

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► SECTIONS 301, 305(b), AND 305(c)

18 Can any resulting loss be recognized? ► THIS IS NOT A LOSS TRANSACTION.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THE REPORTABLE TAX YEAR FOR THIS CONVERSION RATE ADJUSTMENT IS THE TAX YEAR OF THE HOLDER DURING WHICH THE CONVERSION RATE ADJUSTMENT OCCURRED (e.g. 2023 FOR A CALENDAR YEAR TAXPAYER).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ► *Roman L Waslyyn* Date ► July 5, 2023

Print your name ► ROMAN L. WASYLYN Title ► VP, TAX

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►	Firm's EIN ►			
	Firm's address ►	Phone no.			

The Cheesecake Factory Incorporated
Appendix A to Form 8937
Report of Organizational Actions Affecting Basis of Securities
Debt Instrument: 0.375% Convertible Senior Notes due 2026
May 23, 2023 Conversion Rate Adjustment

Section 6045B of the U.S. Internal Revenue Code (the “Code”) and the Treasury Regulations promulgated thereunder provide that, if a company pays a cash dividend with respect to its stock that results in a conversion rate adjustment on a convertible debt instrument that is treated as a deemed distribution under Sections 305(b)(2) and 305(c) of the Code, an information return on Form 8937, *Report of Organizational Actions Affecting Stock Basis of Securities*, must be filed with the Internal Revenue Service or, in lieu of filing, posted to the Company’s public website.

The information contained in the attached Form 8937 and this Appendix A is intended to satisfy the public reporting requirements under Section 6045B of the Code and is intended to provide only a general summary of certain U.S. federal income tax consequences of the conversion rate adjustment. Such information is not intended to be a complete analysis or description of all potential federal or other tax consequences of the conversion rate adjustment. Noteholders should consult their own tax advisors to determine the particular federal, state, local or foreign income, reporting, or other tax consequences of the conversion rate adjustment applicable to them.

On June 15, 2021, The Cheesecake Factory Incorporated (NASDAQ: CAKE) (the “Company”) issued \$345 million in aggregate principal amount of 0.375% Convertible Senior Notes due 2026 (the “Notes”). The Notes are convertible into shares of the Company’s common stock, par value \$0.01 per share (the “Common Stock”). The terms of the Notes include anti-dilutive protections that provide for an increase in the number of shares of Common Stock issued by the Company upon conversion of the Notes in the event of payment of cash dividends on the Common Stock. This increase in the conversion rate of the Notes occurs on the ex-dividend date for cash dividends paid on the Common Stock.

Line 14 – Description of the Organizational Action

On June 6, 2023, the Company paid a cash dividend of \$0.27 per share with respect to its Common Stock to holders of record of the Common Stock on May 24, 2023. Under the anti-dilution provisions, the Company made an adjustment to the conversion rate of the Notes, effective May 23, 2023 (the ex-dividend date of the June 6, 2023 dividend.) The increase in the conversion rate resulted in a deemed dividend to holders of the Notes under Section 305(c) of the Code effective May 23, 2023.

Line 15 – Description of the Quantitative Effect of the Organizational Action

Effective May 23, 2023, the conversion rate on the Notes increased from 13.1638 shares of Common Stock per \$1,000 principal of Notes held to 13.2717 shares of Common Stock per \$1,000 principal of Notes held. The deemed dividend under Section 305(c) to holders of the Notes that resulted from the conversion rate adjustment increased the basis of the Notes by \$3.5542 per \$1,000 principal of Notes held.

Line 16 – Description of the Calculation of the Change in Basis

The adjusted conversion rate of 13.2717 shares of Common Stock per \$1,000 principal of Notes held was determined, pursuant to the formula provided in the Notes, as follows:

$$13.2717 = 13.1638 \times (\$33.21 / (\$33.21 - \$0.27))$$

Where:

13.1638 = the conversion rate in effect immediately before the open of business on May 23, 2023, the ex-dividend date for the dividend;

13.2717 = the conversion rate in effect immediately after the open of business on May 23, 2023;

\$33.21 = the last reported sales price per share of our common stock on May 22, 2023, the trading day immediately before the ex-dividend date; and

\$0.27 = the cash dividend amount distributed on June 6, 2023 per share of our Common Stock.

The tax basis adjustment of \$3.5542 per \$1,000 principal of Notes held was determined as follows:

$$\$3.5542 = (\$33.21 - \$0.27) \times (13.2717 - 13.1638)$$

Where:

13.1638 = the conversion rate in effect immediately before the open of business on May 23, 2023, the ex-dividend date for the dividend;

13.2717 = the conversion rate in effect immediately after the open of business on May 23, 2023;

\$33.21 = the last reported sales price per share of our common stock on May 22, 2023, the trading day immediately before the ex-dividend date; and

\$0.27 = the cash dividend amount distributed on June 6, 2023 per share of our Common Stock.