CALLAWAY GOLF COMPANY ANNOUNCES THIRD QUARTER 2026 RESULTS

Raises Full Year 2026 Net Sales and Adjusted EBITDA Outlook

HIGHLIGHTS

- Q3 Net Sales and Adjusted EBITDA both exceeded expectations.
- Q3 GAAP and Non-GAAP Gross Margin increased 1,210 basis points and 520 basis points year-over-year, respectively.
- Year-to-date operating cash from continuing operations, excluding $44 million related to tariff refunds, increased 45% to $228 million.
- Repurchased $135 million of common shares year to date through September 2026.
- Increasing full year 2026 net sales outlook to $2.065 billion - $2.078 billion and Adjusted EBITDA outlook to $272 million - $280 million.

CARLSBAD, Calif., Nov. 5, 2026 /PRNewswire/ -- Callaway Golf Company (the "Company," "Callaway," "we," "our," "us") (NYSE: CALY) announced its financial results for the third quarter ended September 30, 2026.

"We are pleased with our third quarter results, with revenue and Adjusted EBITDA exceeding expectations and continued strong progress on gross margins," commented Chip Brewer, President and Chief Executive Officer of Callaway Golf Company. "These results support an increase in our full-year outlook and demonstrate the benefits of our return to a focused, pure-play golf company. We also are continuing to return capital to shareholders while investing to support long-term growth, including our new 3D printing capabilities. With a strong balance sheet and a resilient golf consumer, we remain confident in our ability to strengthen our business and create long-term shareholder value."

CONSOLIDATED RESULTS

The Company announced the following GAAP and non-GAAP financial results for the three and nine months ended September 30, 2026 and 2025:

GAAP RESULTS

(in millions, except percentages and per share data)	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Net sales	$ 436.9	$ 462.6	$ (25.7)	(5.6) %	$ 1,736.6	$ 1,692.6	$ 44.0	2.6 %
Income (loss) from operations	44.7	4.8	39.9	n/m	297.7	182.2	115.5	63.4 %
Total other income (expense), net	21.0	(6.2)	27.2	n/m	14.9	(34.4)	49.3	(143.3) %
Income (loss) from equity method investments	(17.9)	—	(17.9)	n/m	(46.6)	—	(46.6)	n/m
Income (loss) from continuing operations, before income taxes (1)	47.8	(1.4)	49.2	n/m	266.0	147.8	118.2	80.0 %
Income tax provision (benefit)	(0.3)	2.7	(3.0)	(111.1) %	67.2	43.0	24.2	56.3 %
Net income (loss) from continuing operations	$ 48.1	$ (4.1)	$ 52.2	n/m	$ 198.8	$ 104.8	$ 94.0	89.7 %
Net income (loss) from discontinued operations, net of tax	(2.4)	(10.6)	8.2	(77.4) %	15.2	(97.1)	112.3	(115.7) %
Net income (loss)	$ 45.7	$ (14.7)	$ 60.4	n/m	$ 214.0	$ 7.7	$ 206.3	n/m

Net earnings (loss) per common share from continuing operations - diluted	$ 0.26	$ (0.02)	$ 0.28	n/m	$ 1.05	$ 0.55	$ 0.50	90.9 %
Net earnings (loss) per common share - diluted	$ 0.25	$ (0.08)	$ 0.33	n/m	$ 1.13	$ 0.06	$ 1.07	n/m
Weighted-average common shares outstanding - diluted	183.3	183.9	(0.6)	(0.3) %	191.9	199.8	(7.9)	(4.0) %

(1) GAAP results for the three and nine months ended September 30, 2026, include IEEPA tariff refunds of $33.5 million and $44.3 million, respectively, including $1.7 million of related interest income in each period.

NON-GAAP RESULTS

Non-GAAP results (1) exclude certain non-cash and non-recurring adjustments, (2) include certain adjustments to interest expense that were otherwise presented in discontinued operations, and (3) exclude tariff refund benefits, all as further explained in the Additional Information and Disclosures section of this release. The Company has also provided a reconciliation of the non-GAAP information to the most directly comparable GAAP information in the tables to this release.

(in millions, except percentages and per share data)	Three Months Ended September 30,					Nine Months Ended September 30,				
	2026	2025	$ Change	% Change	Constant Currency vs. 2025[1]	2026	2025	$ Change	% Change	Constant Currency vs. 2025[1]
Net sales	$ 436.9	$ 462.6	$ (25.7)	(5.6) %	(4.7) %	$ 1,736.6	$ 1,692.6	$ 44.0	2.6 %	2.7 %
Non-GAAP income (loss) from operations	$ 16.2	$ 5.3	$ 10.9	n/m	n/m	$ 265.7	$ 184.9	$ 80.8	43.7 %	42.6 %
Non-GAAP net income (loss) from continuing operations	$ 22.9	$ (11.1)	$ 34.0	n/m		$ 208.5	$ 84.9	$ 123.6	145.6 %	
Non-GAAP earnings (loss) per common share from continuing operations - diluted	$ 0.12	$ (0.06)	$ 0.18	n/m		$ 1.10	$ 0.45	$ 0.65	144.4 %	
Non-GAAP Adjusted EBITDA	$ 35.9	$ 30.6	$ 5.3	17.3 %		$ 324.5	$ 247.5	$ 77.0	31.1 %	

(1) See "Additional Information and Disclosures—Non-GAAP Information" for the calculation methodology of constant currency measures.

THIRD QUARTER 2026 CONSOLIDATED RESULTS COMMENTARY

(All comparisons to prior periods are calculated on a year-over-year basis, unless otherwise noted)

The Company's net sales from continuing operations decreased 5.6% to $436.9 million, which was better than expected. As previously reported, to improve the Company's profitability over the long-term, the Company shifted its irons launch timing and rationalized certain lower margin products. As a result of these actions, the Company expected sales in the second half of 2026 to decrease compared to 2025. Foreign exchange headwinds in Asia also negatively impacted net sales for the third quarter. The decrease in net sales was partially offset by an increase in TravisMathew net sales in the quarter and overall was better than the Company expected due to the successful launch of the Company's Mini Spinner fairway woods, as well as the TRTL putters in Asia.

GAAP and non-GAAP gross margins increased approximately 1,210 basis points and 520 basis points to 51.9% and 45.0%, respectively. The increases in gross margin were due to continued progress on our gross margin initiatives, including select price increases, cost reductions and rationalizing lower margin business. GAAP gross margin also benefited from approximately $31.8 million of non-recurring benefits from tariff refunds, which were excluded from the Non-GAAP results.

GAAP operating expense increased 1.4%, while non-GAAP operating expense increased 0.8%. The modest increase in expenses reflects the Company's cost management initiatives following the Topgolf transaction which mitigated cost-of-living increases and inflationary pressures.

Net income from continuing operations was $48.1 million on a GAAP basis and $22.9 million on a non-GAAP basis. Adjusted EBITDA from continuing operations was $35.9 million, which represents a 17.3% increase year-over-year. The increase in Adjusted EBITDA was driven primarily by improved gross margins, partially offset by lower revenue and a decrease in dividend income.

SEGMENT RESULTS

SEGMENT NET SALES

The table below provides net sales by segment for the periods presented:

(in millions, except percentages)	Three Months Ended September 30,			Constant Currency vs. 2025[1]	Nine Months Ended September 30,			Constant Currency vs. 2025[1]
	2026	2025	% Change	% Change	2026	2025	% Change	% Change
Golf Equipment	$ 281.5	$ 305.5	(7.9) %	(7.1) %	$ 1,198.0	$ 1,161.2	3.2 %	3.1 %
Apparel, Gear and Other	155.4	157.1	(1.1) %	— %	538.6	531.4	1.4 %	1.9 %
Net sales	$ 436.9	$ 462.6	(5.6) %	(4.7) %	$ 1,736.6	$ 1,692.6	2.6 %	2.7 %

[1] See "Additional Information and Disclosures—Non-GAAP Information" for the calculation methodology of constant currency measures.

SEGMENT OPERATING INCOME

The table below provides the breakout of segment operating income for the periods presented:

(in millions, except percentages)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Change	2026	2025	Change
Golf Equipment	$ 27.2	$ 23.3	16.7 %	$ 245.1	$ 201.3	21.8 %
% of segment net sales	9.7 %	7.6 %	210 bps	20.5 %	17.3 %	320 bps
Apparel, Gear and Other	19.5	13.7	42.3 %	104.9	78.4	33.8 %
% of segment net sales	12.5 %	8.7 %	380 bps	19.5 %	14.8 %	470 bps
Total Segment Operating Income (loss)	$ 46.7	$ 37.0	26.2 %	$ 350.0	$ 279.7	25.1 %
% of total segment net sales	10.7 %	8.0 %	270 bps	20.2 %	16.5 %	370 bps
Total Segment Operating Income Constant Currency Growth (decline)			31.8 %			24.4 %

The following is a reconciliation on a GAAP basis of total segment operating income to income before income taxes for the periods presented:

(in millions)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	$ Change	2026	2025	$ Change
Total Segment operating income (loss):	$ 46.7	$ 37.0	$ 9.7	$ 350.0	$ 279.7	$ 70.3
Non-recurring items [1]	28.5	(0.5)	29.0	32.0	(2.7)	34.7
Corporate costs and expenses [2]	(30.5)	(31.7)	1.2	(84.3)	(94.8)	10.5
Income (loss) from operations	44.7	4.8	39.9	297.7	182.2	115.5
Interest income (expense), net	0.5	(14.8)	15.3	(9.9)	(45.0)	35.1
Other income (expense), net	20.5	8.6	11.9	24.8	10.6	14.2
Income (loss) from equity method investments	(17.9)	—	(17.9)	(46.6)	—	(46.6)
Income (loss) from continuing operations, before income taxes	$ 47.8	$ (1.4)	$ 49.2	$ 266.0	$ 147.8	$ 118.2

[1] Includes certain non-recurring and non-cash items as described in the schedules to this release.

(2) Includes corporate general and administrative expenses not utilized by management in determining segment profitability. For 2025, corporate costs and expenses also include adjustments for discontinued operations related to indirect costs that were previously allocated to the Topgolf and Jack Wolfskin businesses.

BALANCE SHEET AND CASH FLOW HIGHLIGHTS

- Inventory increased $5.4 million year-over-year to $536.2 million.
- As of September 30, 2026, the Company was in a net cash position with $76 million in debt outstanding (including $26 million in financing leases) and unrestricted cash and cash equivalents of $434 million.
- Year-to-date through September 30, 2026, the Company has repurchased approximately 9 million shares of its common stock and has $70 million remaining repurchase authority under its current repurchase program.

2026 OUTLOOK

Given the strength of the Company's third quarter results and improved outlook, the Company increased its full-year net sales and adjusted EBITDA guidance. Although the Company's Q4 results are still expected to be down year over year due to the previously disclosed strategic shift in launch timing, rationalization of lower margin business, investments in fitting, and less dividend income due to the use of cash to pay off over $1.4 billion of debt during the first half of 2026, the Company now expects revenue to grow for the full year and a significant improvement in full year Adjusted EBITDA.

2026 FULL YEAR OUTLOOK

(in millions, except where noted otherwise)

	2026 Current Estimate	2026 Previous Estimate	2025 As Reported
Consolidated Net Sales	$2.065 to $2.078B	$2.045 to $2.070B	$2.06B
Adjusted EBITDA (1)	$272 to $280	$246 to $260	$222

(1) Non-GAAP measure. See "Additional Information and Disclosures—Non-GAAP Information" for more information and the schedules to this press release for reconciliations to the most directly comparable GAAP measure.

2026 FOURTH QUARTER OUTLOOK

(in millions)

	Q4 2026 Estimate	Q4 2025 As Reported
Consolidated Net Sales	$328 to $341	$368
Adjusted EBITDA (1)	$(53) to $(45)	$(25)

(1) Non-GAAP measure. See "Additional Information and Disclosures—Non-GAAP Information" for more information and the schedules to this press release for reconciliations to the most directly comparable GAAP measure.

ADDITIONAL INFORMATION AND DISCLOSURES

Conference Call and Webcast

The Company will be holding a conference call at 2:00 p.m. Pacific time today, November 5, 2026, to discuss the Company's financial results, outlook and business. The call will be webcast live on our investor relations website at https://ir.callawaygolf.com/news-and-events/presentations. The Company's earnings presentation will be available ahead of the call and will include additional details. A replay of the conference call will be available approximately two hours after the call ends. The replay may be accessed through the Investor Relations section of the Company's website at https://ir.callawaygolf.com.

Non-GAAP Information

The GAAP results contained in this press release and the financial statement schedules attached to this press release have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). To supplement the GAAP results, the Company has provided certain non-GAAP financial information as follows:

Constant Currency Basis. The Company provided certain information regarding the Company's financial results or projected financial results on a "constant currency basis" or as "constant currency" results. This information estimates the impact of changes in foreign currency exchange rates on the translation of the Company's current or projected future period financial results as compared to the applicable comparable period. This impact is derived by taking the current or projected local currency results and translating them into U.S. dollars based upon the foreign currency exchange rates for the applicable comparable period. It does not include any other effect of changes in foreign currency rates on the Company's results or business.

Non-Recurring, Non-cash and Interest Expense Adjustments. The Company provided information excluding certain non-cash amortization of acquired intangible assets, including customer and distributor relationships and acquired developed technology related to the Company's acquisitions of TravisMathew and OGIO (together, the "Acquisitions"). While the amortization of acquired intangible assets is excluded from the calculation of non-GAAP net income, the revenue and operating costs associated with these acquired companies are reflected in non-GAAP net income calculations, as well as the acquired assets that contribute to revenue generation. For specific non-recurring adjustment items, including the exclusion of tariff benefits, please see the Supplemental Financial Information and Non-GAAP Reconciliation section of this release. Non-recurring adjustments include, among other things, subtraction of costs related to a plan intended to optimize organizational efficiencies and decrease operating costs under the separate business structures that are anticipated after the separation of Topgolf (the "Transformation Plan"). Costs incurred related to Non-Recurring and Non-Cash Adjustments are excluded from the measurement of segment profitability for internal and external reporting purposes. In addition, we have added back to certain of our non-GAAP results interest expense relating to debt incurred at the corporate level that is categorized under discontinued operations in order to burden continuing operations with the full impact of the Company's total term debt.

Adjusted EBITDA. The Company provides information about its results excluding interest, taxes, depreciation and amortization expenses, stock compensation expense, non-cash lease amortization expense, and the non-recurring and non-cash items referenced above.

In addition, the Company has included in the schedules attached to this release a reconciliation of certain non-GAAP information to the most directly comparable GAAP information. The non-GAAP information presented in this release and related schedules should not be considered in isolation or as a substitute for any measure derived in accordance with GAAP. The non-GAAP information may also be inconsistent with the manner in which similar measures are derived or used by other companies. Management uses such non-GAAP information for financial and operational decision-making purposes and as a means to evaluate period-over-period comparisons and in forecasting the Company's business going forward. Management believes that the presentation of such non-GAAP information, when considered in conjunction with the most directly comparable GAAP information, provides additional useful comparative information for investors in their assessment of the underlying performance, and, in some cases, financial condition, of the Company's business with regard to these items.

For forward-looking Adjusted EBITDA from Continuing Operations, a reconciliation to net income (loss) from continuing operations, the most closely comparable GAAP financial measure, is not provided because the Company is unable to provide such reconciliation without unreasonable efforts. The inability to provide a reconciliation is because the Company is currently unable to predict with a reasonable degree of certainty the type and extent of certain items that would be expected to impact net income from continuing operations in the future but would not impact Adjusted EBITDA from Continuing Operations. These items may include certain non-cash depreciation, which will fluctuate based on the Company's level of capital expenditures, non-cash amortization of intangibles related to the Company's Acquisitions, income taxes, which can fluctuate based on changes in the other items noted and/or future forecasts, interest expense, which varies based upon the amount of borrowing to fund the business, and other non-recurring costs and non-cash adjustments. Historically, the Company has excluded these items from Adjusted EBITDA from Continuing Operations. The Company currently expects to continue to exclude these items in future disclosures of

Adjusted EBITDA from Continuing Operations and may also exclude other items that may arise. The events that typically lead to the recognition of such adjustments are inherently unpredictable as to if or when they may occur, and therefore actual results may differ materially. This unavailable information could have a significant impact on net income from continuing operations.

Equity Method Investments. The Company also removes any income or losses from equity method investments from non-GAAP net income from continuing operations and Adjusted EBITDA.

Forward-Looking Statements

Statements used in this press release that relate to future plans, events, financial results, performance, prospects, or growth opportunities, including statements relating to the Company's fourth quarter and full year 2026 guidance (including net sales, Adjusted EBITDA from Continuing Operations, capital expenditures and inventory), strength and demand of the Company's products and services, continued brand momentum, positioning of the Company's brands to gain market share, demand for golf and outdoor activities and apparel, continued investments in the business, consumer trends and behavior, future industry and market conditions, product launch schedules, completion of any share repurchases, including the timing and amount thereof, number of shares outstanding, capital allocation priorities and positioning to create shareholder value, dividend income, the effectiveness of profitability and gross margin improvement initiatives, seasonality of the business, cash balances and future liquidity, foreign currency effects and their impacts, tariff and tax rates and the effectiveness of mitigation efforts relating thereto, potential refunds of tariffs under the International Emergency Economic Powers Act ("IEEPA"), and statements of belief and any statement of assumptions underlying any of the foregoing, are forward-looking statements as defined under the Private Securities Litigation Reform Act of 1995. The words "believe," "expect," "estimate," "could," "would," "should," "intend," "may," "plan," "seek," "anticipate," "project" and similar expressions, among others, generally identify forward-looking statements, which speak only as of the date the statements were made and are not guarantees of future performance. These statements are based upon current information and expectations. Accurately estimating the forward-looking statements is based upon various risks and unknowns, including uncertainty regarding global economic conditions, including relating to inflation, decreases in consumer demand and spending, and any severe or prolonged economic downturn or economic recession; the Company's level of indebtedness; continued availability of credit facilities and liquidity and ability to comply with applicable debt covenants; effectiveness of capital allocation and cost/expense reduction efforts; continued brand momentum and product success; growth in the direct-to-consumer and e-commerce channels; ability to realize the benefits of the continued investments in the Company's business; consumer acceptance of and demand for the Company's and its subsidiaries' products; any changes in U.S. or foreign trade, tax or other policies, including restrictions on imports or an increase in import tariffs; future retailer purchasing activity, which can be significantly negatively affected by adverse industry and economic conditions and overall retail inventory levels; the level of promotional activity in the marketplace; and future changes in foreign currency exchange rates and the degree of effectiveness of the Company's hedging programs. Actual results may differ materially from those estimated or anticipated as a result of these risks and unknowns or other risks and uncertainties, including the effect of terrorist activity, armed conflict, natural disasters or pandemic diseases on the economy generally, on the level of demand for the Company's and its subsidiaries' products or on the Company's ability to manage its operations, supply chain and delivery logistics in such an environment; delays, difficulties or increased costs in the supply of components or commodities needed to manufacture the Company's products or in manufacturing the Company's products; and a decrease in participation levels in golf generally. For additional information concerning these and other risks and uncertainties that could affect these statements and the Company's business, see the Company's Annual Report on Form 10-K for the year ended December 31, 2025 as well as other risks and uncertainties detailed from time to time in the Company's reports on Forms 10-K, 10-Q and 8-K subsequently filed with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to republish revised forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

About Callaway Golf Company

Callaway Golf Company (NYSE: CALY), is a premium golf equipment, gear and apparel company with a portfolio of global brands, including Callaway Golf, Odyssey, TravisMathew, and OGIO. Through an unwavering commitment to innovation and premium craftsmanship, Callaway designs, manufactures, and sells high-performance golf clubs, golf balls, apparel, bags, and other accessories—setting the standard for performance in the game of golf. For more

information, please visit https://ir.callawaygolf.com.

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CALLAWAY GOLF COMPANY

CONDENSED CONSOLIDATED BALANCE SHEETS

(In millions)

(Unaudited)

	September 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 433.5	$ 903.2
Restricted cash	0.2	—
Accounts receivable, net	186.0	123.2
Inventories	536.2	625.3
Other current assets	119.4	113.9
Current assets of discontinued operations	—	4,170.0
Total current assets	1,275.3	5,935.6
Property, plant and equipment, net	157.1	159.5
Operating lease right-of-use assets, net	154.7	173.5
Goodwill and intangible assets, net	841.2	842.2
Equity method investments	195.2	—
Other assets, net	157.4	175.2
Total assets	$ 2,780.9	$ 7,286.0
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	$ 231.5	$ 296.2
Accrued employee compensation and benefits	72.9	84.9
Long-term debt, current portion	2.9	765.3
Asset-based credit facilities	44.5	44.7
Operating lease liabilities, short-term	23.5	22.9
Deferred revenue	17.4	21.5
Other current liabilities	19.9	18.5
Current liabilities of discontinued operations	—	3,113.5
Total current liabilities	412.6	4,367.5
Long-term debt, net	2.9	650.7
Operating lease liabilities, long-term	169.2	189.7
Other long-term liabilities	30.8	9.2
Total shareholders' equity	2,165.4	2,068.9
Total liabilities and shareholders' equity	$ 2,780.9	$ 7,286.0

CALLAWAY GOLF COMPANY

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share data)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Net sales	$ 436.9	$ 462.6	$ 1,736.6	$ 1,692.6
Cost of sales	210.2	278.3	876.5	961.3
Gross profit	226.7	184.3	860.1	731.3
Operating expenses:				
Selling, general and administrative expense	166.3	163.6	515.7	501.9
Research and development expense	15.7	15.9	46.7	47.2
Total operating expenses	182.0	179.5	562.4	549.1
Income (loss) from operations	44.7	4.8	297.7	182.2
Interest income (expense), net	0.5	(14.8)	(9.9)	(45.0)
Other income (expense), net	20.5	8.6	24.8	10.6
Total other income (expense), net	21.0	(6.2)	14.9	(34.4)
Income (loss) from equity method investments	(17.9)	—	(46.6)	—
Income (loss) from continuing operations, before income taxes	47.8	(1.4)	266.0	147.8
Income tax provision (benefit)	(0.3)	2.7	67.2	43.0
Net income (loss) from continuing operations	$ 48.1	$ (4.1)	$ 198.8	$ 104.8
Net income (loss) from discontinued operations, net of tax	(2.4)	(10.6)	15.2	(97.1)
Net income (loss)	$ 45.7	$ (14.7)	$ 214.0	$ 7.7
Basic earnings (loss) per common share:				
Continuing operations	$ 0.27	$ (0.02)	$ 1.10	$ 0.57
Discontinued operations	$ (0.01)	$ (0.06)	$ 0.08	$ (0.53)
Net earnings (loss)	$ 0.26	$ (0.08)	$ 1.19	$ 0.04
Diluted earnings (loss) per common share:				
Continuing operations	$ 0.26	$ (0.02)	$ 1.05	$ 0.55
Discontinued operations	$ (0.01)	$ (0.06)	$ 0.08	$ (0.49)
Net earnings (loss)	$ 0.25	$ (0.08)	$ 1.13	$ 0.06
Weighted-average common shares outstanding:				
Basic	177.9	183.9	180.4	183.7
Diluted	183.3	183.9	191.9	199.8

CALLAWAY GOLF COMPANY

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW

(In millions)

(Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net income (loss) from continuing operations	$ 198.8	$ 104.8
Adjustments to reconcile net income (loss) from continuing operations to net cash provided by (used in) operating activities:		

Depreciation and amortization	30.9	33.7
Loss from equity method investments	46.6	—
Gain on lease termination incentive	—	(12.0)
Deferred taxes, net	44.9	19.6
Share-based compensation	17.9	17.1
Loss from debt extinguishment	9.8	—
Unrealized net losses (gains) on hedging instruments and foreign currency	(1.0)	(7.4)
Gain on sale of investment in golf-related ventures	(15.4)	—
Gain on investment from golf-related ventures	(4.6)	—
Other	4.1	5.3
Change in assets and liabilities, net of business combinations	(59.6)	(3.3)
Net cash provided by (used in) operating activities - continuing operations	272.4	157.8
Net cash provided by (used in) operating activities - discontinued operations	—	112.3
Net cash provided by (used in) operating activities	272.4	270.1
Cash flows from investing activities:		
Capital expenditures	(29.5)	(22.9)
Proceeds from sale of investment in golf-related ventures	24.6	—
Investment in golf-related ventures	(0.6)	(1.1)
Acquisition of intangible assets	—	(0.7)
Distributions from equity method investments	6.5	—
Proceeds from sale of business line, net of cash retained	820.1	286.0
Net cash provided by (used in) investing activities - continuing operations	821.1	261.3
Net cash provided by (used in) investing activities - discontinued operations	—	(187.9)
Net cash provided by (used in) investing activities	821.1	73.4
Cash flows from financing activities:		
Repayments of long-term debt	(1,428.2)	(13.7)
Proceeds from credit facilities, net	—	19.9
Debt issuance costs	—	(0.4)
Repayments of financing leases	(1.4)	(0.2)
Exercise of stock options	—	0.1
Acquisition of treasury stock	(135.2)	(3.4)
Net cash provided by (used in) financing activities - continuing operations	(1,564.8)	2.3
Net cash provided by (used in) financing activities - discontinued operations	—	63.1
Net cash provided by (used in) financing activities	(1,564.8)	65.4
Effect of exchange rate changes on cash, cash equivalents and restricted cash	1.5	6.7
Net increase (decrease) in cash, cash equivalents and restricted cash	(469.8)	415.6
Cash, cash equivalents and restricted cash at beginning of period	903.5	450.3
Cash, cash equivalents and restricted cash at end of period	$ 433.7	$ 865.9
Less: restricted cash of continuing and discontinued operations at end of period	(0.2)	(0.3)
Cash and cash equivalents of continuing operations at end of period	$ 433.5	$ 865.6

CALLAWAY GOLF COMPANY

CONSOLIDATED NET SALES AND OPERATING SEGMENT INFORMATION

(In millions)

(Unaudited)

	Net Sales by Category

	Three Months Ended September 30,		Growth/(Decline)		Constant Currency vs. 2025[1]
	2026	2025	Dollars	Percent	Percent
Net sales:					
Golf Clubs	$ 213.3	$ 234.1	$ (20.8)	(8.9 %)	(8.0 %)
Golf Balls	68.2	71.4	(3.2)	(4.5 %)	(4.2 %)
Apparel	99.5	96.8	2.7	2.8 %	3.9 %
Gear, Accessories & Other	55.9	60.3	(4.4)	(7.3 %)	(6.3 %)
Total net sales	$ 436.9	$ 462.6	$ (25.7)	(5.6 %)	(4.7 %)

[1] Calculated by applying 2025 exchange rates to 2026 reported net sales in regions outside the U.S.

Net Sales by Region

	Three Months Ended September 30,		Growth/(Decline)		Constant Currency vs. 2025[1]
	2026	2025	Dollars	Percent	Percent
Net sales:					
United States	$ 292.8	$ 301.9	$ (9.1)	(3.0 %)	(3.0 %)
Europe	37.4	45.1	(7.7)	(17.1 %)	(16.4 %)
Asia	80.0	90.4	(10.4)	(11.5 %)	(6.9 %)
Rest of world	26.7	25.2	1.5	6.0 %	4.0 %
Total net sales	$ 436.9	$ 462.6	$ (25.7)	(5.6 %)	(4.7 %)

[1] Calculated by applying 2025 exchange rates to 2026 reported net sales in regions outside the U.S.

Operating Segment Information

	Three Months Ended September 30,		Growth/(Decline)		Constant Currency vs. 2025[1]
	2026	2025	Dollars	Percent	Percent
Net sales:					
Golf Equipment	$ 281.5	$ 305.5	$ (24.0)	(7.9 %)	(7.1 %)
Apparel, Gear and Other	155.4	157.1	(1.7)	(1.1 %)	— %
Total net sales	$ 436.9	$ 462.6	$ (25.7)	(5.6 %)	(4.7 %)
Segment operating income (loss):					
Golf Equipment	$ 27.2	$ 23.3	$ 3.9	16.7 %	
Apparel, Gear and Other	19.5	13.7	5.8	42.3 %	
Total segment operating income	46.7	37.0	9.7	26.2 %	
Non-recurring items [2]	28.5	(0.5)	29.0	n/m	
Corporate costs and expenses [3]	(30.5)	(31.7)	1.2	(3.8 %)	
Income (loss) from operations	44.7	4.8	39.9	n/m	
Interest income (expense), net	0.5	(14.8)	15.3	(103.4 %)	
Other income (expense), net	20.5	8.6	11.9	138.4 %	
Total other income (expense), net	21.0	(6.2)	27.2	n/m	
Income (loss) from equity method investments	(17.9)	—	(17.9)	n/m	

Total income (loss) from continuing operations, before income taxes	$ 47.8	$ (1.4)	$ 49.2	n/m

(1) Calculated by applying 2025 exchange rates to 2026 reported net sales in regions outside the U.S.

(2) Includes certain non-recurring and non-cash items as described in the below schedules to this release.

(3) Includes corporate general and administrative expenses not utilized by management in determining segment profitability. For 2025, corporate costs and expenses also include adjustments for discontinued operations related to indirect costs that were previously allocated to the Topgolf and Jack Wolfskin businesses.

CALLAWAY GOLF COMPANY

CONSOLIDATED NET SALES AND OPERATING SEGMENT INFORMATION

(In millions)

(Unaudited)

Net Sales by Product Category

	Nine Months Ended September 30,		Growth/(Decline)		Constant Currency vs. 2025[1]
	2026	2025	Dollars	Percent	Percent
Net sales:					
Golf Clubs	$ 910.4	$ 886.8	$ 23.6	2.7 %	2.6 %
Golf Balls	287.6	274.4	13.2	4.8 %	4.4 %
Apparel	307.4	299.1	8.3	2.8 %	3.7 %
Gear, Accessories & Other	231.2	232.3	(1.1)	(0.5 %)	(0.5 %)
Total net sales	$ 1,736.6	$ 1,692.6	$ 44.0	2.6 %	2.7 %

(1) Calculated by applying 2025 exchange rates to 2026 reported net sales in regions outside the U.S.

Net Sales by Region

	Nine Months Ended September 30,		Growth/(Decline)		Constant Currency vs. 2025[1]
	2026	2025	Dollars	Percent	Percent
Net sales:					
United States	$ 1,156.3	$ 1,119.1	$ 37.2	3.3 %	3.3 %
Europe	185.4	174.0	11.4	6.6 %	2.0 %
Asia	273.9	289.1	(15.2)	(5.3 %)	(0.4 %)
Rest of world	121.0	110.4	10.6	9.6 %	5.4 %
Total net sales	$ 1,736.6	$ 1,692.6	$ 44.0	2.6 %	2.7 %

(1) Calculated by applying 2025 exchange rates to 2026 reported net sales in regions outside the U.S.

Operating Segment Information

	Nine Months Ended September 30,		Growth/(Decline)		Constant Currency vs. 2025[1]
	2026	2025	Dollars	Percent	Percent
Net sales:					

Golf Equipment	$ 1,198.0	$ 1,161.2	$ 36.8	3.2 %	3.1 %
Apparel, Gear and Other	538.6	531.4	7.2	1.4 %	1.9 %
Total net sales	$ 1,736.6	$ 1,692.6	$ 44.0	2.6 %	2.7 %
Segment operating income:					
Golf Equipment	$ 245.1	$ 201.3	$ 43.8	21.8 %	
Apparel, Gear and Other	104.9	78.4	26.5	33.8 %	
Total segment operating income	350.0	279.7	70.3	25.1 %	
Non-recurring items [2]	32.0	(2.7)	34.7	n/m	
Corporate costs and expenses [3]	(84.3)	(94.8)	10.5	(11.1) %	
Income (loss) from operations	297.7	182.2	115.5	63.4 %	
Interest income (expense), net	(9.9)	(45.0)	35.1	(78.0) %	
Other income (expense), net	24.8	10.6	14.2	134.0 %	
Total other income (expense), net	14.9	(34.4)	49.3	(143.3) %	
Income (loss) from equity method investments	(46.6)	—	(46.6)	n/m	
Income (loss) from continuing operations, before income taxes	$ 266.0	$ 147.8	$ 118.2	80.0 %	

[1] Calculated by applying 2025 exchange rates to 2026 reported net sales in regions outside the U.S.

[2] Includes certain non-recurring and non-cash items as described in the below schedules to this release.

[3] Includes corporate general and administrative expenses not utilized by management in determining segment profitability. For 2025, corporate costs and expenses also include adjustments for discontinued operations related to indirect costs that were previously allocated to the Topgolf and Jack Wolfskin businesses.

CALLAWAY GOLF COMPANY

SUPPLEMENTAL FINANCIAL INFORMATION AND NON-GAAP RECONCILIATION

(In millions, except per share data)

(Unaudited)

	Three Months Ended September 30,									
	2026					2025				
	GAAP	Non-Cash Acquisition-related Amortization	Non-Recurring Items[1]	Income (Loss) From Equity Method Investments	Non-GAAP	GAAP	Non-Cash Acquisition-related Amortization	Non-Recurring Items		Non-GAAP
Net sales	$ 436.9	$ —	$ —	$ —	$ 436.9	$ 462.6	$ —	$ —		$ 462.6
Cost of sales	210.2	—	(30.0)	—	240.2	278.3	—	—		278.3
Gross profit	$ 226.7	$ —	$ 30.0	$ —	$ 196.7	$ 184.3	$ —	$ —		$ 184.3
Gross Margin	*51.9 %*				*45.0 %*	*39.8 %*				*39.8 %*

[1] Primarily includes $31.8 million of tariff refunds, partially offset by $1.6 million of costs incurred to relocate to a new UK warehouse as a result of the sale of the Jack Wolfskin business in 2025.

	Three Months Ended September 30,								
	2026					2025			
	GAAP	Non-Cash Acquisition-related Amortization	Non-Recurring Items[1]	Income (Loss) From Equity Method Investments[2]	Non-GAAP	GAAP	Non-Cash Acquisition-related Amortization	Interest Expense & Non-Recurring	Non-GAAP

																Items[3]
Income (loss) from operations	$	44.7	$	(0.1)	$	28.6	$	—	$	16.2	$	4.8	$	(0.2)	$	(0.3)	$	5.3
Net income (loss) from continuing operations	$	48.1	$	(0.1)	$	39.1	$	(13.8)	$	22.9	$	(4.1)	$	(0.2)	$	7.2	$	(11.1)

(1) Primarily includes $31.8 million of tariff refunds and $1.7 million of related interest income, and a $15.4 million gain on our investment in Full Swing following the sale of the business, partially offset by $1.6 million of costs incurred related to the relocation to a new UK warehouse following the sale of the Jack Wolfskin business in 2025 and $0.3 million of restructuring charges associated with the Transformation Plan. In addition, for 2026, non-recurring items include $1.0 million of costs incurred under the Transition Services Agreement with Topgolf, which are offset by $1.0 million of cost recovery fees received from Topgolf related to these transition services.

(2) Includes our $17.9 million proportionate share of Topgolf's net losses combined with $4.1 million of favorable tax impacts.

(3) Primarily includes $0.2 million of restructuring charges related to the Transformation Plan. In addition, $9.7 million of term loan interest expense incurred at the corporate level and included in discontinued operations on a GAAP basis is reflected as part of continuing operations on a non-GAAP basis in order to show the full effect of consolidated interest expense.

	Three Months Ended September 30,									
	2026					2025				
	GAAP	Non-Cash Acquisition-related Amortization	Non-Recurring Items	Income (Loss) From Equity Method Investments	Non-GAAP	GAAP	Non-Cash Acquisition-related Amortization	Interest Expense & Non-Recurring Items	Non-GAAP
Diluted earnings (loss) per share from continuing operations[1]	$ 0.26	$ —	$ 0.21	$ (0.08)	$ 0.12	$ (0.02)	$ —	$ 0.04	$ (0.06)
Weighted-average shares outstanding - diluted	183.3	183.3	183.3	183.3	183.3	183.9	183.9	183.9	183.9

(1) When aggregated, earnings per share amounts may not be additive due to rounding.

CALLAWAY GOLF COMPANY

SUPPLEMENTAL FINANCIAL INFORMATION AND NON-GAAP RECONCILIATION

(In millions, except per share data)

(Unaudited)

	Nine months ended September 30,										
	2026						2025				
	GAAP	Non-Cash Acquisition-related Amortization	Non-Recurring Items[1]	Tax Valuation Allowance	Income (Loss) From Equity Method Investments	Non-GAAP	GAAP	Non-Cash Acquisition-related Amortization	Non-Recurring Items[2]	Non-GAAP
Net sales	$ 1,736.6	$ —	$ —	$ —	$ —	$ 1,736.6	$ 1,692.6	$ —	$ —	$ 1,692.6
Cost of sales	876.5	—	(38.6)	—	—	915.1	961.3	—	0.4	960.9
Gross profit	$ 860.1	$ —	$ 38.6	$ —	$ —	$ 821.5	$ 731.3	$ —	$ (0.4)	$ 731.7
Gross Margin	*49.5 %*					*47.3 %*	*43.2 %*			*43.2 %*

(1) Primarily includes $42.6 million of tariff refunds, partially offset by $3.2 million of charges incurred to relocate to a new UK warehouse as a result of the sale of the Jack Wolfskin business in 2025.

(2) Primarily includes restructuring and reorganization costs.

	Nine months ended September 30,										
	2026						2025				
	GAAP	Non-Cash Acquisition-related Amortization	Non-Recurring Items[1]	Tax Valuation Allowance[2]	Income (Loss) From Equity Method Investments[3]	Non-GAAP	GAAP	Non-Cash Acquisition-related Amortization	Interest Expense & Non-Recurring Items[4]	Non-GAAP
Income (loss) from operations	$ 297.7	$ (0.4)	$ 32.4	$ —	$ —	$ 265.7	$ 182.2	$ (0.4)	$ (2.3)	$ 184.9
Net income (loss) from continuing operations	$ 198.8	$ (0.3)	$ 39.6	$ 0.1	$ (49.1)	$ 208.5	$ 104.8	$ (0.3)	$ 20.2	$ 84.9

(1) Primarily includes $42.6 million of tariff refunds and $1.7 million of related interest income, a $15.4 million gain on our investment in Full Swing following the sale of the business, and a $4.3 million gain on our investment in Five Iron, partially offset by $9.8 million of debt issuance cost write-offs associated with the 2026 repayments on our term loan, $3.2 million of costs incurred to relocate to a new UK warehouse following the sale of the Jack Wolfskin business in 2025, $1.5 million of costs associated with the Transformation Plan, and a $0.7 million write-off of software assets stemming from the separation from Topgolf. In addition, non-recurring items for 2026 include $3.3 million of costs incurred under the Transition Services Agreement with Topgolf, which are offset by $3.3 million of cost recovery fees received from Topgolf related to those transition services.

(2) During fiscal year 2026, we released valuation allowances on certain U.S. deferred tax assets in both continuing and discontinued operations related to the disposal of the Topgolf and Jack Wolfskin businesses.

(3) Represents our $46.6 million proportionate share of Topgolf's net losses combined with $2.5 million of unfavorable tax impacts.

(4) Primarily includes $1.4 million of restructuring and reorganization charges and costs incurred to centralize warehousing and distribution operations to achieve synergies in connection with our acquisitions. In addition, $28.8 million of term loan interest expense incurred at the corporate level and included as part of discontinued operations is reflected as part of continuing operations in order to show the full effect of consolidated interest expense.

	Nine months ended September 30,									
	2026						2025			
	GAAP	Non-Cash Acquisition-related Amortization	Non-Recurring Items	Tax Valuation Allowance	Income (Loss) From Equity Method Investments	Non-GAAP	GAAP	Non-Cash Acquisition-related Amortization	Interest Expense & Non-Recurring Items	Non-GAAP
Diluted earnings (loss) per share from continuing operations[1]	$ 1.05	$ —	$ 0.21	$ —	$ (0.26)	$ 1.10	$ 0.55	$ —	$ 0.10	$ 0.45
Weighted-average shares outstanding - diluted	191.9	191.9	191.9	191.9	191.9	191.9	199.8	199.8	199.8	199.8

(1) When aggregated, earnings per share amounts may not be additive due to rounding.

CALLAWAY GOLF COMPANY

SUPPLEMENTAL FINANCIAL INFORMATION AND NON-GAAP RECONCILIATION

(In millions, except per share data)

(Unaudited)

	2026 Trailing Twelve Month Adjusted EBITDA					2025 Trailing Twelve Month Adjusted EBITDA				
	Quarter Ended					Quarter Ended				
	December 31, 2025	March 31, 2026	June 30, 2026	September 30, 2026	Total	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025	Total
Net income (loss) from continuing operations	$ (66.0)	$ 74.9	$ 75.8	$ 48.1	132.8	$ (93.9)	$ 63.4	$ 45.5	$ (4.1)	$ 10.9
Interest expense (income), net	15.6	5.8	4.6	(0.5)	25.5	14.7	14.9	15.3	14.8	59.7
Income tax provision (benefit)	5.8	32.7	34.8	(0.3)	73.0	62.2	27.2	13.1	2.7	105.2
Non-cash depreciation and amortization expense	10.4	10.8	9.5	10.6	41.3	11.8	11.7	11.2	10.8	45.5
Non-cash stock compensation and stock warrant expense, net	6.7	6.5	5.9	5.5	24.6	7.1	5.9	5.4	5.8	24.2
Non-cash lease amortization, net	0.1	(0.5)	(0.2)	(0.5)	(1.1)	0.4	0.6	0.6	0.3	1.9
Acquisitions & non-recurring items, before income taxes[1]	2.3	5.8	(6.5)	(44.9)	(43.3)	2.1	1.2	0.9	0.3	4.5
Loss (income) from equity method investments	—	27.7	1.0	17.9	46.6	—	—	—	—	—
Adjusted EBITDA	$ (25.1)	$ 163.7	$ 124.9	$ 35.9	299.4	$ 4.4	$ 124.9	$ 92.0	$ 30.6	251.9

(1) In 2026, amounts primarily include tariff refunds, a gain on the sale of our investment in Full Swing and remeasurement gains on our investment in Five Iron, partially offset by the write-off of debt issuance costs associated with the 2026 repayments on our term loan, charges incurred to relocate to a new UK warehouse as a result of the sale of the Jack Wolfskin business, the write-off of IT assets stemming from the sale of Topgolf, and restructuring charges related to the Transformation Plan. In 2025, amounts primarily include restructuring and reorganization charges related to the Transformation Plan. In 2024, amounts primarily include restructuring and reorganization charges in connection with the Transformation Plan.



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