sales (2)		(18.1)		(65.5)
Effect of foreign currency translation		(16.5)		(9.5)
Restaurant openings (3)		26.5		64.8
Brazil value added tax exemptions (4)		0.4		(18.9)
For the periods ended September 29, 2024	\$	1,025.1	\$	3,308.1

- (1) The thirteen and thirty-nine weeks ended September 29, 2024 include the restaurant sales impact from the closure of 58 and 67 restaurants since June 25, 2023 and December 25, 2022, respectively.
- (2) Comparable restaurant sales for the thirty-nine weeks ended September 29, 2024 includes an estimated \$16.5 million negative impact from a one-week shift in the fiscal calendar.
- (3) The thirteen and thirty-nine weeks ended September 29, 2024 include restaurant sales from 56 and 75 new restaurants, respectively, not included in our comparable restaurant sales base.
- (4) During 2023, we were eligible for certain value added tax exemptions under the Brazil tax legislation until August 2023. Beginning on May 23, 2024, we are eligible for certain value added tax exemptions under the new Brazil tax legislation. See Note 12 - *Income Taxes* of the Notes to Consolidated Financial Statements for details regarding value added tax exemptions in connection with Brazil tax legislation.

*Average Restaurant Unit Volumes and Operating Weeks* - Following is a summary of the average restaurant unit volumes and operating weeks for the periods indicated:

	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Average restaurant unit volumes (weekly):				
U.S.				
Outback Steakhouse	\$ 72,108	\$ 72,072	\$ 77,952	\$ 78,325
Carrabba's Italian Grill	\$ 64,038	\$ 64,067	\$ 68,867	\$ 68,348
Bonefish Grill	\$ 56,477	\$ 58,111	\$ 62,342	\$ 64,343
Fleming's Prime Steakhouse & Wine Bar	\$ 95,755	\$ 92,452	\$ 106,296	\$ 108,066
International				
Outback Steakhouse - Brazil (1)	\$ 52,606	\$ 64,554	\$ 56,351	\$ 62,030
Operating weeks:				
U.S.				
Outback Steakhouse	7,148	7,269	21,461	21,947
Carrabba's Italian Grill	2,496	2,587	7,534	7,761
Bonefish Grill	2,106	2,210	6,380	6,676
Fleming's Prime Steakhouse & Wine Bar	819	832	2,474	2,522
International				
Outback Steakhouse - Brazil	2,219	1,982	6,387	5,661

- (1) Translated at average exchange rates of 5.50 and 4.85 for the thirteen weeks ended September 29, 2024 and September 24, 2023, respectively, and 5.17 and 5.03 for the thirty-nine weeks ended September 29, 2024 and September 24, 2023, respectively. Excludes the benefit of the Brazil value added tax exemptions discussed in Note 12 - *Income Taxes* of the Notes to Consolidated Financial Statements.



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*Comparable Restaurant Sales, Traffic and Average Check Per Person (Decreases) Increases* - Following is a summary of comparable restaurant sales, traffic and average check per person (decreases) increases for the periods indicated:

	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024 (1)	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024 (1)	SEPTEMBER 24, 2023
Year over year percentage change:				
Comparable restaurant sales (restaurants open 18 months or more):				
U.S. (2)				
Outback Steakhouse	(1.3)%	(1.1)%	(0.9)%	1.6 %
Carrabba's Italian Grill	(1.5)%	3.0 %	0.4 %	4.4 %
Bonefish Grill	(4.1)%	(0.5)%	(3.7)%	2.2 %
Fleming's Prime Steakhouse & Wine Bar	1.2 %	(4.1)%	(0.8)%	(0.9)%
Combined U.S.	(1.5)%	(0.5)%	(1.1)%	1.9 %
International				
Outback Steakhouse - Brazil (3)(4)	(3.6)%	4.1 %	(1.9)%	7.3 %
Traffic:				
U.S.				
Outback Steakhouse	(3.9)%	(6.1)%	(4.0)%	(4.3)%
Carrabba's Italian Grill	(3.4)%	(0.1)%	(2.7)%	0.3 %
Bonefish Grill	(8.5)%	(5.7)%	(6.7)%	(3.1)%
Fleming's Prime Steakhouse & Wine Bar	(7.3)%	(4.4)%	(6.7)%	(2.1)%
Combined U.S.	(4.4)%	(4.7)%	(4.2)%	(3.1)%
International				
Outback Steakhouse - Brazil (3)	(7.7)%	(1.0)%	(4.9)%	(1.0)%
Average check per person (5):				
U.S.				
Outback Steakhouse	2.6 %	5.0 %	3.1 %	5.9 %
Carrabba's Italian Grill	1.9 %	3.1 %	3.1 %	4.1 %
Bonefish Grill	4.4 %	5.2 %	3.0 %	5.3 %
Fleming's Prime Steakhouse & Wine Bar	8.5 %	0.3 %	5.9 %	1.2 %
Combined U.S.	2.9 %	4.2 %	3.1 %	5.0 %
International				
Outback Steakhouse - Brazil (3)	3.4 %	5.1 %	2.4 %	8.3 %

(1) For Q3 2024, U.S. comparable restaurant sales, traffic and average check per person compare the thirteen weeks from July 1, 2024 through September 29, 2024 to the thirteen weeks from July 3, 2023 through October 1, 2023, and for the thirty-nine weeks from January 1, 2024 through September 29, 2024 to the thirty-nine weeks from January 2, 2023 through October 1, 2023.

(2) Relocated restaurants closed more than 60 days are excluded from comparable restaurant sales until at least 18 months after reopening.

(3) Excludes the effect of fluctuations in foreign currency rates and the benefit of the Brazil value added tax exemptions discussed in Note 12 - *Income Taxes* of the Notes to Consolidated Financial Statements.

(4) Includes trading day impact from calendar period reporting.

(5) Includes the impact of menu pricing changes, product mix and discounts.

**BLOOMIN' BRANDS, INC.**
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
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**COSTS AND EXPENSES**

The following table sets forth the percentages of certain items in our Consolidated Statements of Operations in relation to Restaurant sales or Total revenues for the periods indicated:

	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
<b>Revenues</b>				
Restaurant sales	98.7 %	98.6 %	98.7 %	98.6 %
Franchise and other revenues	1.3	1.4	1.3	1.4
Total revenues	100.0	100.0	100.0	100.0
<b>Costs and expenses</b>				
Food and beverage (1)	29.7	30.2	30.2	30.8
Labor and other related (1)	30.5	29.5	29.8	28.6
Other restaurant operating (1)	27.3	26.4	25.7	24.4
Depreciation and amortization	4.8	4.4	4.4	4.1
General and administrative	6.6	5.8	5.9	5.5
Provision for impaired assets and restaurant closings	0.5	(0.6)	1.0	(*)
Total costs and expenses	98.3	94.6	95.8	92.3
Income from operations	1.7	5.4	4.2	7.7
Loss on extinguishment of debt	(*)	—	(4.1)	—
Interest expense, net	(1.6)	(1.2)	(1.3)	(1.1)
Income (loss) before (benefit) provision for income taxes	0.1	4.2	(1.2)	6.6
(Benefit) provision for income taxes	(0.6)	(*)	0.1	0.6
Net income (loss)	0.7	4.2	(1.3)	6.0
Less: net income attributable to noncontrolling interests	*	0.1	0.1	0.1
Net income (loss) attributable to Bloomin' Brands	0.7 %	4.1 %	(1.4)%	5.9 %

(1) As a percentage of Restaurant sales.

\* Less than 1/10th of one percent of Total revenues.

**Thirteen weeks ended September 29, 2024 as compared to thirteen weeks ended September 24, 2023**

*Food and beverage cost* decreased as a percentage of Restaurant sales primarily due to 1.1% from increases in average check per person driven by an increase in menu pricing and 0.2% from cost-saving and productivity initiatives. These decreases were partially offset by an increase as a percentage of Restaurant sales of 0.6% from commodity inflation.

*Labor and other related expense* increased as a percentage of Restaurant sales primarily due to 1.7% from higher hourly and field management labor costs, primarily due to wage rate inflation, partially offset by a decrease of 0.6% from an increase in average check per person.

*Other restaurant operating expense* increased as a percentage of Restaurant sales primarily due to 0.7% from higher restaurant-level operating and supply expenses, primarily due to inflation, and 0.2% from higher pre-opening expense. These increases were partially offset by decreases as a percentage of Restaurant sales of 0.2% from an increase in average check per person and 0.2% from certain cost-saving and productivity initiatives.

*Depreciation and amortization expense* increased primarily due to restaurant development and technology projects.

## BLOOMIN' BRANDS, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
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*General and administrative expense* increased as a percentage of Total revenues primarily due to increases in professional fees and executive transition costs.

*Provision for impaired assets and restaurant closings* increased primarily due to impairment and closure charges in connection with the Q2 2024 decision to close nine restaurants in Hong Kong and a net gain in Q3 2023 of \$6.7 million in connection with the lease termination and closure of one U.S. restaurant.

*Interest expense, net* increased primarily due to higher balances and interest rates on the unhedged portion of our revolving credit facility partially offset by a decrease in interest expense from the 2025 Notes Partial Repurchase.

*Benefit for income taxes* for the thirteen weeks ended September 29, 2024 includes: (i) the impact of changes to the estimate of forecasted annual pre-tax book income relative to the prior quarter in 2024, (ii) the benefit of FICA tax credits on certain tipped wages and (iii) the temporary reduction in the Brazilian income tax rate from 34% to 0% under the new Brazil tax legislation.

*Thirty-nine weeks ended September 29, 2024 as compared to thirty-nine weeks ended September 24, 2023*

*Food and beverage cost* decreased as a percentage of Restaurant sales primarily due to 1.3% from increases in average check per person driven by an increase in menu pricing and 0.4% from cost-saving and productivity initiatives. These decreases were partially offset by increases as a percentage of Restaurant sales of 0.4% from unfavorable product mix and 0.4% from commodity inflation.

*Labor and other related expense* increased as a percentage of Restaurant sales primarily due to 1.8% from higher hourly and field management labor costs, primarily due to wage rate inflation, partially offset by a decrease of 0.6% from an increase in average check per person.

*Other restaurant operating expense* increased as a percentage of Restaurant sales primarily due to: (i) 1.0% from higher restaurant-level operating and supply expenses, primarily due to inflation, (ii) 0.4% from higher advertising expense and (iii) 0.2% from higher pre-opening expense. These increases were partially offset by decreases as a percentage of Restaurant sales of 0.3% from an increase in average check per person and 0.2% from certain cost-saving and productivity initiatives.

*Depreciation and amortization expense* increased primarily due to restaurant development and technology projects.

*General and administrative expense* increased as a percentage of Total revenues primarily due to increases in professional fees and executive transition costs.

*Provision for impaired assets and restaurant closings* increased primarily due to impairment and closure charges in connection with the Q2 2024 decision to close nine restaurants in Hong Kong and the Q4 2023 decision to close 36 older, predominately underperforming restaurants within the U.S. segment.

*Loss on extinguishment of debt* during the thirty-nine weeks ended September 29, 2024 was in connection with the 2025 Notes Partial Repurchase, which is described in further detail within Note 7 - *Convertible Senior Notes* of the Notes to Consolidated Financial Statements.

*Interest expense, net* increased primarily due to higher balances and interest rates on the unhedged portion of our revolving credit facility partially offset by a decrease in interest expense from the 2025 Notes Partial Repurchase and interest income in connection with the Brazil judicial deposit.

**BLOOMIN' BRANDS, INC.**
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
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*Provision for income taxes* for the thirty-nine weeks ended September 29, 2024 includes the impact of nondeductible losses associated with the 2025 Notes Partial Repurchase which, relative to a pre-tax book loss during the period, resulted in a negative effective income tax rate.

**SEGMENT PERFORMANCE**

The following is a summary of reporting segments:

REPORTABLE SEGMENT (1)	CONCEPT	GEOGRAPHIC LOCATION
U.S.	Outback Steakhouse Carrabba's Italian Grill Bonefish Grill Fleming's Prime Steakhouse & Wine Bar	United States of America
International	Outback Steakhouse Carrabba's Italian Grill (Abbraccio)	Brazil, Hong Kong/China Brazil

(1) Includes franchise locations.

Revenues for both segments include only transactions with customers and exclude intersegment revenues. Excluded from Income from operations for U.S. and international are certain legal and corporate costs not directly related to the performance of the segments, most stock-based compensation expenses, a portion of insurance expenses and certain bonus expenses.

Refer to Note 14 - *Segment Reporting* of the Notes to Consolidated Financial Statements for reconciliations of segment income from operations to the consolidated operating results.

Restaurant-level operating margin is widely regarded in the industry as a useful non-GAAP measure to evaluate restaurant-level operating efficiency and performance of ongoing restaurant-level operations, and we use it for these purposes, overall and particularly within our two segments. See the *Overview-Key Financial Performance Indicators* and *Non-GAAP Financial Measures* sections of Management's Discussion and Analysis of Financial Condition and Results of Operations for additional details regarding the calculation of restaurant-level operating margin.

*Summary financial data* - Following is a summary of financial data by segment for the periods indicated:

(dollars in thousands)	U.S.		INTERNATIONAL	
	THIRTEEN WEEKS ENDED		THIRTEEN WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Revenues				
Restaurant sales	\$ 877,052	\$ 901,138	\$ 148,038	\$ 163,275
Franchise and other revenues	10,273	11,834	3,408	3,586
Total revenues	\$ 887,325	\$ 912,972	\$ 151,446	\$ 166,861
Income from operations	\$ 38,853	\$ 68,014	\$ 15,608	\$ 22,034
Operating income margin	4.4 %	7.4 %	10.3 %	13.2 %
Restaurant-level operating income	\$ 100,315	\$ 114,869	\$ 31,210	\$ 32,404
Restaurant-level operating margin	11.4 %	12.7 %	21.1 %	19.8 %

**BLOOMIN' BRANDS, INC.**
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
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(dollars in thousands)	U.S.		INTERNATIONAL	
	THIRTY-NINE WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Revenues				
Restaurant sales	\$ 2,870,036	\$ 2,975,145	\$ 438,106	\$ 454,832
Franchise and other revenues	34,566	36,052	10,256	11,244
Total revenues	\$ 2,904,602	\$ 3,011,197	\$ 448,362	\$ 466,076
Income from operations	\$ 216,014	\$ 304,265	\$ 30,496	\$ 67,028
Operating income margin	7.4 %	10.1 %	6.8 %	14.4 %
Restaurant-level operating income	\$ 398,746	\$ 457,533	\$ 80,411	\$ 96,092
Restaurant-level operating margin	13.9 %	15.4 %	18.4 %	21.1 %

*Restaurant sales* - Following is a summary of the change in segment Restaurant sales for the periods indicated:

(dollars in millions)	U.S.		(dollars in millions)	INTERNATIONAL	
	THIRTEEN WEEKS ENDED	THIRTY-NINE WEEKS ENDED		THIRTEEN WEEKS ENDED	THIRTY-NINE WEEKS ENDED
For the periods ended September 24, 2023	\$ 901.1	\$ 2,975.1	For the periods ended September 24, 2023	\$ 163.3	\$ 454.9
Change from:			Change from:		
Restaurant closures (1)	(26.2)	(83.8)	Effect of foreign currency translation	(16.5)	(9.5)
Comparable restaurant sales (2)	(13.5)	(57.2)	Restaurant closures (1)	(5.4)	(9.0)
Restaurant openings (3)	15.7	35.9	Comparable restaurant sales	(4.6)	(8.3)
For the periods ended September 29, 2024	\$ 877.1	\$ 2,870.0	Restaurant openings (3)	10.8	28.9
			Brazil value added tax exemptions (4)	0.4	(18.9)
			For the periods ended September 29, 2024	\$ 148.0	\$ 438.1

- (1) The thirteen weeks ended September 29, 2024 includes the restaurant sales impact from the closure of 47 U.S. and 11 international restaurants since June 25, 2023. The thirty-nine weeks ended September 29, 2024 includes the restaurant sales impact from the closure of 56 U.S. and 11 international restaurants since December 25, 2022.
- (2) U.S. comparable restaurant sales for the thirty-nine weeks ended September 29, 2024 includes an estimated \$16.5 million negative impact from a one-week shift in the fiscal calendar.
- (3) The thirteen weeks ended September 29, 2024 includes restaurant sales from 18 U.S. and 38 international new restaurants not included in our comparable restaurant sales base. The thirty-nine weeks ended September 29, 2024 includes restaurant sales from 24 U.S. and 51 international new restaurants not included in our comparable restaurant sales base.
- (4) During 2023, we were eligible for certain value added tax exemptions under the Brazil tax legislation until August 2023. Beginning on May 23, 2024, we are eligible for certain value added tax exemptions under the new Brazil tax legislation. See Note 12 - *Income Taxes* of the Notes to Consolidated Financial Statements for details regarding value added tax exemptions in connection with Brazil tax legislation.

***Income from operations***

*U.S.* - The decrease in U.S. Income from operations generated during the thirteen weeks ended September 29, 2024 as compared to the thirteen weeks ended September 24, 2023 was primarily due to: (i) lower restaurant sales, as discussed above, (ii) higher labor, operating and commodity costs, primarily due to inflation, (iii) a lease termination gain in Q3 2023, (iv) higher advertising expense and professional fees and (v) unfavorable product mix. These decreases were partially offset by increases from an increase in average check per person and the impact of certain cost-saving and productivity initiatives.

**BLOOMIN' BRANDS, INC.**
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
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The decrease in U.S. Income from operations generated during the thirty-nine weeks ended September 29, 2024 as compared to the thirty-nine weeks ended September 24, 2023 was primarily due to: (i) lower restaurant sales, as discussed above, (ii) higher labor, operating and commodity costs, primarily due to inflation, (iii) higher impairment, closure costs and severance, including a lease termination gain in Q3 2023, (iv) unfavorable product mix and (v) higher advertising expense. These decreases were partially offset by increases from an increase in average check per person and the impact of certain cost-saving and productivity initiatives.

*International* - The decrease in international Income from operations generated during the thirteen weeks ended September 29, 2024 as compared to the thirteen weeks ended September 24, 2023 was primarily due to: (i) lower restaurant sales, as discussed above, (ii) higher closure costs and severance and (iii) higher operating, labor and commodity costs, primarily due to inflation. These decreases were partially offset by: (i) favorable product mix, (ii) an increase in average check per person and (iii) lower advertising expense.

The decrease in international Income from operations generated during the thirty-nine weeks ended September 29, 2024 as compared to the thirty-nine weeks ended September 24, 2023 was primarily due to: (i) higher impairment and closure costs, (ii) lower restaurant sales, as discussed above, (iii) higher operating, labor and commodity costs, primarily due to inflation and (iv) a lower benefit from value added tax exemptions in Brazil. These decreases were partially offset by: (i) an increase in average check per person, (ii) favorable product mix and (iii) lower advertising expense.

**Non-GAAP Financial Measures**

*Consolidated Restaurant-level Operating Income and Adjusted Restaurant-level Operating Income and Corresponding Margins Non-GAAP Reconciliations* - The following table reconciles consolidated Income from operations and the corresponding margin to restaurant-level operating income and adjusted restaurant-level operating income and the corresponding margins for the periods indicated:

<i>Consolidated</i> (dollars in thousands)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Income from operations	\$ 17,210	\$ 58,216	\$ 140,434	\$ 268,295
Operating income margin	1.7 %	5.4 %	4.2 %	7.7 %
Less:				
Franchise and other revenues	13,681	15,420	44,822	47,296
Plus:				
Depreciation and amortization	50,208	47,998	149,015	141,865
General and administrative	68,485	62,246	196,413	191,408
Provision for impaired assets and restaurant closings	5,597	(6,008)	32,731	(857)
Restaurant-level operating income	\$ 127,819	\$ 147,032	\$ 473,771	\$ 553,415
Restaurant-level operating margin	12.5 %	13.8 %	14.3 %	16.1 %
Adjustments:				
Asset impairments and closure-related charges	—	—	434	—
Partner compensation (1)	—	1,894	—	1,894
Total restaurant-level operating income adjustments	—	1,894	434	1,894
Adjusted restaurant-level operating income	\$ 127,819	\$ 148,926	\$ 474,205	\$ 555,309
Adjusted restaurant-level operating margin	12.5 %	14.0 %	14.3 %	16.2 %

(1) Costs incurred in connection with the transition to a new partner compensation program.

**BLOOMIN' BRANDS, INC.**
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

*Segment Restaurant-level and Adjusted Restaurant-level Operating Income and Corresponding Margins Non-GAAP Reconciliations* - The following tables reconcile segment Income from operations and the corresponding margin to segment restaurant-level operating income and adjusted restaurant-level operating income and the corresponding margins for the periods indicated:

<b>U.S.</b> (dollars in thousands)	<b>THIRTEEN WEEKS ENDED</b>		<b>THIRTY-NINE WEEKS ENDED</b>	
	<b>SEPTEMBER 29, 2024</b>	<b>SEPTEMBER 24, 2023</b>	<b>SEPTEMBER 29, 2024</b>	<b>SEPTEMBER 24, 2023</b>
Income from operations	\$ 38,853	\$ 68,014	\$ 216,014	\$ 304,265
Operating income margin	4.4 %	7.4 %	7.4 %	10.1 %
Less:				
Franchise and other revenues	10,273	11,834	34,566	36,052
Plus:				
Depreciation and amortization	41,922	39,829	122,506	117,368
General and administrative	27,945	24,868	79,853	72,809
Provision for impaired assets and restaurant closings	1,868	(6,008)	14,939	(857)
Restaurant-level operating income	\$ 100,315	\$ 114,869	\$ 398,746	\$ 457,533
Restaurant-level operating margin	11.4 %	12.7 %	13.9 %	15.4 %
Adjustments:				
Asset impairments and closure-related charges	—	—	434	—
Partner compensation (1)	—	1,894	—	1,894
Total restaurant-level operating income adjustments	—	1,894	434	1,894
Adjusted restaurant-level operating income	\$ 100,315	\$ 116,763	\$ 399,180	\$ 459,427
Adjusted restaurant-level operating margin	11.4 %	13.0 %	13.9 %	15.4 %

(1) Costs incurred in connection with the transition to a new partner compensation program.

<b>International</b> (dollars in thousands)	<b>THIRTEEN WEEKS ENDED</b>		<b>THIRTY-NINE WEEKS ENDED</b>	
	<b>SEPTEMBER 29, 2024</b>	<b>SEPTEMBER 24, 2023</b>	<b>SEPTEMBER 29, 2024</b>	<b>SEPTEMBER 24, 2023</b>
Income from operations	\$ 15,608	\$ 22,034	\$ 30,496	\$ 67,028
Operating income margin	10.3 %	13.2 %	6.8 %	14.4 %
Less:				
Franchise and other revenues	3,408	3,586	10,256	11,244
Plus:				
Depreciation and amortization	6,184	6,231	20,140	18,275
General and administrative	9,098	7,725	22,240	22,033
Provision for impaired assets and restaurant closings	3,728	—	17,791	—
Restaurant-level operating income	\$ 31,210	\$ 32,404	\$ 80,411	\$ 96,092
Restaurant-level operating margin	21.1 %	19.8 %	18.4 %	21.1 %

**BLOOMIN' BRANDS, INC.**
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
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*Adjusted Restaurant-level Operating Margin Non-GAAP Reconciliations (continued)* - The following tables present the percentages of certain operating cost financial statement line items in relation to Restaurant sales for the periods indicated:

	THIRTEEN WEEKS ENDED			
	SEPTEMBER 29, 2024		SEPTEMBER 24, 2023	
	REPORTED	ADJUSTED	REPORTED	ADJUSTED (1)
Restaurant sales	100.0 %	100.0 %	100.0 %	100.0 %
Food and beverage	29.7 %	29.7 %	30.2 %	30.2 %
Labor and other related	30.5 %	30.5 %	29.5 %	29.4 %
Other restaurant operating	27.3 %	27.3 %	26.4 %	26.4 %
Restaurant-level operating margin	12.5 %	12.5 %	13.8 %	14.0 %

	THIRTY-NINE WEEKS ENDED			
	SEPTEMBER 29, 2024		SEPTEMBER 24, 2023	
	REPORTED	ADJUSTED (1)	REPORTED	ADJUSTED (1)
Restaurant sales	100.0 %	100.0 %	100.0 %	100.0 %
Food and beverage	30.2 %	30.2 %	30.8 %	30.8 %
Labor and other related	29.8 %	29.8 %	28.6 %	28.6 %
Other restaurant operating	25.7 %	25.7 %	24.4 %	24.4 %
Restaurant-level operating margin	14.3 %	14.3 %	16.1 %	16.2 %

(1) See the *Consolidated Restaurant-level Operating Income and Adjusted Restaurant-level Operating Income and Corresponding Margins Non-GAAP Reconciliations* table above for details regarding restaurant-level operating margin adjustments. All restaurant-level operating margin adjustments for the periods presented were recorded within Labor and other related expense.



**BLOOMIN' BRANDS, INC.**
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*Adjusted Income from Operations Non-GAAP Reconciliations* - The following table reconciles Income from operations and the corresponding margin to adjusted income from operations and the corresponding margin for the periods indicated:

(dollars in thousands)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Income from operations	\$ 17,210	\$ 58,216	\$ 140,434	\$ 268,295
Operating income margin	1.7 %	5.4 %	4.2 %	7.7 %
<b>Adjustments:</b>				
Total restaurant-level operating income adjustments (1)	—	1,894	434	1,894
Asset impairments and closure-related charges (2)	5,127	(6,586)	33,873	(6,586)
Executive transition costs (3)	4,121	—	4,121	—
Strategic initiative fees (4)	3,000	—	4,000	—
Transaction-related expenses (5)	1,490	—	1,490	—
Other (6)	—	3,436	—	3,436
Total income from operations adjustments	13,738	(1,256)	43,918	(1,256)
Adjusted income from operations	\$ 30,948	\$ 56,960	\$ 184,352	\$ 267,039
Adjusted operating income margin	3.0 %	5.3 %	5.5 %	7.7 %

- (1) See the *Consolidated Restaurant-level Operating Income and Adjusted Restaurant-level Operating Income and Corresponding Margins Non-GAAP Reconciliations* table above for details regarding restaurant-level operating income adjustments.
- (2) The thirteen and thirty-nine weeks ended September 29, 2024 include asset impairment, closure costs and severance primarily in connection with the Q2 2024 decision to close nine restaurants in Hong Kong. The thirty-nine weeks ended September 29, 2024 also includes asset impairment, closure costs and severance in connection with the Q4 2023 decision to close 36 older, predominately underperforming U.S. restaurants. The thirteen and thirty-nine weeks ended September 24, 2023 include a lease termination gain and related restaurant closure costs.
- (3) Compensation costs and professional fees related to our CEO transition and severance related to other executive level changes.
- (4) Represents fees incurred in connection with a project-based strategic initiative. The costs incurred represent third-party consulting fees related to a strategic initiative to develop revenue growth management capabilities for Outback Steakhouse and are included in General and administrative expense. We expect to incur additional fees for this project for the remainder of 2024. Given the magnitude and scope of this initiative and that it is not expected to recur in the foreseeable future after 2024, we consider these incremental expenses to be distinct from other consulting fees that we incur in the ordinary course of business and not reflective of the ongoing costs to operate our business or operating performance in the period.
- (5) Costs incurred in connection with the strategic review and agreement to sell the majority ownership of our Brazil operations and pending franchise partnership transaction.
- (6) Primarily includes professional fees, severance and other costs not correlated to our core operating performance during the period.

**BLOOMIN' BRANDS, INC.**
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

*Adjusted Net Income and Adjusted Diluted Earnings Per Share Non-GAAP Reconciliations* - The following table reconciles Net income (loss) attributable to Bloomin' Brands to adjusted net income and adjusted diluted earnings per share for the periods indicated:

(in thousands, except per share data)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
Net income (loss) attributable to Bloomin' Brands	\$ 6,912	\$ 44,528	\$ (48,557)	\$ 204,116
Adjustments:				
Income from operations adjustments (1)	13,738	(1,256)	43,918	(1,256)
Loss on extinguishment of debt (2)	—	—	135,797	—
Total adjustments, before income taxes	13,738	(1,256)	179,715	(1,256)
Adjustment to provision for income taxes (3)	(2,498)	(2,650)	(4,466)	(2,650)
Net adjustments	11,240	(3,906)	175,249	(3,906)
Adjusted net income	\$ 18,152	\$ 40,622	\$ 126,692	\$ 200,210
Diluted earnings (loss) per share	\$ 0.08	\$ 0.45	\$ (0.56)	\$ 2.08
Adjusted diluted earnings per share (4)(5)	\$ 0.21	\$ 0.41	\$ 1.41	\$ 2.04
Diluted weighted average common shares outstanding (5)	86,164	98,548	86,258	97,987
Adjusted diluted weighted average common shares outstanding (4)(5)	86,164	98,548	90,057	97,987

- (1) See the *Adjusted Income from Operations Non-GAAP Reconciliations* table above for details regarding Income from operations adjustments.
- (2) Includes losses in connection with the 2025 Notes Partial Repurchase. See Note 7 - *Convertible Senior Notes* of the Notes to Consolidated Financial Statements for additional details.
- (3) Includes the tax effects of non-GAAP adjustments determined based on the nature of the underlying non-GAAP adjustments and their relevant jurisdictional tax rates for all periods presented. The difference between GAAP and adjusted effective income tax rates during the thirty-nine weeks ended September 29, 2024 primarily relates to nondeductible losses and other tax costs associated with the 2025 Notes Partial Repurchase. The thirteen and thirty-nine weeks ended September 24, 2023 include a \$2.9 million adjustment related to a Brazil federal income tax exemption on certain state VAT benefits.
- (4) Adjusted diluted weighted average common shares outstanding for the thirteen weeks ended September 29, 2024 and September 24, 2023 and the thirty-nine weeks ended September 29, 2024 and September 24, 2023 were calculated including the effect of 0.7 million, 5.4 million, 2.0 million and 5.1 million dilutive securities, respectively, for outstanding 2025 Notes and the effect of 0.3 million, 3.8 million, 1.4 million and 3.4 million dilutive securities, respectively, for the Warrant Transactions, as defined below. In connection with the offering of the 2025 Notes, we entered into convertible note hedge transactions (the "Convertible Note Hedge Transactions") and concurrently entered into warrant transactions relating to the same number of shares of our common stock (the "Warrant Transactions"). If our stock price is in excess of the conversion price of the 2025 Notes (\$10.79 and \$11.26 as of September 29, 2024 and September 24, 2023, respectively), the Convertible Note Hedge Transactions deliver shares to offset dilution from the 2025 Notes, which, in combination with the Warrant Transactions, effectively offset dilution from the 2025 Notes up to the strike price of the Warrant Transactions (\$15.11 and \$15.77 as of September 29, 2024 and September 24, 2023, respectively). Adjusted diluted earnings per share and adjusted diluted weighted average common shares outstanding for the thirteen and thirty-nine weeks ended September 24, 2023 have been recast to remove the 5.4 million and 5.1 million share benefit, respectively, of the Convertible Note Hedge Transactions which was previously included as a non-GAAP share adjustment.
- (5) Due to a GAAP net loss, antidilutive securities are excluded from diluted weighted average common shares outstanding for the thirty-nine weeks ended September 29, 2024. However, considering the adjusted net income position, adjusted diluted weighted average common shares outstanding incorporates securities that would have been dilutive for GAAP.

*System-Wide Sales* - System-wide sales is a non-GAAP financial measure that includes sales of all restaurants operating under our brand names, whether we own them or not. Management uses this information to make decisions about future plans for the development of additional restaurants and new concepts, as well as evaluation of current operations. System-wide sales comprise sales of Company-owned and franchised restaurants. For a summary of sales of Company-owned restaurants, refer to Note 2 - *Revenue Recognition* of the Notes to Consolidated Financial Statements.

**BLOOMIN' BRANDS, INC.**
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

The following table provides a summary of sales of franchised restaurants for the periods indicated, which are not included in our consolidated financial results. Franchise sales within this table do not represent our sales and are presented only as an indicator of changes in the restaurant system, which management believes is important information regarding the health of our restaurant concepts and in determining our royalties and/or service fees.

(dollars in millions)	THIRTEEN WEEKS ENDED		THIRTY-NINE WEEKS ENDED	
	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023	SEPTEMBER 29, 2024	SEPTEMBER 24, 2023
U.S.				
Outback Steakhouse	\$ 120	\$ 119	\$ 381	\$ 386
Carrabba's Italian Grill	10	11	33	36
Bonefish Grill	2	2	7	7
Aussie Grill	—	—	1	—
U.S. total	132	132	422	429
International				
Outback Steakhouse - South Korea	76	84	228	254
Other	25	26	73	78
International total	101	110	301	332
Total franchise sales	\$ 233	\$ 242	\$ 723	\$ 761

**Liquidity and Capital Resources**
Cash and Cash Equivalents

As of September 29, 2024, we had \$83.6 million in cash and cash equivalents, of which \$18.9 million was held by foreign affiliates. The international jurisdictions in which we have significant cash do not have any known restrictions that would prohibit repatriation.

As of September 29, 2024, we had aggregate undistributed foreign earnings of approximately \$35.7 million that may be repatriated to the U.S. without additional material U.S. federal income tax. These amounts are not considered indefinitely reinvested in our foreign subsidiaries.

Borrowing Capacity and Debt Service

*Credit Facilities* - Following is a summary of our outstanding credit facilities as of the dates indicated and principal payments and debt issuance during the period indicated:

(dollars in thousands)	REVOLVING CREDIT FACILITY				TOTAL CREDIT FACILITIES
	SENIOR SECURED CREDIT FACILITY	FORMER CREDIT FACILITY	2025 NOTES	2029 NOTES	
Balance as of December 31, 2023	\$ —	\$ 381,000	\$ 104,786	\$ 300,000	\$ 785,786
2024 new debt	845,000	1,195,000	—	—	2,040,000
2024 payments	(70,000)	(1,576,000)	—	—	(1,646,000)
2024 repurchases and conversions	—	—	(84,062)	—	(84,062)
Balance as of September 29, 2024	\$ 775,000	\$ —	\$ 20,724	\$ 300,000	\$ 1,095,724
Interest rates, as of September 29, 2024 (1)	6.86 %		5.00 %	5.13 %	
Principal maturity date	September 2029		May 2025	April 2029	

(1) The revolving credit facility interest rate represents the weighted average interest rate as of September 29, 2024.

**BLOOMIN' BRANDS, INC.****MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

As of September 29, 2024, we had \$407.2 million in available unused borrowing capacity under our revolving credit facility, net of letters of credit of \$17.8 million.

*Third Amended and Restated Credit Agreement* - On September 19, 2024, we and OSI, as co-borrowers, entered into the Third Amended and Restated Credit Agreement which provides for senior secured financing of up to \$1.2 billion consisting of the Senior Secured Credit Facility. The Senior Secured Credit Facility matures on September 19, 2029 and replaced our Former Credit Facility financing of up to \$1.0 billion. Our total indebtedness and the interest rate applied to our borrowings remained unchanged as a result of the Third Amended and Restated Credit Agreement. See Note 6 - *Supplemental Balance Sheet Information - Long-term debt, net* of the Notes to Consolidated Financial Statements for additional details regarding the Third Amended and Restated Credit Agreement.

Our credit agreement, as amended, contains various financial and non-financial covenants. A violation of these covenants could negatively impact our liquidity by restricting our ability to borrow under the revolving credit facility and cause an acceleration of the amounts due under the credit facilities.

As of September 29, 2024 and December 31, 2023, we were in compliance with our debt covenants. We believe that we will remain in compliance with our debt covenants during the next 12 months and beyond.

*2025 Notes Partial Repurchase* - On February 29, 2024, we and the Noteholders entered into the Exchange Agreements in which the Noteholders agreed to exchange \$83.6 million in aggregate principal amount of our outstanding 2025 Notes for approximately 7.5 million shares of our common stock and \$3.3 million in cash, including accrued interest.

*Convertible Note Hedge and Warrant Transactions* - In connection with the 2025 Notes Partial Repurchase, we entered into the Early Termination Agreements with the Derivative Counterparties. Upon settlement, we received approximately \$118.2 million in cash and 0.3 million shares of our common stock from the Derivative Counterparties and paid \$102.2 million in cash to the Derivative Counterparties during the thirty-nine weeks ended September 29, 2024.

See Note 7 - *Convertible Senior Notes* of the Notes to Consolidated Financial Statements for additional details regarding the 2025 Notes Partial Repurchase and related Early Termination Agreements.

### Use of Cash

Cash flows generated from operating activities and availability under our revolving credit facility are our principal sources of liquidity, which we use for operating expenses, development of new restaurants, remodeling or relocating older restaurants, investments in technology, dividend payments and share repurchases.

We believe that our expected liquidity sources are adequate to fund debt service requirements, lease obligations, capital expenditures and working capital obligations during the 12 months following this filing. However, our ability to continue to meet these requirements and obligations will depend on, among other things, our ability to achieve anticipated levels of revenue and cash flow and our ability to manage costs and working capital successfully.

*Capital Expenditures* - We estimate that our capital expenditures will total approximately \$260 million to \$270 million in 2024. The amount of actual capital expenditures may be affected by general economic, financial, competitive, legislative and regulatory factors, among other things, including raw material constraints.

**BLOOMIN' BRANDS, INC.****MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

*Brazil Judicial Deposit* - In July 2024, we made a judicial deposit of \$42.9 million, inclusive of principal, interest and potential penalties, in connection with our appeal of an unfavorable court ruling regarding our eligibility for tax exemptions under the Brazil tax legislation. The judicial deposit includes the disputed amounts through December 31, 2023 and was recorded in Other assets, net, on our Consolidated Balance Sheet. The judicial deposit accumulates interest income until final resolution of the judicial proceedings. We believe that we will more likely than not prevail in this appeal and, accordingly, have not recorded any expense or liability for the disputed amounts.

*Dividends and Share Repurchases* - In October 2024, our Board declared a quarterly cash dividend of \$0.24 per share, payable on December 11, 2024. Future dividend payments are dependent on our earnings, financial condition, capital expenditure requirements, surplus and other factors that our Board considers relevant, as well as continued compliance with the financial covenants in our debt agreements.

In February 2024, our Board canceled the remaining \$57.5 million under our former share repurchase authorization and approved a new \$350.0 million share repurchase authorization. The 2024 Share Repurchase Program includes capacity above our normal share repurchases activity to provide flexibility in retiring our 2025 Notes at or prior to their May 2025 maturity. The 2024 Share Repurchase Program will expire on August 13, 2025.

On March 1, 2024, we entered into the ASR Agreement, in connection with our previously announced 2024 Share Repurchase Program, with Wells Fargo to repurchase \$220.0 million of our common stock. Under the ASR Agreement, we made an aggregate payment of \$220.0 million to Wells Fargo and received an aggregate 7.9 million shares of our common stock during the thirty-nine weeks ended September 29, 2024.

See Note 8 - *Stockholders' Equity* of the Notes to Consolidated Financial Statements for additional details regarding the ASR Agreement.

As of September 29, 2024, \$96.8 million remained available for repurchase under the 2024 Share Repurchase Program.

Following is a summary of dividends and share repurchases from fiscal year 2023 through September 29, 2024:

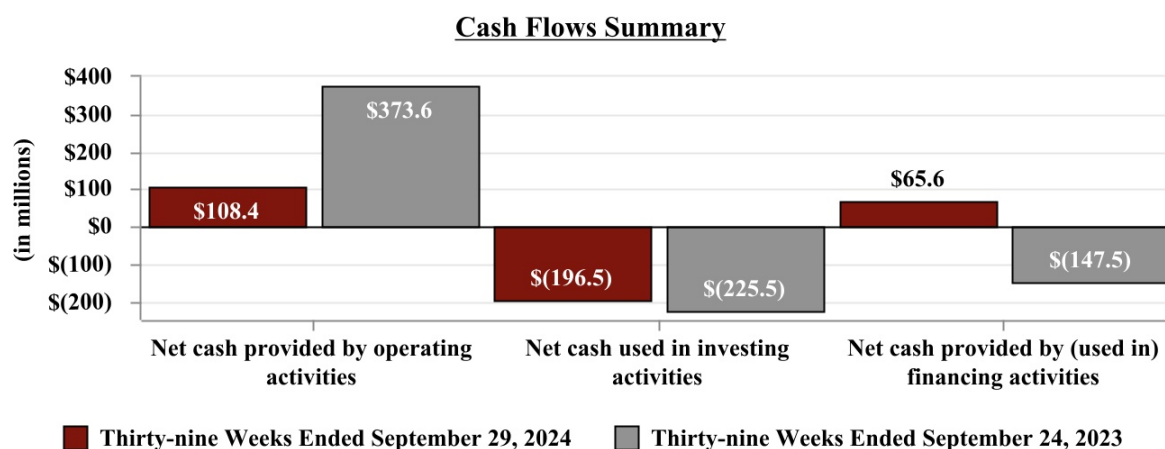
(dollars in thousands)	DIVIDENDS PAID	SHARE REPURCHASES	TOTAL
Fiscal year 2023	\$ 83,742	\$ 70,000	\$ 153,742
First fiscal quarter 2024 (1)	21,075	188,500	209,575
Second fiscal quarter 2024 (2)	20,762	59,000	79,762
Third fiscal quarter 2024	20,375	18,195	38,570
Total	<u>\$ 145,954</u>	<u>\$ 335,695</u>	<u>\$ 481,649</u>

(1) Share repurchases amount excludes \$0.4 million of fees recorded in Accumulated deficit related to repurchases under the ASR Agreement.

(2) Includes \$44.0 million of share repurchases in connection with the ASR Agreement that settled during the thirteen weeks ended June 30, 2024.

**BLOOMIN' BRANDS, INC.**
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**
Summary of Cash Flows and Financial Condition

*Cash Flows* - The following chart presents a summary of our cash flows provided by (used in) operating, investing and financing activities for the periods indicated:



*Operating Activities* - The decrease in net cash provided by operating activities during the thirty-nine weeks ended September 29, 2024 as compared to the thirty-nine weeks ended September 24, 2023 was primarily due to changes in working capital, lower net earnings and a judicial deposit in connection with tax exemptions under the Brazil tax legislation.

*Investing Activities* - The decrease in net cash used in investing activities during the thirty-nine weeks ended September 29, 2024 as compared to the thirty-nine weeks ended September 24, 2023 was primarily due to lower capital expenditures.

*Financing Activities* - Net cash provided by financing activities during the thirty-nine weeks ended September 29, 2024 was due to net draws on the revolving credit facility exceeding cash used to repurchase common stock and pay dividends on our common stock, and net cash received from the Early Termination Agreements. Net cash used in financing activities during thirty-nine weeks ended September 24, 2023 was primarily due to cash dividends on our common stock, repurchases of our common stock and net repayments on our revolving credit facility partially offset by proceeds from stock-based compensation.

*Financial Condition* - Following is a summary of our current assets, current liabilities and working capital (deficit) as of the periods indicated:

(dollars in thousands)	SEPTEMBER 29, 2024	DECEMBER 31, 2023
Current assets	\$ 261,058	\$ 343,314
Current liabilities	848,970	1,002,335
Working capital (deficit)	\$ (587,912)	\$ (659,021)

Working capital (deficit) includes: (i) Unearned revenue primarily from unredeemed gift cards of \$293.5 million and \$381.9 million as of September 29, 2024 and December 31, 2023, respectively, and (ii) current operating lease liabilities of \$169.4 million and \$175.4 million as of September 29, 2024 and December 31, 2023, respectively, with the corresponding operating right-of-use assets recorded as non-current on our Consolidated Balance Sheets. We have, and in the future may continue to have, negative working capital balances (as is common for many restaurant

**BLOOMIN' BRANDS, INC.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF  
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

companies). We operate successfully with negative working capital because cash collected on restaurant sales is typically received before payment is due on our current liabilities, and our inventory turnover rates require relatively low investment in inventories. Additionally, ongoing cash flows from restaurant operations and gift card sales are typically used to service debt obligations and to make capital expenditures.

**Recently Issued Financial Accounting Standards**

For a description of recently issued Financial Accounting Standards that we adopted during the thirteen weeks ended September 29, 2024 and, that are applicable to us and likely to have material effect on our consolidated financial statements, but have not yet been adopted, see Note 1 - *Description of the Business and Basis of Presentation* of the Notes to Consolidated Financial Statements of this Quarterly Report on Form 10-Q.

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

We are exposed to market risk from changes in commodity prices, labor inflation and foreign currency exchange rates and interest rates. We believe that there have been no material changes in our market risk since December 31, 2023. See Part II, Item 7A., “Quantitative and Qualitative Disclosures about Market Risk,” in our Annual Report on Form 10-K for the year ended December 31, 2023 for further information regarding market risk.

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

We have established and maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit 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 Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 29, 2024.

**Changes in Internal Control over Financial Reporting**

There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) during the thirteen weeks ended September 29, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.



## PART II: OTHER INFORMATION

**Item 1. Legal Proceedings**

For a description of our legal proceedings, see Note 13 - *Commitments and Contingencies* of the Notes to Consolidated Financial Statements of this Quarterly Report on Form 10-Q.

**Item 1A. Risk Factors**

In addition to the other information discussed in this report, please consider the factors described in Part I, Item 1A., "Risk Factors," in our 2023 Form 10-K which could materially affect our business, financial condition or future results. There have not been any material changes to the risk factors described in our 2023 Form 10-K, but these are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may adversely affect our business, financial condition or operating results.

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

There were no sales of equity securities during the thirteen weeks ended September 29, 2024 that were not registered under the Securities Act.

*Share Repurchases* - The following table provides information regarding our purchases of common stock during the thirteen weeks ended September 29, 2024:

REPORTING PERIOD	TOTAL NUMBER OF SHARES PURCHASED	AVERAGE PRICE PAID PER SHARE	TOTAL NUMBER OF SHARES PURCHASED AS PART OF PUBLICLY ANNOUNCED PLANS OR PROGRAMS	APPROXIMATE DOLLAR VALUE OF SHARES THAT MAY YET BE PURCHASED UNDER THE PLANS OR PROGRAMS (1)
July 1, 2024 through July 28, 2024	663,184	\$ 18.62	663,184	\$ 102,650,393
July 29, 2024 through August 25, 2024	305,555	\$ 19.13	305,555	\$ 96,805,100
August 26, 2024 through September 29, 2024	—	\$ —	—	\$ 96,805,100
Total	968,739		968,739	

(1) In February 2024, our Board approved a new share repurchase authorization of up to \$350.0 million of our outstanding common stock as announced in our press release issued February 23, 2024 (the "2024 Share Repurchase Program"). The 2024 Share Repurchase Program will expire on August 13, 2025.

**Item 5. Other Information**

*Rule 10b5-1 Trading Plans* - During the thirteen weeks ended September 29, 2024, none of the Company's directors or executive officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or any "non-Rule 10b5-1 trading arrangement" (as defined in Item 408 of Regulation S-K).

**Item 6. Exhibits**

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS	FILINGS REFERENCED FOR INCORPORATION BY REFERENCE
10.1*	<a href="#">Form of Restricted Stock Unit Retention Award Agreement for restricted stock granted to executive management under the Bloomin' Brands, Inc. 2020 Omnibus Incentive Compensation Plan</a>	August 7, 2024, Form 10-Q, Exhibit 10.2
10.2*	<a href="#">Employment Offer Letter Agreement, dated as of August 21, 2024, between Bloomin' Brands, Inc. and Michael L. Spanos</a>	Filed herewith
10.3*	<a href="#">Separation Agreement, dated as of September 3, 2024, by and between Astrid Isaacs and Bloomin' Brands, Inc.</a>	Filed herewith

**BLOOMIN' BRANDS, INC.**

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS	FILINGS REFERENCED FOR INCORPORATION BY REFERENCE
10.4	<a href="#">Third Amended and Restated Credit Agreement, dated September 19, 2024, by and among Bloomin' Brands, Inc., OSI Restaurant Partners, LLC, the guarantors party thereto, the lenders party thereto, and Wells Fargo Bank, National Association, as administrative Agent</a>	September 24, 2024, Form 8-K, Exhibit 10.1
10.5*	<a href="#">Amended and Restated Severance Pay Plan for Salaried Employees L-8/Vice President and Above effective October 21, 2024</a>	October 24, 2024, Form 8-K, Exhibit 10.1
10.6**	<a href="#">Quota Purchase Agreement and Other Covenants, dated November 6, 2024, by and among Bloom Group Holdings, B.V., Bloom Participações Ltda., Outback Steakhouse Restaurantes Brasil S.A., and Osaka Participações Societárias S.A.</a>	November 8, 2024, Form 8-K, Exhibit 10.1
31.1	<a href="#">Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>	Filed herewith
31.2	<a href="#">Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>	Filed herewith
32.1	<a href="#">Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (1)</a>	Furnished herewith
32.2	<a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (1)</a>	Furnished herewith
101.INS	Inline XBRL Instance Document	Filed herewith
101.SCH	Inline XBRL Taxonomy Extension Schema Document	Filed herewith
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	Filed herewith
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)	Filed herewith

\* Management contract or compensatory plan or arrangement required to be filed as an exhibit.

\*\* Portions of this exhibit (indicated by asterisks) have been redacted in compliance with Regulation S-K Item 601(b)(2)(ii).

(1) These certifications are not deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. These certifications will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates them by reference.

**BLOOMIN' BRANDS, INC.**

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 8, 2024

BLOOMIN' BRANDS, INC.  
(Registrant)

By: /s/ Philip Pace

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Philip Pace  
Senior Vice President, Chief Accounting Officer  
(Principal Accounting Officer)

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August 21, 2024

Michael Spanos

Dear Mike,

This letter agreement (the "Agreement") confirms the verbal offer extended to you by Bloomin' Brands, Inc. (the "Company") to serve as Chief Executive Officer ("CEO") of the Company and its Affiliates, reporting to the Board of Directors of the Company (the "Board"). Your effective date will be September 3, 2024 (the "Start Date"). Whenever used in this Agreement, the term "Affiliate" will mean, with respect to any entity, all persons or entities directly or indirectly controlled by Bloomin' Brands, Inc., where control may be by management authority, contract or equity interest.

The terms of your employment will be:

1. **Employment and Board Service.** Subject to earlier termination as provided for in **Section 7** hereof, the Company hereby employs you, and you hereby accept employment with the Company as its CEO commencing on the Start Date. Also, subject to the requirements of applicable law (including, without limitation, any rules or regulations of any exchange on which the common stock of the Company is listed, if applicable), the Company agrees appoint you to the Board commencing on the Start Date and to propose to the stockholders of the Company at each annual meeting occurring during the term of your employment as CEO your election or re-election, as applicable, as a member of the Board. If your employment with the Company terminates for any reason, your membership on the Board will also terminate, unless otherwise agreed in writing by you and the Company. In no event will a failure to reappoint or re-elect you to the Board constitute "Good Reason" for purposes of this Agreement. As CEO of the Company, you will diligently, competently, and faithfully perform all of the duties and functions (a) set forth in the Company's Fourth Amended and Restated Bylaws, as they may be amended from time to time (the "Bylaws"), and (b) customarily associated with or assigned to you by the Board commensurate with the position of CEO of the Company. Your employment relationship with the Company will also be governed by the general employment policies and practices of the Company, which are not contractual in nature and are subject to change by the Company, except that when the terms of this Agreement differ from or are in conflict with such policies and practices, this Agreement will control. Notwithstanding the foregoing, you will be permitted to manage personal investments, participate in charitable, educational, and professional activities, and, with the approval of the Board (which shall not be unreasonably withheld), serve on the board of directors or equivalent governing body, including any committees, of one for profit business that does not compete with the Company, provided that such activities do not materially interfere with the performance of your duties to the Company.

2. **Compensation.** During the Term of Employment, subject to your performance in accordance with this Agreement, you will be entitled to the following:

a. Base Salary. You will be entitled to an annual base salary equal to One Million Dollars (\$1,000,000), payable in equal biweekly installments by the Company, subject to annual review for increase, but not decrease, in the discretion of the Board or the Compensation Committee of the Board (the "Compensation Committee").

b. Annual Bonus Compensation. For each calendar year completed during the term hereof, you will be entitled to receive an annual bonus (the "Annual Bonus") on the following terms and conditions. The Annual Bonus will be determined under, and subject to, the terms of the Company's annual bonus plan or program for its executives generally, as in effect from time to time (the "Bonus Plan"). Your target Annual Bonus ("Target Bonus") will be equal to one hundred seventy-five percent (175%) of the Base Salary, provided, however, that for fiscal year 2024, your Annual Bonus will be pro-rated based on the portion of the year during which you are employed by the Company and based on the attainment of performance goals under the Bonus Plan, as determined by the Board or the Compensation Committee. Any bonus due to you hereunder will be paid in the time and manner set forth in the Bonus Plan, including, among other things, the requirement that to be eligible you remain continuously employed with the Company through the payment date except as otherwise provided in **Section 8**. Your maximum Annual Bonus for any particular year will be two hundred percent (200%) of the Target Bonus.

c. Equity-Based Compensation. With respect to each calendar year during the term of this Agreement beginning in 2025, subject to your continuous employment through the date of grant, at or about the time that the Company makes annual grants generally to its senior officers, the Company will award you a long-term incentive award under its 2020 Omnibus Incentive Compensation Plan (or successor plan, the "Plan") and the award agreements thereunder having a target fair market value at the time of grant of \$6,000,000 in accordance with applicable guidelines established by the Board or the Compensation Committee from time to time, in the sole discretion of, and in a form and amount determined by, the Board or the Compensation Committee. All equity awards will be subject to the receipt of any required stockholder, Board or Compensation Committee approvals, the terms of the Plan as then in effect and the award agreement evidencing such award, and the attainment of any applicable performance goals.

d. Transition Award. On the first trading day of the first calendar month next following the Start Date (the "Grant Date") the Company will grant to you a one-time equity award (the "Transition Award") in accordance with and subject to the Plan and a corresponding award agreement thereunder consisting of restricted stock units representing a number of shares of the Company's common stock, \$0.01 par value per share ("Common Stock"), equal to One Million Five Hundred Thousand Dollars (\$1,500,000) divided by the closing market price of the Common Stock on the Grant Date and vesting as to one-third (1/3) of the restricted stock units on each anniversary of the Grant Date.

e. Inducement Compensation.

i. On the Company's first regular payroll date occurring after the Start Date, the Company will pay you a one-time cash bonus equal to Five Hundred Thousand Dollars (\$500,000). If, however, your employment with the Company is terminated for any reason prior to the first anniversary of the Start Date, the bonus under this paragraph must be repaid to the Company in cash within thirty (30) days of the termination of your employment with the Company; provided that if your termination is for any reason other than a termination for Cause or resignation without Good Reason, you will only be required to repay the net after-tax amount of such bonus.

ii. On the Grant Date, the Company will grant to you a one-time equity award in accordance with and subject to the Plan and a corresponding award agreement thereunder consisting of restricted stock units representing a number of shares of Common Stock equal to One Million Dollars (\$1,000,000) divided by the closing market price of the Common Stock on the Grant Date and vesting as to one-third (1/3) of the restricted stock units on each anniversary of the Grant Date.

f. Relocation Bonus. Your services will be performed primarily at the Company's office located in Tampa, Florida, subject to travel requirements in connection with your duties under this Agreement. In connection with the relocation of your principal residence to the Tampa, Florida vicinity, on the Company's first regular payroll date occurring after the Start Date, the Company will pay you a one-time relocation bonus equal to Five Hundred Thousand Dollars (\$500,000), subject to applicable taxes and withholding. If, however, your employment with the Company is terminated for any reason prior to the first anniversary of the Start Date, or if you fail to permanently relocate to the Tampa, Florida vicinity prior to the first anniversary of the Start Date, the bonus under this paragraph must be repaid to the Company in cash within thirty (30) days following the earlier of the termination of your employment with the Company or the first anniversary of the Start Date; provided that in the case of a termination of employment, if such termination is for any reason other than a termination for Cause or is for a resignation with Good Reason, (i) you will not be required to repay any amount that you have already expended in relocating or in preparation for relocating, and (ii) you will only be required to repay the net after-tax amount of the excess of such bonus over any expenses described in (i).

3. Paid Time Off. During your employment, you will be entitled to four (4) weeks of vacation per annum, to be taken at such times and intervals as will be determined by you, subject to the reasonable business needs of the Company. Vacation will otherwise be governed by the policies of the Company, as in effect from time to time. Unless required by applicable law which cannot be waived, vacation time granted but not used in any year will be forfeited at the end of such one-year period and may not be carried over to any subsequent year.

4. **Fringe Benefits.** In addition to any other rights you may have hereunder, you will also be entitled to participate in those employee benefit plans, programs and arrangements, including, but not limited to life insurance, medical benefits, etc., if any, as may be provided by the Company to similar employees of the Company, in each case as such plans, programs and arrangements may be in effect from time to time, all subject to the terms of such plans, programs or arrangements and applicable policies of the Company. Following your hire, you will be eligible to receive an annual comprehensive wellness exam provided through an annual comprehensive wellness exam provider that you reasonably select. This service is paid for by the Company and treated as income to you for tax purposes. Such benefits are subject to the applicable plan documents, and as may be amended or terminated by the Company from time to time.

5. **Indemnification and Insurance.** You will be entitled to coverage under such directors and officers liability insurance policies maintained from time to time by the Company for the benefit of its directors and officers. You will enter into an indemnification agreement in the standard form of the Company's indemnification agreement for senior executives and, to the full extent permitted by such agreement, or any other indemnification agreement entered into by you and the Company, or the Bylaws, the Company will indemnify and hold you harmless from and against all costs, charges and expenses (including reasonable attorney's fees) and provide for the advancement of expenses incurred or sustained in connection with any action, suit or proceeding to which you or your legal representative may be made a party by reason of your service as a director, officer or employee of the Company or any of its subsidiaries or affiliates. The provisions of this **Section 5** will not be deemed exclusive of any other rights that you may have to seek indemnification.

6. **Expenses.** Subject to compliance with the Company's policies, as in effect from time to time, you may incur and be reimbursed by the Company for reasonable expenses on behalf of and in furtherance of the business of the Company. If any reimbursements under this provision are taxable to the you, such reimbursements will be paid on or before the end of the calendar year following the calendar year in which the reimbursable expense was incurred, and the Company will not be obligated to pay any such reimbursement amount for which you fail to submit an invoice or other documented reimbursement request at least thirty (30) business days before the end of the calendar year next following the calendar year in which the expense was incurred. The Company will reimburse you for reasonable legal fees of up to \$25,000, subject to applicable taxes and withholding, actually incurred by you in connection with the preparation and execution of this Agreement so long as you accept this offer of employment, actually commence employment with the Company, and furnish the Company with reasonable written supporting documentation with respect to such legal fees.

7. **At Will Employment; Termination.** The Company is an "at will" employer and as such, employment with the Company is not for a fixed term or definite period and may be terminated at the will of either party, with or without Cause. Your employment with the Company and this Agreement will terminate immediately upon:

- a. Your death;

b. At the election of the Company and subject to any limitations imposed under applicable law, in the event of your Disability during the term of your employment. For purposes of this Agreement, the term “Disability” will mean your inability, arising out of any medically determinable physical or mental impairment, to perform the services required of you hereunder for a period of (i) ninety (90) consecutive days or (ii) one hundred and twenty (120) total days during any period of three hundred and sixty-five (365) consecutive calendar days, as reasonably determined by the Board based on the opinion of a qualified physician selected with your consent (which shall not be unreasonably withheld); provided that your employment will not be terminated by reason of Disability prior to your satisfaction of any requirements to qualify for long term disability benefits.

c. The existence of Cause. For purposes of this Agreement, the term “Cause” will be defined as:

i. your willful failure to perform, or gross negligence or insubordination in the performance of, your duties and responsibilities to the Company or its Affiliates (other than any such failure from incapacity due to physical or mental illness);

ii. your indictment or conviction of or plea of guilty or nolo contendere to (A) a felony or (B) a crime involving moral turpitude;

iii. your engaging in dishonesty in your dealings with the Company or its Affiliates, the commission of fraud or illegal misconduct or gross misconduct;

iv. any material violation by you of any covenant or restriction contained in this Agreement or any other agreement entered into with the Company or any of its Affiliates; or

v. any material violation by you of any current or future published policy of the Company or its Affiliates (including, but not limited to, the Company’s discrimination and harassment policy, responsible alcohol policy, insider trading policy, Stock Ownership Guidelines, and code of conduct).

Notwithstanding the foregoing, your employment will not be terminated for Cause pursuant to paragraphs (i), (iv) or (v) unless you are first given written notice from the Company specifying in reasonable detail the conduct alleged to violate such paragraph, and you have failed to cure such conduct, to the extent curable, within fifteen (15) days after receipt of such notice.

d. At your election for Good Reason (i) by providing notice to the Company specifying in reasonable detail the condition giving rise to the Good Reason no later than thirty (30) days following the date on which you first become aware of the occurrence of that condition; provided, however, that to claim that an event, taken together with another event or events, constitutes Good Reason hereunder, you must have given notice to a member of the Board of such event within a reasonable period, but not more than thirty (30) days, after you first became aware of its occurrence; (ii) by providing the Company a period of thirty (30) days to remedy the condition and (iii) by terminating your employment for Good Reason within thirty (30) days following the expiration of the



period to remedy if the Company fails to substantially remedy the condition. For purposes of this Agreement, the term “Good Reason” will be defined as:

i. the assignment to you of any regular and material job duties inconsistent in any respect with your position (including status, offices, titles, and reporting requirements), authority, duties or responsibilities as in effect on the date hereof, any material diminution in such position, authority, duties or responsibilities; provided, however, that the following will not constitute Good Reason: (A) your ceasing to be a member of the Board as a result of a merger of the Company into an Affiliate or any other similar transaction, so long as you remain on the board of directors of the surviving entity, or (B) any sale, or transfer of equity or assets of the Company or an Affiliate so long as you remain CEO of the Company (or any successor to the Company) following such transaction, provided that a sale or other transfer, in one or a series of related transactions, of a majority of the assets of the Company other than to an entity controlled by the Company will constitute Good Reason, but only if the conditions set forth above in this subsection (i) are also satisfied;

ii. a reduction by the Company in your base salary as in effect from time to time, unless the same percentage reduction is made in salary of all similarly situated employees; a reduction in your maximum Annual Bonus expressed as a percentage of your base salary, unless the same percentage reduction is made for all similarly situated employees; or a reduction in your Target Bonus;

iii. the Company requires you to be based at or primarily work from any location more than fifty (50) miles from the location at which you were based or generally worked on the date hereof; or

iv. a material breach by the Company or any Affiliate of its obligations under this Agreement or any other material agreement with you.

e. At the election of the Company in its sole discretion, for any reason (other than for Cause);

f. At your election, upon ninety (90) days’ prior written notice to the Company, provided, however that the Company may accelerate the effective date of the termination if it so chooses; and

g. Your retirement. Notwithstanding the foregoing, a voluntary termination of employment by you after the occurrence of an event that would constitute Cause will not constitute a retirement.

Termination of employment for all purposes under this Agreement will be determined to have occurred in accordance with the ‘separation from service’ requirements of Code Section 409A and the Treasury Regulations and other guidance issued thereunder, and based on whether the facts and circumstances indicate that Company and you reasonably anticipated that no further services would be performed after a

certain date or that the level of your bona fide services after such date (as an employee or as an independent contractor) would permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed over the immediately preceding thirty-six (36) month period (or actual period of service, if less). For all purposes of this Agreement, termination for Cause will be deemed to have occurred in the event of your resignation when, because of existing facts and circumstances, subsequent termination for Cause can be reasonably foreseen. For the avoidance of doubt, the termination of your employment and this Agreement, for any reason, will not extinguish your obligations specified in **Exhibit A** hereof.

8. **Payments Upon Termination; Severance.**

a. **General.** Except as otherwise provided in **Section 8(b)**, in the event of termination of employment pursuant to **Section 7**:

i. You or your estate, as appropriate, will be entitled to receive (A) the base salary provided for herein up to and including the effective date of termination, prorated on a daily basis, (B) any vested benefits in pension, retirement or deferred compensation plans maintained by the Company or other amounts accrued and payable under any employee benefit plan, each pursuant to **Section 4** above, and (C) any business expenses incurred by you pursuant to **Section 6** above but unreimbursed on the date of termination, provided that such expenses and required substantiation and documentation are submitted under Company policy (all of the foregoing, payable subject to the timing limitations described herein, "**Final Compensation**").

ii. All equity awards previously granted to you that are still outstanding will be forfeited, except to the extent otherwise provided in the Plan and applicable award agreement(s).

b. **Severance.** The following benefits are conditioned on (i) you or your beneficiary signing and returning to the Company (without revoking) a timely and effective release of your claims existing as of the date on which the release is signed and relating to your employment by the Company and the termination of such employment, which release shall be in substantially the form then used by the Company for senior executives, and shall not require you to release your rights to severance, your rights to indemnification against third party claims, or your rights as a shareholder of the Company, and shall not impose any restrictive covenants upon your activities following employment in addition to those by which you are already bound (the "**Release**"), and (ii) you not engaging in a material violation of the terms and covenants of **Exhibit A** of this Agreement, and all benefits under this **Section 8** will be subject to applicable taxes and withholding:

i. In the event of termination of employment pursuant to **Section 7(d) or 7(e)**, you will be entitled to receive as full and complete severance compensation (A) any Annual Bonus earned for the fiscal year preceding that in which termination occurs, but unpaid on the date of termination (the "**Unpaid Bonus**"), (B) an amount (the "**Severance Amount**") equal to the sum of (x) twenty-four (24) months of the base salary at the rate in effect on the date of termination plus (y) a pro-rata Annual Bonus for the year in which such termination of

employment occurs, calculated by multiplying the Target Bonus by a fraction, the numerator of which is the number of days you were employed during such year and the denominator of which is 365 (the “Pro-Rata Bonus”), (C) in accordance with the terms of the award agreement entered into in connection with the Transition Award, the Transition Award will fully vest as of the effective date of such termination of employment (the “Accelerated Transition Award”), and (D) a lump-sum cash payment in an amount equal to twelve (12) months of premium costs for COBRA continuation coverage for group medical and dental coverage based on your enrollment election at the time of the termination of your employment with the Company. Severance payments pursuant to **Section 8(b)(i)(A), (B), and (D)** above will be payable in a lump sum within sixty days following the expiration of the revocation period for the Release. You acknowledge and agree that in the event of termination of employment pursuant to **Section 7(d) or 7(e)**, the payments provided in this **Section 8(b)** and the Final Compensation provided in **Section 8(a)** will be the only obligation that the Company or any of its Affiliates will have to you, except to the extent otherwise provided in the Plan and applicable award agreement(s).

ii. In the event of termination of employment pursuant to **Section 7(a) or 7(b)**, you or your estate, as appropriate, will be entitled to receive (A) the Unpaid Bonus, (B) the Pro-Rata Bonus and (C) the Accelerated Transition Award. You or your estate, as appropriate, acknowledge and agree that in the event of termination of employment pursuant to **Section 7(a) or 7(b)**, the payments provided in this **Section 8(b)(ii)** and the Final Compensation provided in **Section 8(a)** will be the only obligation that the Company or any of its Affiliates will have to you except to the extent otherwise provided in the Plan and applicable award agreement(s).

iii. In the event of termination of employment pursuant to **Section 7(g)**, you will be entitled to receive the Unpaid Bonus; provided, however, that if your termination of employment pursuant to **Section 7(g)** occurs after you have attained age 60 *and* on or after the fifth anniversary of the Start Date, in accordance with the terms of the award agreement(s) entered into in connection with the equity-based compensation that is then outstanding pursuant to **Section 2(c)**, such equity-based compensation will vest pro rata as of the effective date of such termination of employment on account of your qualifying retirement and in accordance with the terms of the award agreement(s).

c. You may also be entitled to payments and benefits under the Company’s Executive Change in Control Plan (the “CIC Plan”); provided, however, in accordance with the terms of the CIC Plan, such payments and benefits described in the CIC Plan will be reduced by the amount of other severance or similar termination payments or benefits provided by the Company to you under this Agreement or other arrangement or any payments or benefits required to be provided by the Company to you under any federal or state law.

9. **Assignability.** This Agreement and the rights and duties created hereunder, will not be assignable or delegable by you. The Company will have the right, without your knowledge or consent, to

assign this Agreement, in whole or in part and any or all of the rights and duties hereunder, including but not limited to the restrictive covenants of **Exhibit A** hereof to any person, including but not limited to any Affiliate of the Company, or any successor to the Company's interest in the restaurants, and you will be bound by such assignment. Any assignee or successor may enforce any restrictive covenant of this Agreement. Notwithstanding the foregoing, the assignment by the Company of this Agreement to any Affiliate, or any other person other than a successor to the Company's business that assumes and agrees to be bound by this Agreement, shall not constitute a novation and shall not relieve the Company of its obligations hereunder.

10. **Code Section 409A Compliance; Taxes.**

a. To the extent applicable, this Agreement will be interpreted and applied consistent and in accordance with Section 409A of the Internal Revenue Code of 1986, as amended ("**Code Section 409A**"). To the extent any expense reimbursements or in-kind benefits are subject to Code Section 409A, (i) the amount of expenses reimbursed or in-kind benefits provided in one year will not affect the amount eligible for reimbursement or provided in any subsequent year, (ii) the right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (iii) the Company will reimburse or provide any such eligible reimbursements or benefits by the end of the calendar year next following the calendar year in which the expense was incurred, subject to any earlier required deadline for payment otherwise applicable under this agreement.

b. You will be responsible for the payment of all taxes applicable to payments or benefits received from the Company. It is the intent of the Company that the provisions of this Agreement and all other plans and programs sponsored by the Company be interpreted to comply in all respects with Code Section 409A, however, the Company will have no liability to you, or any successor or beneficiary thereof, in the event taxes, penalties or excise taxes may ultimately be determined to be applicable to any payment or benefit received by you or any successor or beneficiary thereof.

11. **Repayment of Awards; Forfeiture.** The Compensation Committee hereby reserves the right to seek repayment or recovery of compensation, including shares of Common Stock subject to or issued under the Plan, per the Company's Compensation Recovery Policy, as it may be amended from time to time, or any successor policy thereto. In addition, any award, including any shares of Common Stock subject to or issued under the Plan, is subject to any other recovery, recoupment, clawback and/or other forfeiture policy maintained by the Company from time to time, and is also subject to any applicable law or regulation or the standards of any stock exchange on which the Common Stock is then listed that provide for any such recovery, recoupment, clawback and/or forfeiture. The Compensation Committee may also specify in an award agreement that your rights, payments, and benefits with respect to an award shall be subject to reduction, cancellation, forfeiture, or recoupment upon the occurrence of certain events, in addition to applicable vesting conditions. Such events may include, without limitation, breach of non-competition, non-solicitation, confidentiality, or other restrictive covenants that are contained in the Award Agreement or otherwise applicable to you, a termination of your employment for Cause, or other conduct by you that is detrimental to the business or reputation of the Company and/or its Affiliates.

12. **Miscellaneous.**

a. Under the Company's Stock Ownership Guidelines, by no later than the fifth (5th) anniversary of the Start Date, you will be required to own shares of Common Stock with an aggregate fair market value of at least 6x Base Salary. Unvested restricted stock units and other outstanding awards under the Plan will be taken into account for purposes of calculating this required minimum holding. The amount and method of calculation of this holding requirement may be changed by the Board from time to time by modification of the Company's Stock Ownership Guidelines.

b. The validity, interpretation, and performance of this Agreement shall be governed, interpreted, and construed in accordance with the laws of the State of Florida without giving effect to the principles of comity or conflicts of laws thereof.

c. This Agreement constitutes the full commitments that have been extended to you and shall supersede any prior agreements whether oral or written. However, this does not constitute a contract of employment for any period of time. Should you have any questions regarding these commitments or your ability to conform to Company policies and procedures, please let the Company know immediately. The provisions of this Agreement shall survive the termination of your employment for any reason to the extent necessary to enable the parties to enforce their respective rights hereunder.

d. THE PARTIES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. THE PARTIES AGREE THAT ANY OF THEM MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTIES IRREVOCABLY TO WAIVE TRIAL BY JURY AND THAT ANY PROCEEDING WHATSOEVER BETWEEN THEM RELATING TO THIS AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

THE PARTIES INTEND THAT THIS WAIVER OF THE RIGHT TO A JURY TRIAL BE AS BROAD AS POSSIBLE. BY THEIR SIGNATURES BELOW, THE PARTIES PROMISE, WARRANT AND REPRESENT THAT THEY WILL NOT PLEAD FOR, REQUEST OR OTHERWISE SEEK TO HAVE A JURY TO RESOLVE ANY AND ALL DISPUTES THAT MAY ARISE BY, BETWEEN OR AMONG THEM.

e. By signing this Agreement, you indicate your acceptance of the Company's offer. Please keep one original copy of this Agreement for your personal files.

**[Signature Page Follows]**

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

**COMPANY**

Bloomin' Brands, Inc., a Delaware corporation

By: /s/ Michael Mohan

Title: Michael Mohan, Chairman of the Board

**EXECUTIVE**

/s/ Michael Spanos

Michael Spanos

## EXHIBIT A – Restrictive Covenants

### 1. Noncompetition.

a. During Term. Except with the prior written consent of the Company, during your employment with the Company, you will not, individually or jointly with others, directly or indirectly, whether for your own account or for that of any other person or entity, engage in or own or hold any ownership interest in any person or entity engaged in a “full service restaurant” business, or any “proposed full service restaurant” to be owned or operated by you or any other person or entity or undertake any planning for any such business, and you will not act as an officer, director, employee, partner, independent contractor, consultant, principal, agent, proprietor or in any other capacity for, nor lend any assistance (financial or otherwise) or cooperation to, any such person or entity. “Full service restaurant” will include, but is not limited to, any restaurant business generally considered to be in the casual dining, polished casual dining or high end casual dining business and “full service restaurants owned or operated by the Company or any of its Affiliates” will include any entity in which the Company, or any of its Affiliates has an interest, including, but not limited to, an interest as a franchisor, but will not include any entities to whose exclusion the Company consents. The term “proposed full-service restaurant” will include all locations for which the Company or any of its franchisees or Affiliates is conducting active, bona fide negotiations to secure a fee or leasehold interest with the intention of establishing a full-service restaurant thereon.

b. Post Term. For a continuous period of two (2) years commencing on termination of your employment with the Company, regardless of any termination pursuant to **Section 7** of the Agreement or any voluntary termination or resignation by you, you will not, individually or jointly with others, directly or indirectly, whether for your own account or for that of any other person or entity, engage in or own or hold any ownership interest in any person or entity engaged in a full service restaurant business that is located or intended to be located within a state (if inside the United States of America) or a country (if outside the United States of America) in which any restaurant owned or operated by the Company or any of its Affiliates is located, or any such proposed full service restaurant to be owned or operated by you or any other person or entity, and you will not act as an officer, director, employee, partner, independent contractor, consultant, principal, agent, proprietor or in any other capacity for, nor lend any assistance (financial or otherwise) or cooperation to, any such person or entity.

c. Limitation. Notwithstanding **subsections (a) and (b)** immediately above, it will not be a violation of this **Section 1** for (i) you to own a one percent (1%) or smaller interest in any corporation required to file periodic reports with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, or successor statute, or (ii) you from working for or providing services to any entity if such entity, together with its affiliates, derives less than five percent (5%) of consolidated gross revenues from the full service restaurant business and your responsibilities do not primarily involve conduct of the full service restaurant business by such entity.

2. **Nondisclosure; Nonsolicitation; Nonpiracy.**

a. Except in the good faith performance of your duties hereunder, at no time during your employment with the Company, or at any time thereafter, will you, individually or jointly with others, for your benefit or any third party, publish, disclose, use or authorize anyone else to publish, disclose or use any Confidential Information, except (i) to the extent required by law, regulation or valid subpoena, provided that you agree to furnish prompt notice, if legally permitted to do so, to the Company of any required disclosure of Confidential Information sought pursuant to subpoena, court order or any other legal process or requirement, and agree to provide the Company a reasonable opportunity to seek protection of the Confidential Information prior to any such disclosure, or (ii) to the extent that such information becomes publicly known or available through no fault of your own. Further, you may disclose Confidential Information to a government agency as part of a report, complaint, or investigation without providing notice to the Company; but if you make such disclosure, you agree to take reasonable steps to try to prevent the disclosure of Confidential Information beyond these allowable parameters. The Company is not waiving any attorney-client privilege or work-product protection. You will comply with the policies and procedures of the Company and its Affiliates for protecting Confidential Information. “Confidential Information” means any and all information of the Company and its Affiliates that is not generally known by the public, including by not limited to others with whom they compete or do business, or with whom they plan to compete or do business and any and all non-public information, which, if disclosed by the Company or its Affiliates would assist in competition against them. Confidential Information includes, without limitation, such information relating to (A) the development, research, testing, manufacturing, marketing and financial activities of the Company and its Affiliates, (B) the costs, sources of supply, financial performance and strategic plans of the Company its Affiliates, (C) the identity and special needs of the customers of the Company and its Affiliates, (D) trade and industrial practices, trade secrets, recipes, product specifications, restaurant operating techniques and procedures, marketing techniques and procedures and vendors, and (E) the people and organizations with whom the Company and its Affiliates have business relationships and those relationships. Confidential Information also includes information that the Company or any of its Affiliates have received, or may receive hereafter, belonging to others or which was received by the Company or any of its Affiliates, and is being held, with any understanding, express or implied, that it will not be disclosed.

b. During your employment with the Company and for two (2) years thereafter, except as is the result of a broad solicitation that is not targeting employees or independent contractors of the Company or any of its franchisees or Affiliates, you will not, directly or indirectly as an officer, director, employee, partner, independent contractor, consultant, principal, agent, proprietor, owner or part owner, or in any other capacity, of or for any person or entity, (i) offer employment to, or hire, any employee of the Company or any of its franchisees or Affiliates, or otherwise directly or indirectly solicit or induce any employee of the v or any of its franchisees or Affiliates to terminate his or her employment with the Company or any of its franchisees or Affiliates, or (ii) solicit or encourage any independent contractor providing services



to the Company or any of its franchisees or Affiliates to terminate or diminish its relationship with them. For the purposes of this Agreement, an “employee” or “independent contractor” of the Company or any of its Affiliates is any person who was such at any time within the preceding two years.

3. **Company Property: Duty to Return**. All Company property and assets, including but not limited to products, recipes, product specifications, training materials, employee selection and testing materials, marketing and advertising materials, special event, charitable and community activity materials, customer correspondence, internal memoranda, products and designs, sales information, project files, price lists, customer and vendor lists, prospectus reports, customer or vendor information, sales literature, territory printouts, call books, notebooks, textbooks, all other like information or products and all other Confidential Information, including but not limited to all copies, duplications, replications, and derivatives of such information or products, now in your possession or acquired by you while in the employ of the Company, will be the exclusive property of the Company and will be returned to the Company no later than the date of your last day of work with the Company. Except in connection with the good faith performance of your regular duties for the Company or as expressly authorized in writing in advance by the Company, you will not copy any Company property and assets or remove any Company property and assets or copies or derivatives thereof from the premises of the Company.

4. **Inventions, Ideas, Processes, and Designs**. All inventions, ideas, recipes, processes, programs, software and designs (including all improvements) related to the business or any prospective activity of the Company will be disclosed in writing promptly to the Company, and will be the sole and exclusive property of the Company, if either (a) conceived, made or used by you during the course of your employment with the Company (whether or not actually conceived during regular business hours) or (b) made or used by you for a period of six (6) months subsequent to the termination or expiration of such employment. Any invention, idea, recipe, process, program, software or design (including an improvement) will be deemed “related to the business of the Company” if (a) it was made with equipment, facilities or Confidential Information of the Company, (b) results from work performed by you for the Company or (c) pertains to the current business or demonstrably anticipated research or development work of the Company. You will cooperate with the Company and its attorneys in the preparation of patent and copyright applications for such developments and, upon request, will promptly assign, and do hereby assign, all such inventions, ideas, recipes, processes, and designs to the Company. The decision to file for patent or copyright protection or to maintain such development as a trade secret will be in the sole discretion of the Company, and you will be bound by such decision. You will provide the Company a complete list of all inventions, ideas, recipes, processes and designs if any, patented or unpatented, copyrighted or non-copyrighted, including a brief description, that you have made or conceived prior to your employment with the Company, and that, therefore, are excluded from the scope of this Agreement.

5. **Restrictive Covenants: Consideration; Non-Estoppel; Independent Agreements; and Non-Executory Agreements**. The restrictive covenants of **Section 1, Section 2 and Section 4** of this Exhibit are given and made by you to induce the Company to employ you and to enter into this Agreement with you, and you hereby acknowledge that employment with the Company is sufficient

consideration for these restrictive covenants. For purposes of 16 C.F.R. 910.2, if applicable, you agree and acknowledge that (i) you are a “senior executive” of the Company, as such term is defined in 16 C.F.R. 910.1, and (ii) this Agreement was entered into prior to the effective date of the restrictions contained in 16 C.F.R. 910.2.

The restrictive covenants of **Section 1**, **Section 2** and **Section 4** of this Exhibit will be construed as agreements independent of any other provision in this Agreement, and the existence of any claim or cause of action you may have against the Company, whether predicated upon this Agreement or otherwise, will not constitute a defense to the enforcement of any restrictive covenant.

The refusal or failure of the Company to enforce any restrictive covenant of **Section 1**, **Section 2** or **Section 4** of this Exhibit (or any similar agreement) against any other employee, agent, or independent contractor, for any reason, will not constitute a defense to the enforcement by the Company of any such restrictive covenant, nor will it give rise to any claim or cause of action by you against the Company.

6. **Reasonableness of Restrictions; Reformation; Enforcement.** The parties hereto recognize and acknowledge that the geographical and time and scope of activity limitations contained in **Section 1**, **Section 2** and **Section 4** of this Exhibit are reasonable and properly required for the adequate protection of the Company’s interests. You acknowledge that the Company or its Affiliate is the owner, or the licensee of the trademarks used by it, and the owner or the licensee of the restaurant operating systems. It is agreed by the parties hereto that if any portion of the restrictions contained in **Section 1**, **Section 2** or **Section 4** are held to be unreasonable, arbitrary, or against public policy, then the restrictions will be considered divisible, whether as to the time and/or to the geographical area and/or scope of activity, with each month of the specified period being deemed a separate period of time and each radius mile of the restricted territory being deemed a separate geographical area, so that the lesser period of time or geographical area will remain effective so long as the same is not unreasonable, arbitrary, or against public policy. The parties hereto agree that in the event any court of competent jurisdiction determines the specified period or the specified geographical area of the restricted territory or the scope of the restricted activity to be unreasonable, arbitrary, or against public policy, a lesser time period or geographical area or scope of activity that is determined to be reasonable, nonarbitrary, and not against public policy may be enforced against you. If you violate any of the covenants contained herein and if any court action is instituted by the Company to prevent or enjoin such violation, then the period of time during which your business activities will be restricted, as provided in this Agreement, will be lengthened by a period of time equal to the period between the date of your breach of the terms or covenants contained in this Agreement and the date on which the decree of the court disposing of the issues upon the merits will become final and not subject to further appeal.

If either party initiates legal proceedings to enforce, interpret or construe any of the covenants contained in this Agreement, each party will pay its own legal fees, and the prevailing party in such proceedings will be entitled to receive from the non-prevailing party, in addition to all other remedies, all costs of such proceedings including appellate proceedings.

7. **Specific Performance.** You agree that a breach of any of the covenants contained in **Section 1, Section 2, Section 3** or **Section 4** of this Exhibit will cause irreparable injury to the Company for which the remedy at law will be inadequate and would be difficult to ascertain and therefore, in the event of the breach or threatened breach of any such covenants, the Company will be entitled, in addition to any other rights and remedies it may have at law or in equity, to seek an injunction to restrain you from any threatened or actual activities in violation of any such covenants. You hereby consent and agree that temporary and permanent injunctive relief may be granted in any proceedings that might be brought to enforce any such covenants without the necessity of proof of actual damages, and in the event the Company does apply for such an injunction, you will not raise as a defense thereto that the Company has an adequate remedy at law.

8. **Cooperation.** You will cooperate fully with all reasonable requests for information and participation by the Company, its agents, or its attorneys, in prosecuting or defending claims, suits, and disputes brought on behalf of or against the Company and in which you are involved or about which you have knowledge. After the termination of your employment, the Company will instruct its attorneys to use reasonable efforts to schedule any proceeding requiring your participation in a manner that minimizes any interference with your personal or professional activities and will reimburse you for all reasonable expenses incurred by you in such cooperation.

9. **Nondisparagement.** During the term of employment and at all times thereafter, you will not publicly disparage the Company, its Affiliates, or its or their directors, officers, business or products. During the term of employment, the Company will not issue any official Company statements that publicly disparage you, unless the Company determines reasonably and in good faith that such statements are true and are necessary to avoid or mitigate reputational damage to the Company. Nothing contained herein will preclude any person from providing truthful testimony in any judicial or administrative proceeding or complying with any whistleblower or similar statute, or shall apply to internal discussions within the Company relating to your performance, or to truthful disclosures made by the Company pursuant to any securities law, or the rules of any securities exchange on which the Company's shares are listed.

## SEPARATION AND RELEASE AGREEMENT

This SEPARATION AND RELEASE AGREEMENT (“Agreement”) is entered into by and between Bloomin’ Brands, Inc. (“BBI” or “the Company”) and Astrid Isaacs (“Isaacs”). In consideration of the mutual covenants, conditions and promises set forth in this Agreement, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the undersigned parties agree as follows:

### I. Definitions

For purposes of this Agreement, the following Definitions will apply:

A. Termination Date. The “Termination Date” will be September 3, 2024.

B. Effective Date. The “Effective Date” of this Agreement is the eighth (8th) day after Isaacs’s execution of this Agreement, as set forth in Paragraph II.F(4) below, provided that Isaacs does not exercise her right to revoke as set forth in that paragraph.

C. Released Parties. The “Released Parties” include but are not limited to Bloomin’ Brands, Inc., OS Management, Inc., OSI Restaurant Partners, LLC, direct and indirect affiliates (including but not limited to Outback Steakhouse of Florida, LLC, Bonefish Grill, LLC, Carrabba’s Italian Grill, LLC, OS Prime, LLC, OS Pacific, LLC, DoorSide, LLC, OSI/Fleming’s, LLC, OSI International, LLC, Outback Steakhouse International, LLC, and OS Restaurant Services, LLC), and all of the past and present directors, officers, partners, shareholders, supervisors, employees, representatives, successors, assigns, subsidiaries, parents, and insurers of OS Management, Inc. and its parents and affiliates.

D. Releasing Parties. The “Releasing Parties” are the Isaacs and her attorneys, heirs, executors, administrators, representatives, agents, successors, and assigns.

### II. Terms

A. Return of BBI Property. If she has not already done so, Isaacs will return and give to BBI as soon as possible, but no later than seven (7) days after the Termination Date, all documents, computer files, and any copies thereof, which relate to BBI’s business and which are in her possession, or under her direction or control and all cell phones, keys, identification cards, or other tangible items that are the property of BBI.

B. Severance Pay and Benefits. In consideration for Isaacs’s execution of this Agreement, and her release of claims as set forth below, BBI will pay to her as

severance pay a lump sum payment of \$1,016,664.00 less applicable taxes and withholdings. Such payment will be made through direct deposit on the soonest available pay day on or after the date this Agreement becomes enforceable.

As further consideration, the Company will pay to Isaacs in one lump sum payment \$12,000.00 an amount equal to twelve (12) months of the monthly COBRA premium, grossed up for taxes, that Isaacs would be required to pay to continue Isaacs's group health and dental coverage in effect on the Separation Date. This payment will be made regardless of whether Isaacs elects COBRA continuation coverage. This payment does not extend the period in which Isaacs has to elect COBRA nor does it extend the COBRA continuation period.

As further consideration, the Company hereby waives the non-complete provision contained in paragraph 1. Restrictive Covenant of Isaacs's Offer Letter dated September 22, 2021.

C. Not Otherwise Entitled. The parties agree that, apart from this Agreement, Isaacs is entitled to no payments or other consideration from BBI. The payment described in Paragraph II.B is contingent upon Isaacs's execution of this Agreement, her not exercising her right to revoke, and her compliance with all the terms of this Agreement. For treatment of Isaacs's equity interest, see attached Exhibit 1.

D. No Further Obligation. Isaacs agrees that, regardless of whether Isaacs executes this Agreement, she has been paid all earned and accrued compensation, less applicable deductions, through the Termination Date by BBI. Isaacs understands that if she does not sign this Agreement by the twenty-one (21) day consideration date set forth in F, below, then this Agreement shall be forfeited, and Isaacs shall not be entitled to receive the payments provided for in this Agreement.

E. Employee Benefits. Isaacs further agrees that after the Termination Date Isaacs no longer has any coverage or entitlement to benefits or contributions under any of BBI's benefit plans, with the exception of her option to elect continuation coverage under COBRA and any benefits through BBI's plans that were vested as of the Termination Date or as otherwise required by law.

F. Acknowledgements. Isaacs acknowledges that she has read and understands this Agreement, and she specifically acknowledges the following:

- (1) That she has been advised by BBI to consult with an attorney, and has had the opportunity to consult with an attorney, before signing this Agreement; and
- (2) That she has been given twenty-one (21) days to decide whether to sign this Agreement; and

(3) That she is waiving, among other claims, age discrimination claims under the Age Discrimination in Employment Act (“ADEA”), 29 U.S.C. §621, *et seq.*, and all amendments thereto; and

(4) That if she signs this Agreement, she has seven (7) days in which to revoke her signature, and that the Agreement will not become effective or enforceable until after the Effective Date (in other words, the revocation period must have expired, and Isaacs must not have exercised her right to revoke). Specifically, Isaacs understands that she will not receive the payment referred to in Paragraph II.B until after the Effective Date. To revoke this Agreement, Isaacs must send a written notice to Kelly Lefferts at [KellyLefferts@BloominBrands.com](mailto:KellyLefferts@BloominBrands.com) no later than the eighth (8th) day after Isaacs’s signing of the Agreement; and

(5) That, by signing this Agreement, she is not waiving or releasing any claims based on actions or omissions that occur after the date of her signing of this Agreement.

G. Release and Waiver of Claims. In exchange for the payments described in Paragraph II.B above, the Releasing Parties fully and forever, waive release and discharge the Released Parties from any and all claims of any nature, whether known or unknown, which Isaacs may have arising out of, in any way related to, or in connection with her employment or termination of her employment, through the Effective Date of this Agreement.

This release includes, but is not limited to, the following claims: Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e *et seq.*, as amended; the Age Discrimination in Employment Act, 29 U.S.C. § 621 *et seq.* (“ADEA”); the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*; the Employee Retirement Income Security Act, 29 U.S.C. § 1001 *et seq.* (except such rights as may be vested under any retirement plan sponsored by BBI); the Family and Medical Leave Act, 29 U.S.C. §2601, *et seq.* (to the extent such claims can be waived); the Genetic Information Nondiscrimination Act (“GINA”); the Florida Civil Rights Act of 1992 (F.S. §760.01et seq., as amended), the Florida Whistle Blower Act (F.S. §448.102 et seq.), the Florida Workers’ Compensation Retaliation Statute (F.S. §440.205 et seq.) any rights, actions, claims (including medical and health benefit claims), or liability under (a) any state or local statute or regulation, including but not limited to wrongful discharge in violation of public policy, and all state or local whistleblower protection statutes, codes, or regulations, or (b) common law principles, including tort, contract, and equitable claims, except claims or proceedings necessary to enforce the provisions of this Agreement or that cannot be waived by signing of this Agreement; or any claims for wrongful discharge, discrimination, retaliation, harassment, breach of contract, intentional or negligent infliction of emotional distress, defamation, interference with contract, or any other cause of action based on federal, state, or local law or the common law, whether in tort or in contract.

H. Non-Admission of Liability. Isaacs agrees that BBI entered into this Agreement in compromise of a disputed claim and is not an admission of any liability or wrongdoing on the part of BBI.

I. Taxation. Isaacs agrees that she is solely responsible for payment of all federal, state, and local taxes on the amounts paid under this Agreement. In the event that BBI is required to pay back taxes or Social Security, or fines or assessments, because of Isaacs's non-payment of taxes on the amounts paid under this Agreement, Isaacs agrees to indemnify BBI for any such amounts.

J. Communications to Third Parties. Isaacs will not speak in a defamatory manner concerning BBI or any of the Released Parties to any person who is not a party to this Agreement, and in the event that an employer or prospective employer contacts BBI for a job reference or referral concerning Isaacs, BBI will instruct its employees, agents or representatives with responsibility for making such reference or referral to provide only Isaacs's dates of employment and position(s) held, consistent with BBI's normal policy and practice. Any request for a reference should be directed to [www.theworknumber.com](http://www.theworknumber.com) with company code 13799.

K. Confidentiality. Isaacs agrees that she will not disclose the circumstances of her departure from BBI or the existence or contents of this Agreement, including the amount of monetary payment, to anyone other than her attorneys, financial advisers, or her spouse if any, or pursuant to an appropriate order from a court or other entity with competent jurisdiction. If asked about her separation from employment with BBI, Isaacs agrees to state that she left to pursue other opportunities or words to that effect. In addition, Isaacs acknowledges that she has held positions of trust and confidence with BBI, and that during the course of her employment she has received or been exposed to material and other information concerning its customers or clients; its policies, practices and procedures; its sales, marketing and financial information; and other information which is proprietary in nature, confidential to BBI, and not generally available to the public or to BBI's competitors, and which, if used or divulged against BBI's best interests would irreparably damage its ability to compete in the marketplace ("Confidential Information"). Isaacs further agrees not to possess, use, or disclose to any person or entity any Confidential Information without the prior, written consent of BBI, or except as may be required by court order, statute, law, or regulation. Isaacs agrees that if she breaches this confidentiality provision, she will pay BBI \$50,000.00 in liquidated damages for the breach. Isaacs acknowledges that estimating losses due to a breach can be difficult. Isaacs further agrees that she will not at any time, disclose, use, or communicate to any person or entity, whether directly or indirectly, any Confidential Information obtained by Isaacs during the term of Isaacs's employment with BBI, unless (i) such disclosure or communication is compelled by law, or (ii) Isaacs has received specific written authorization in advance from BBI prior to the disclosure, use, or communication.

BBI and its officers, directors, agents, and management-level employees will have the right to discuss Isaacs's employment and this Agreement among themselves.

L. Challenge to Validity, Truthful Testimony Under Oath and Cooperation with Government Agency. Nothing in this Agreement, including but not limited to the provisions in Sections G, J, and K, (a) limits or affects Isaacs's right to challenge the validity of this Agreement, including a challenge under the Age Discrimination in Employment Act of 1967, as amended; (b) interferes with Isaacs's right and responsibility to give truthful testimony under oath; or (c) precludes Isaacs from participating in an investigation, filing a charge, or otherwise communicating with the Equal Employment Opportunity Commission or state agency responsible for enforcing anti-discrimination laws. However, Isaacs promises never to seek or accept any damages, remedies, or other relief for Isaacs personally with respect to any claims released in this Agreement.

M. Obligation to Cooperate and Assist. Isaacs agrees to cooperate in good faith with BBI to assist it with any information or matter which is within Isaacs's knowledge as a result of Isaacs's employment with BBI, including but not limited to making herself reasonably available for interview by BBI's attorneys, or providing truthful testimony without the necessity of a subpoena or compensation, in any pending or future legal matter in which BBI is a party. (PROVIDED, however, that it will not be a breach of this Agreement for Isaacs to request a subpoena if her then-employer desires or requests it.) In such instances, BBI will pay all reasonable travel expenses associated with such cooperation and will attempt to schedule such matters at the convenience of Isaacs.

N. Waiver. No waiver of any breach of this Agreement shall be construed to be a waiver as to succeeding breaches.

O. Entire Agreement; Modification. The parties agree that this is the entire agreement between the parties. This Agreement overrides and replaces all prior negotiations and terms proposed or discussed, whether in writing or orally, about the subject matter of this Agreement, with the exception of any obligations which, by its terms or by operation of law, continues during Isaacs's employment and/or thereafter survives the termination of Isaacs's employment including but, but not limited to paragraphs 2, 3 and 4 of Isaacs's offer letter dated September 22, 2021 (the "Offer Letter") a copy of which is attached for reference as Exhibit A to this Agreement. Isaacs understands and acknowledges that the confidentiality obligations of this Agreement will supplement, but not replace, such agreement or agreements. No modification of this Agreement will be valid unless it is in writing identified as an Amendment to the Agreement and is signed by Isaacs and an authorized executive of BBI. Unless otherwise required by law, the parties agree that any changes to this agreement, whether material or not, do not restart the 21-day consideration period provided to Isaacs in paragraph F.(2).



P. Governing Law and Venue. This Agreement is governed by and construed in accordance with the laws of the state of Florida. If legal action is brought at any time based on any controversy or claim arising out of, or relating to this Agreement, the parties agree to submit to the jurisdiction and venue of the state or federal courts located in Hillsborough County, Florida.

Q. Remedies for Breach.

(1) ADEA. In the event that the Releasing Parties bring and prevail in an action against the Released Parties based on an ADEA claim released in Paragraph II.G, the Released Parties will be entitled to offset any recovery by the amounts paid under this Agreement or the amount recovered by the Releasing Parties, whichever is less. If the Released Parties prevail in such an action, the Released Parties will be entitled to all remedies authorized by applicable law.

(2) All Other Claims. In the event that the Releasing Parties bring an action against the Released Parties based on any other claim released in Paragraph II.G, the Released Parties may, at their option, and as applicable (a) stop making payments that would otherwise have been due under this Agreement; (b) demand the return of any payments that have been made under this Agreement; (c) plead this Agreement in bar to any such action; (d) seek any and all remedies available, including but not limited to injunctive relief and monetary damages, costs and reasonable attorneys' fees.

(3) Breach by BBI. In the event that the Released Parties breach this Agreement, the Releasing Parties will be entitled to bring an action for breach of this Agreement but not for any claims released by Paragraph II.G. If the Releasing Parties prevail in such an action, they will be entitled to recover (as appropriate and applicable) monetary damages, injunctive relief, costs, and reasonable attorneys' fees.

R. Pronouns. All pronouns contained herein, and any variations thereof, shall be deemed to refer to the masculine, feminine, singular, or plural, as to the identity of the person or persons may require.

S. Severability. Each provision of this Agreement is intended to be severable. If any court of competent jurisdiction determines that any provision of this Agreement is invalid, illegal, or unenforceable in any respect, the rest of the Agreement will remain in force.

ISAACS ACKNOWLEDGES THAT SHE HAS CAREFULLY READ THIS SEPARATION AND RELEASE AGREEMENT, AND KNOWS AND UNDERSTANDS ITS CONTENTS, AND VOLUNTARILY SIGNS IT OF HER OWN FREE WILL.

[Signatures on the Next Page]

IN WITNESS WHEREOF, the parties sign this Agreement on the dates indicated below with the intent to be bound by its terms and conditions.

Bloomin' Brands, Inc.

Astrid Isaacs

By: Kelly Lefferts – Chief  
Legal Officer

/s/ Astrid Isaacs

/s/ Kelly Lefferts

Date: September 5, 2024

Date: September 5, 2024

## Exhibit 1– Equity Information

### Cash Units

- a.) Isaacs was awarded 43,750 Bloomin’ Brands, Inc. (formerly Kangaroo Holdings, Inc.) cash units (the "2017 Cash Unit") pursuant to that certain Cash Unit Agreement with a grant date of February 24, 2017 (the "2017 Cash Unit Agreement"). Isaacs agrees 32,812 of the 2017 Cash Unit units were previously vested and distributed and the remaining 2017 Cash Unit units were previously forfeited. The 2017 Cash Unit Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.
- b.) Isaacs was awarded 48,750 Bloomin’ Brands, Inc. (formerly Kangaroo Holdings, Inc.) cash units (the "2018 Cash Unit") pursuant to that certain Cash Unit Agreement with a grant date of February 23, 2018 (the "2018 Cash Unit Agreement"). Isaacs agrees 24,375 of the 2018 Cash Unit units were previously vested and distributed and the remaining 2018 Cash Unit units were previously forfeited. The 2018 Cash Unit Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.
- c.) Isaacs was awarded 48,750 Bloomin’ Brands, Inc. (formerly Kangaroo Holdings, Inc.) cash units (the "2019 Cash Unit") pursuant to that certain Cash Unit Agreement with a grant date of February 19, 2019 (the "2019 Cash Unit Agreement"). Isaacs agrees 16,250 of the 2019 Cash Unit units were previously vested and distributed and the remaining 2019 Cash Unit units were previously forfeited. The 2019 Cash Unit Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.
- d.) Isaacs was awarded 49,725 Bloomin’ Brands, Inc. (formerly Kangaroo Holdings, Inc.) cash units (the "2020 Cash Unit") pursuant to that certain Cash Unit Agreement with a grant date of February 20, 2020 (the "2020 Cash Unit Agreement"). Isaacs agrees all the 2020 Cash Unit units were previously forfeited. The 2020 Cash Unit Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

### Performance Units

- a.) Isaacs was awarded 8,142 Bloomin’ Brands, Inc. (formerly Kangaroo Holdings, Inc.) performance share units (the "2022 Performance Share Units") pursuant to that certain Agreement with a grant date of February 21, 2022 (the "2022 Agreement"). Isaacs agrees none of the 2022 Performance Share Units are vested and all are hereby forfeited, cancelled, terminated and deemed null and void ab initio. The 2022 Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

- b.) Isaacs was awarded 11,491 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) performance share units (the "2023 Performance Share Units") pursuant to that certain Agreement with a grant date of February 22, 2023 (the "2023 Agreement"). Isaacs agrees none of the 2023 Performance Share Units are vested and all are hereby forfeited, cancelled, terminated and deemed null and void ab initio. The 2023 Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.
- c.) Isaacs was awarded 12,228 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) performance share units (the "2024 Performance Share Units") pursuant to that certain Agreement with a grant date of February 28, 2024 (the "2024 Agreement"). Isaacs agrees none of the 2024 Performance Share Units are vested and all are hereby forfeited, cancelled, terminated and deemed null and void ab initio. The 2024 Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

#### Restricted Units

- a.) Isaacs was awarded 1,245 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) restricted stock units (the "2016 Restricted Stock") pursuant to that certain Restricted Stock Agreement with a grant date of February 25, 2016 (the "2016 Restricted Stock Agreement"). Isaacs agrees all units of the 2016 Restricted Stock were previously vested and distributed. The 2016 Restricted Stock Agreement is hereby cancelled, forfeited, terminated and deemed null and void ab initio.
- b.) Isaacs was awarded 2,000 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) restricted stock units (the "2018 Restricted Stock") pursuant to that certain Restricted Stock Agreement with a grant date of March 1, 2018 (the "2018 Restricted Stock Agreement"). Isaacs agrees 1,000 units of the 2018 Restricted Stock were previously vested and distributed and the remaining 2018 Restricted Stock were previously forfeited. The 2018 Restricted Stock Agreement is hereby cancelled, forfeited, terminated and deemed null and void ab initio.
- c.) Isaacs was awarded 4,708 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) restricted stock units (the "2022 Restricted Stock") pursuant to that certain Restricted Stock Agreement with a grant date of February 21, 2022 (the "2022 Restricted Stock Agreement"). Isaacs agrees 3,138 units of the 2022 Restricted Stock were previously vested and distributed. Isaacs agrees the remaining 1,570 units of the 2022 Restricted Stock are unvested and hereby forfeited, cancelled, terminated and deemed null and void ab initio. The 2022 Restricted Stock Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

- d.) Isaacs was awarded 6,534 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) restricted stock units (the "2023 Restricted Stock") pursuant to that certain Restricted Stock Agreement with a grant date of February 22, 2023 (the "2023 Restricted Stock Agreement"). Isaacs agrees 2,178 units of the 2023 Restricted Stock were previously vested and distributed. Isaacs agrees the remaining 4,356 units of the 2023 Restricted Stock are unvested and hereby forfeited, cancelled, terminated and deemed null and void ab initio. The 2023 Restricted Stock Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.
- e.) Isaacs was awarded 6,673 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) restricted stock units (the "2024 Restricted Stock") pursuant to that certain Restricted Stock Agreement with a grant date of February 28, 2024 (the "2024 Restricted Stock Agreement"). Isaacs agrees none of the 2024 Restricted Stock are vested and all are hereby forfeited, cancelled, terminated and deemed null and void ab initio. The 2024 Restricted Stock Agreement is hereby cancelled, forfeited, terminated and deemed null and void ab initio.

#### Stock Options

- a.) Isaacs was granted the option to purchase 3,869 shares of the common stock of Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) (the "February 2016 Options") pursuant to that certain Option Agreement with a grant date of February 25, 2016 (the "February 2016 Option Agreement"). Isaacs agrees all 3,869 shares of the February 2016 Options were previously forfeited. The February 2016 Option Agreement is hereby cancelled, terminated and deemed null and void ab initio.
- b.) Isaacs was granted the option to purchase 15,296 shares of the common stock of Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) (the "March 2016 Options") pursuant to that certain Option Agreement with a grant date of March 1, 2016 (the "March 2016 Option Agreement"). Isaacs agrees that all 15,296 shares of the March 2016 Options were previously forfeited. The March 2016 Option Agreement is hereby cancelled, terminated and deemed null and void ab initio.

**CERTIFICATION**

I, Michael L. Spanos, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bloomin' Brands, 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: November 8, 2024

/s/ Michael L. Spanos

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Michael L. Spanos  
Chief Executive Officer  
(Principal Executive Officer)

**CERTIFICATION**

I, W. Michael Healy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bloomin' Brands, 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: November 8, 2024

/s/ W. Michael Healy

W. Michael Healy

Executive Vice President and Chief Financial Officer  
(Principal Financial Officer)



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

In connection with the Quarterly Report of Bloomin' Brands, Inc. (the "Company") on Form 10-Q for the quarter ended September 29, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael L. Spanos, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

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

Date: November 8, 2024

/s/ Michael L. Spanos

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Michael L. Spanos  
Chief Executive Officer  
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to, and will be retained by, Bloomin' Brands, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

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

In connection with the Quarterly Report of Bloomin' Brands, Inc. (the "Company") on Form 10-Q for the quarter ended September 29, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, W. Michael Healy, Executive Vice President and Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

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

Date: November 8, 2024

/s/ W. Michael Healy

W. Michael Healy

Executive Vice President and Chief Financial Officer  
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to, and will be retained by, Bloomin' Brands, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.