



TOPGOLF CALLAWAY

BRANDS



Third Quarter 2024 Earnings Conference Call

November 12, 2024

Forward-looking Statements. During the presentation, any comments made about future plans, events, financial results, performance, prospects, or growth opportunities, including statements relating to the Company's financial outlook (including, among others, revenues, same venue sales, hedge gains, the Non-GAAP Projections (as defined below), shares outstanding, venue-level margins and tax rates), projected Topgolf venue financing options, our plans to pursue a separation of the Topgolf business, the timing and method of the separation, new product lines and Topgolf games, strength and demand of the Company's products and services, addressable markets and the consumer base, continued brand momentum, digital growth, continued investments in the business, achievable synergies and cost reductions, digital revenue opportunities, consumer trends and behavior, the sensitivity of the business to recession, Topgolf venue openings, TravisMathew store openings, 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. These forward-looking statements are often characterized by the use of words such as "estimate," "expect," "anticipate," "project," "plan," "intend," "seek," "believe," "forecast," "foresee," "likely," "may," "should," "would," "goal," "target," "might," "will," "could," "predict," "continue" and the negative or plural of these words and other comparable terminology. Such statements reflect the Company's best judgment as of the time made based on then current market trends and conditions. Actual results could differ materially from those as a result of certain risks, unknowns and uncertainties applicable to the Company and its business. For additional details 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, 2023, as well as other risks and uncertainties detailed from time to time in the Company's reports on Forms 10-Q and 8-K subsequently filed with the SEC. You 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.

Regulation G. In addition, in order to assist you with period-over-period comparisons on a consistent and comparable basis, today's presentation includes certain non-GAAP information, which may include non-GAAP financial measures within the meaning of Regulation G. The Company provided information excluding certain non-cash amortization of acquired intangible assets. In addition, the Company has provided information excluding certain non-recurring items which are identified in the appendix to this presentation. These non-GAAP measures should not be considered 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 of the Company's business with regard to these items. The Company has provided reconciliations of such non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP in the appendix to this presentation.

For forward-looking Adjusted EBITDA, Topgolf segment Adjusted EBITDA, non-GAAP depreciation and amortization, adjusted free cash flow, net capital expenditures, non-GAAP diluted earnings per share, Adjusted EBITDA Less Venue Financing Cash Interest, non-GAAP tax rate, non-GAAP interest expense, non-GAAP pre-tax income and non-GAAP net income (collectively, the "Non-GAAP Projections") provided in this presentation, reconciliation of such Non-GAAP Projections to 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 the applicable GAAP financial measure in the future but would not impact the Non-GAAP Projections. These items may include certain non-cash depreciation, which will fluctuate based on the Company's level of capital expenditures, timing of reimbursement of lease financing, 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, and other non-recurring costs and non-cash adjustments. Historically, the Company has excluded these items from the Non-GAAP Projections. The Company currently expects to continue to exclude these items in future disclosures of such measures 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 the applicable GAAP measure.

Q3 2024 Highlights



Q3 Consolidated Revenues and Adjusted EBITDA were ahead of expectations.



The Callaway brand maintained its #1 position in U.S. market share in total golf clubs and achieved record U.S. market share in golf ball.¹



The Company further strengthened its available liquidity position to \$863 million, increasing \$129 million year-over-year.



The Company reaffirmed its expectation for full year positive Adjusted Free Cash Flow for the total Company and Topgolf.



The Company lowered full year 2024 revenue guidance to approximately \$4.2 billion and adjusted EBITDA to a range of \$560 to \$570 million. The Company maintained prior Topgolf revenue guidance of approximately \$1.79 billion and increased Topgolf EBITDA guidance to approximately \$315 million.



The Company continues to believe that separating Topgolf from the core business will create shareholder value and is fully engaged in this work.

1. Source: Golf Datatech. Hard goods US market share ranking data results as of September 30, 2024.



TOPGOLF



New Sonic the Hedgehog game will launch mid-November

Launched Topgolf Shop providing a simple way to purchase entry-level golf equipment

2024 venue level margins are on track to be up nearly 500 bps vs. 2019

GOLF EQUIPMENT



Leadership positions in the Driver, Fairway Wood and Hybrid categories, and the # 1 selling model in irons¹

Record Q3 ball market share of ~22%¹

Record high preferred ball level per Golf Datatech²

ACTIVE LIFESTYLE



Excluding impact of the corporate channel fill in, TravisMathew grew top and bottom line YoY

TravisMathew has opened 10 retail doors YTD in line with 2024 plan

Jack Wolfskin doing well in China, turnaround effort in place in Europe

1. Source: Golf Datatech. Hard goods US market share ranking data results as of September 30, 2024.
2. Source: Golf Datatech Summer 2024 Ball GPAU report

Topgolf

Announced new Sonic the Hedgehog game to be released in mid-November



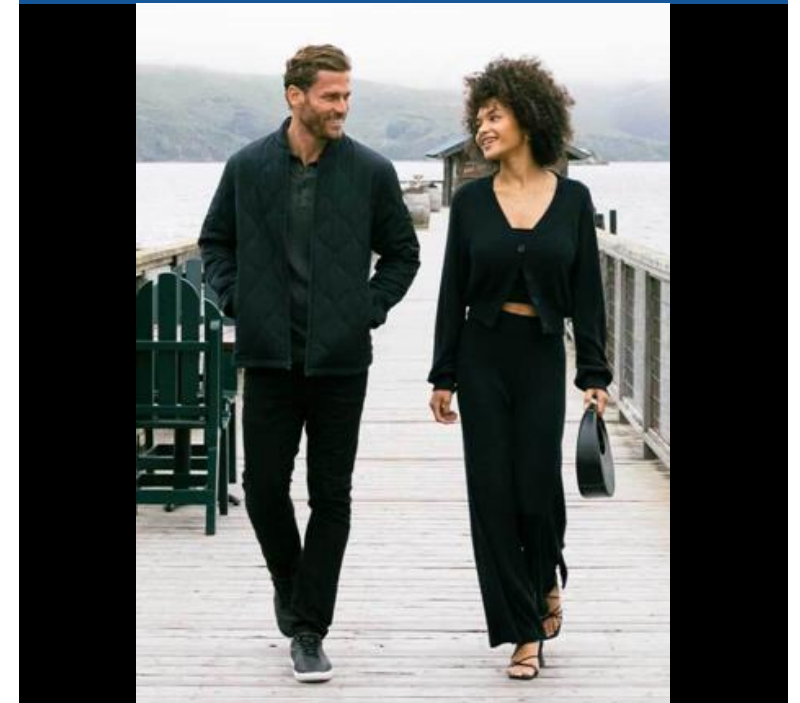
GOLF EQUIPMENT

Successfully launched our new lineup of Apex Irons



ACTIVE LIFESTYLE

TravisMathew expanded outerwear line



Q3 2024 FINANCIAL RESULTS

Q3 2024 GAAP RESULTS

(\$ in millions, except per share data)

	Q3 2024	Q3 2023	Change (%)
Net Revenues	\$ 1,012.9	\$ 1,040.6	(3)%
Net (Loss) Income	\$ (3.6)	\$ 29.7	(112)%
(Loss) Earnings Per Share	\$ (0.02)	\$ 0.16	(113)%

Q3 2024 NON-GAAP RESULTS¹

(\$ in millions, except per share data)

	Q3 2024	Q3 2023	Change (%)
Net Income	\$ 4.3	\$ 35.8	(88)%
Earnings Per Share	\$ 0.02	\$ 0.19	(88)%
Adjusted EBITDA	\$ 119.8	\$ 163.3	(27)%

Note: Numbers may not foot due to rounding.

1. See Appendix for reconciliations of non-GAAP measures to the most directly comparable GAAP measure and slide 2 for further information on the use of non-GAAP measures.



SAME VENUE SALES¹

	Q1	Q2	Q3
Total			
'24 vs '23	-7%	-8%	-11%
'23 vs '22	11%	1%	-3%
Total Stacked			
'24 vs '19	6%	0%	-4%
1-2 Bay²			
'24 vs '23	-5%	-8%	-9%
'23 vs '22	9%	7%	0%
Total Stacked			
'24 vs '19	9%	2%	-2%
3+ Bay³			
'24 vs '23	-16%	-9%	-19%
'23 vs '22	23%	-18%	-17%
Total Stacked			
'24 vs '19	-5%	-5%	-15%

Note: Numbers may not foot due to rounding.

1. Same venue sales (SVS) represents sales for the comparable venue base, which is defined as the number of Company-operated venues with at least 24 full fiscal months of operations. Stacked same-venue sales represent the summation of the same venue sales growth for 2024 vs. 2023 and 2023 vs. 2022.
2. Sales primarily to non-corporate or "consumer" customers
3. Sales primarily to corporate customers



2024 TOTAL COMPANY OUTLOOK

FULL YEAR 2024¹

(\$ in millions, except where noted otherwise and per share data)	Current FY 2024 Guidance	Previous FY 2024 Guidance	FY 2023 Results
Consolidated Net Revenue	Approx. \$4.20B	\$4.20B - \$4.26B	\$4.28B
Topgolf Revenue	Approx. \$1.79B	Approx. \$1.79B	\$1.76B
Consolidated Adjusted EBITDA	\$560 - \$570	\$570 - \$590	\$597
Topgolf Adjusted EBITDA	Approx. \$315	Approx. \$310	\$304
Non-GAAP Diluted Earnings per Share ²	\$0.08 - \$0.13	\$0.11 - \$0.21	\$0.45

Full Year Guidance Assumptions¹

- No change to Topgolf Same Venue Sales forecast of down very high single to low double digits
- Adj. EBITDA less Venue Financing Cash Interest lowered to \$465M from a range of \$470M to \$490M
- Expect ~\$10M in gains related to the cash flow hedging program
- On track to open 7 new venues, including 1 acquired in January '24. 2 opened in Q2, 2 opened in Q3 and 2 expected in Q4 2024
- Diluted shares outstanding of ~185M

Q4 2024¹

(\$ in millions)	Q4 2024 Guidance	Q4 2023 Results
Net Revenue	Approx. \$885	\$897
Adjusted EBITDA	\$74 - \$84	\$70

Fourth Quarter Guidance Assumptions

- **Topgolf**
 - **Same Venue Sales** down 10% to 15%.
 - **Revenue** down mid-single digits.
 - **Adjusted EBITDA** down \$12M year-over-year

1. See appendix for calculation methodologies of adjusted EBITDA, non-GAAP diluted earnings per share and adjusted EBITDA less venue financing cash interest. See slide 2 for disclaimers on the use of non-GAAP measures and the appendix for reconciliations to GAAP.
 2. FY2023 Non-GAAP Diluted Earnings per share have been updated from the previously reported amount of \$0.49 to \$0.45, due to the impact of the Company excluding non-cash depreciation and amortization associated with certain purchase accounting adjustments stemming from acquisitions beginning in Q2 2024. As such, 2023 amounts have been updated to conform to the current period presentation.

FULL YEAR KEY METRICS & OUTLOOK

(\$ in millions, except for EPS) ¹	Topgolf	Non-Topgolf ⁵	Total	Prev. Guide
Adjusted EBITDA	\$315	\$250	~\$565 ⁴	~\$580 ⁴
Non-GAAP Depreciation & Amortization			~\$258	~\$260
Non-GAAP Topgolf D&A	\$200		~\$200	~\$200
Non-GAAP Non-Topgolf D&A		\$58	~\$58	~\$60
Non-GAAP Interest Expense ²			~\$233	~\$235
Non-GAAP Venue Financing Interest	\$125		~\$125	~\$125
Non-GAAP Corporate Interest		\$108	~\$108	~\$110
Share Based Compensation & Non-Cash Rent ³	\$23	\$28	~\$51	~\$51
Non-GAAP Pre-Tax Income	\$(33)	\$56	~\$23	~\$33
Non-GAAP Tax Rate			~17%	~13%
Non-GAAP Net Income			~\$19	~\$29
Non-GAAP Diluted EPS			~\$0.10 ⁴	~\$0.16 ⁴

Note: Numbers may not tie due to rounding.

1. See appendix for calculation methodology of adjusted EBITDA, non-GAAP depreciation and amortization, non-GAAP net income and non-GAAP diluted EPS and reconciliations to GAAP. See slide 2 for information on non-GAAP measures.

2. Includes non-cash interest and fees.

3. Approximate 2024 financials inputs includes ~\$40M of Share-Based Compensation.

4. This value is the mid-point of FY 2024 Guidance and assumes ~185 million diluted shares outstanding.

5. Non-Topgolf includes Active Lifestyle, Golf Equipment and Corporate



Q3 KEY METRICS

(\$ in millions) ¹	Topgolf	Non-Topgolf	Total
Non-GAAP Operating Income	\$28	\$15	\$43
Non-GAAP Depreciation and Amortization	\$51	\$14	\$65
Non-Cash Lease Amortization Expense ²	\$3	\$0	\$3
Non-Cash Stock Comp Expense	\$2	\$6	\$8
Other expense, net	\$0	\$1	\$1
Adjusted Segment EBITDA	\$84	\$36	\$120
Less: Venue Financing Cash Interest	\$26	-	\$26
Adj EBITDA less Venue Financing Cash Interest	\$58	\$36	\$94
Interest Expense	\$31	\$26	\$58

Note: Numbers may not foot due to rounding.

1. See appendix for calculation methodologies of non-GAAP operating income, non-GAAP D&A, non-cash lease amortization expense, adjusted segment EBITDA, venue financing cash interest and adjusted EBITDA less VFCI. See slide 2 for disclaimers on the use of non-GAAP measures and the appendix for reconciliations to GAAP.
2. This is essentially non-cash rent.

CONTINUE TO DRIVE SIGNIFICANT CASH FLOW GENERATION

(\$ in millions) ¹	2023 Results	2024 Topgolf Outlook	2024 Non-Topgolf Outlook ⁴	2024 Total Outlook	Previous 2024 Outlook
Adjusted EBITDA	\$597	\$315	\$250	\$565	\$580
Less: Venue Financing Cash Interest ²	\$72	\$100		\$100	\$100
Adj. EBITDA less Venue Financing Cash Interest	\$524	\$215	\$250	\$465	\$480
Less: Gross Capital Expenditures	\$482	\$255	\$60	\$315	\$314
Plus: Proceeds from Lease Financing	\$277	\$125		\$125	\$124
Net Capital Expenditures	\$205	\$130	\$60	\$190	\$190
Less: Corporate Cash Interest Expense	\$122		\$108	\$108	\$111
Less: Change in Working Capital ³	\$16	\$15	\$13	\$28	\$25
Less: Cash Taxes	\$22		\$24	\$24	\$24
Total Company Adj. Free Cash Flow	\$160	\$70	\$45	\$115	\$130

1. See appendix for calculation methodologies of Adjusted EBITDA, venue financing cash interest, net capital expenditures, adjusted free cash flow and embedded free cash flow and reconciliations to GAAP. See slide 2 for further information on the use of non-GAAP measures.

2. Assume ~\$2.5-\$3.0M per venue per year in 2024-2025 and \$2.75-\$3.25M after 2026.

3. Includes non-recurring cash costs.

4. Non-Topgolf includes Active Lifestyle, Golf Equipment and Corporate.

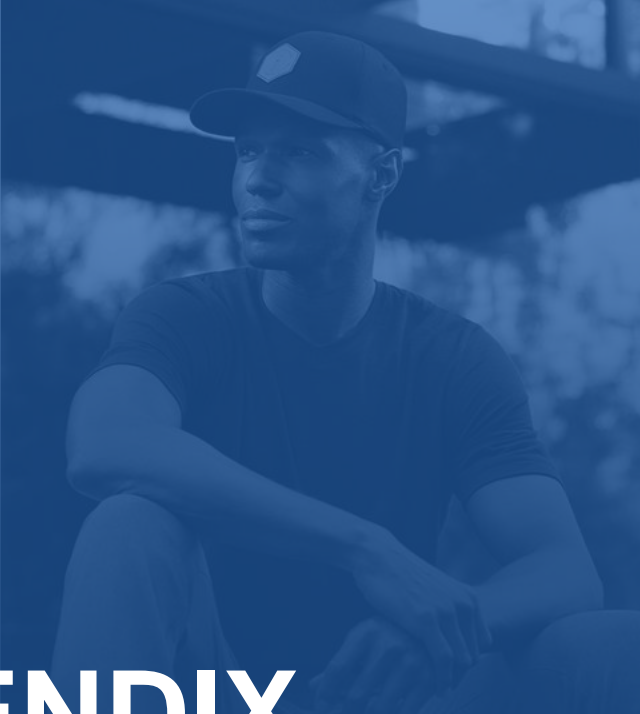
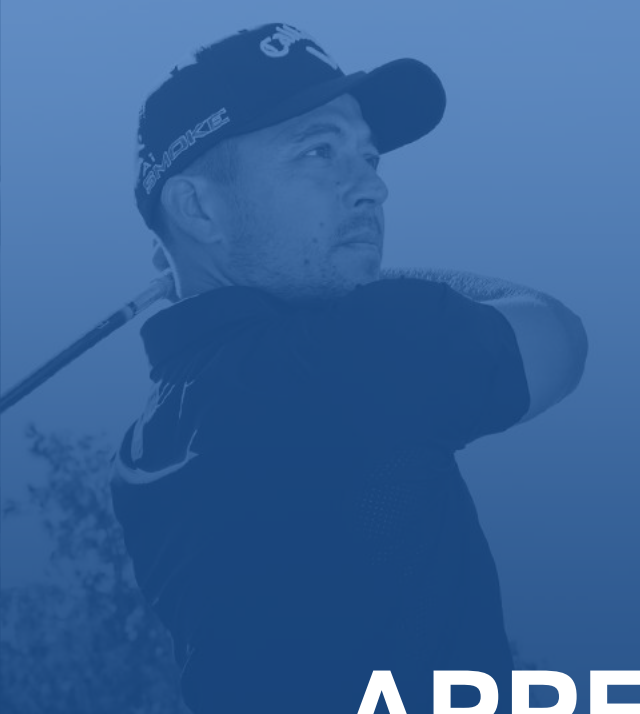


KEY BALANCE SHEET AND LIQUIDITY METRICS

Metric ¹ (\$ in millions)	As of September 30, 2024	As of September 30, 2023
Cash and Cash Equivalents	\$442	\$330
Inventory	\$666	\$737
Available Liquidity	\$863	\$734
Net Debt	\$2,281	\$2,119
REIT Adjusted Net Debt	\$841	\$1,063
Net Debt Leverage Ratio	4.1x	3.8x
REIT Adj. Net Debt Leverage Ratio	1.8x	2.1x

Metric ¹ (\$ in millions)	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Gross Capital Expenditures ²	\$227	\$389
Net Capital Expenditures ³	\$139	\$201
Non-GAAP Depreciation & Amortization	\$191	\$165

1. See appendix for calculation methodologies of available liquidity, net debt, REIT adjusted net debt, net debt leverage ratio, REIT adjusted net debt leverage ratio, net capital expenditures and non-GAAP depreciation and amortization. See slide 2 for disclaimers on the use of non-GAAP measures and appendix for reconciliations to GAAP.
2. Does not include financed additions of capital expenditures. During the course of the construction of venues, certain financing partners remit funds directly to our construction vendors on our behalf rather than providing the construction advances to us. These funds are presented as non-cash investing and financing activities within our cash flow statement.
3. For 2024, Net Capital Expenditures includes \$227.1 million of Gross Capital Expenditures net of \$87.6 million of proceeds from lease financing and \$1.0 million of government grants. For 2023, Net Capital Expenditures includes \$388.7 million of Gross Capital Expenditures net of \$184.3 million of proceeds from lease financing and \$3.0 million of government grants.

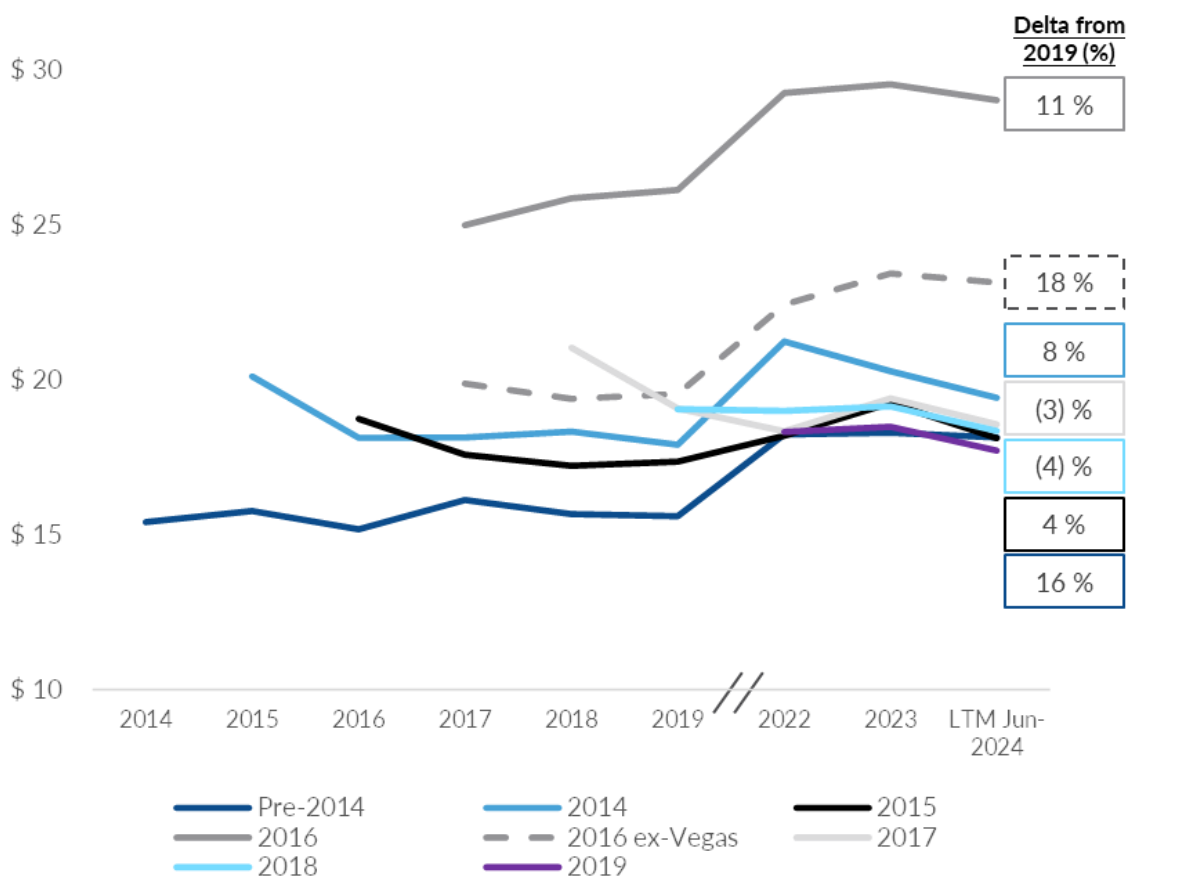


APPENDIX

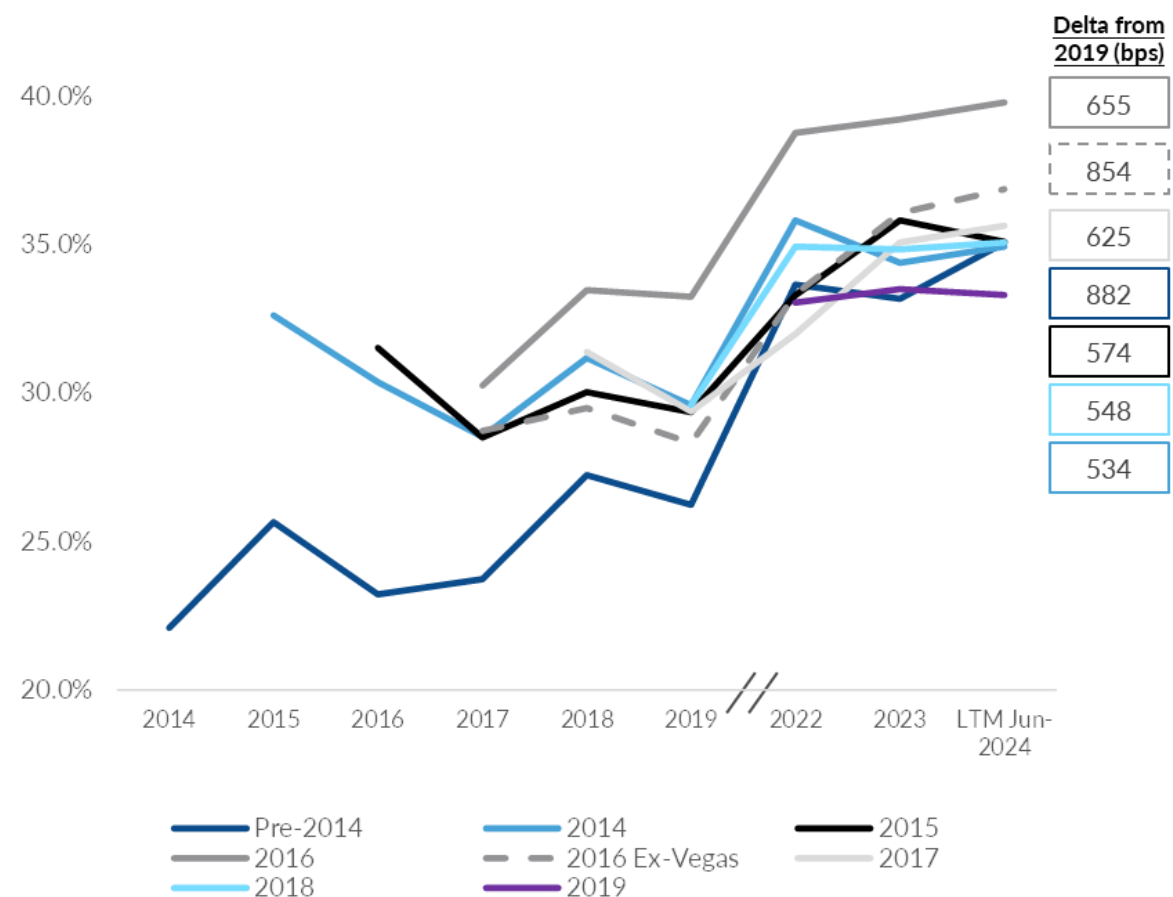


Venue Cohort Performance Proven Over Time

Average Cohort Revenue (\$ in M)



Average Cohort EBITDAR¹ Margin



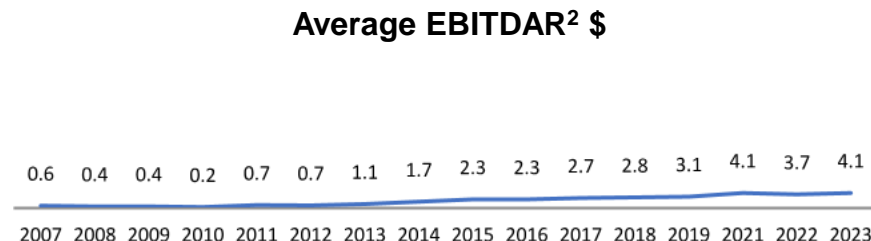
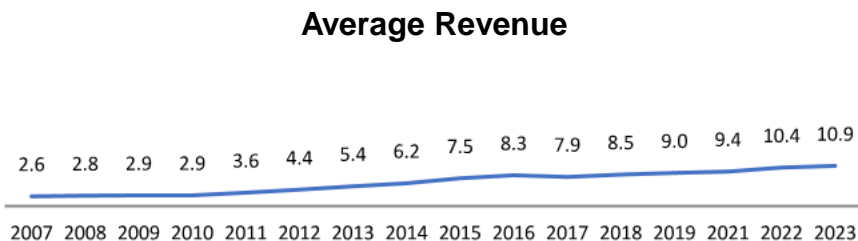
Over the long-run, venue topline performance has been steady, while margins have meaningfully improved

1. For purposes of estimating Adjusted EBITDAR by venue, management has estimated the amounts of depreciation, amortization, tax, interest and certain other expenses allocable to each venue, as the Company does not record such expenses at that level of detail for its GAAP financial measures.

Venue Cohort Performance Proven Over Time

(\$ in millions)

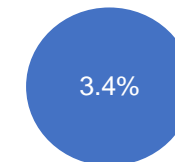
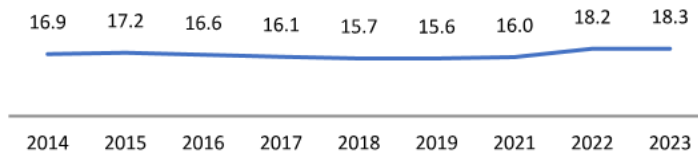
UK venues¹



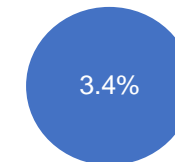
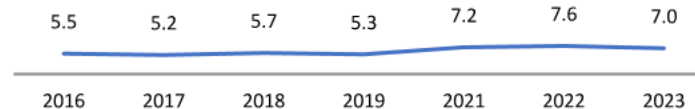
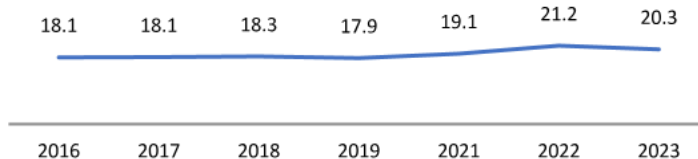
**Average EBITDAR
\$ CAGR³**



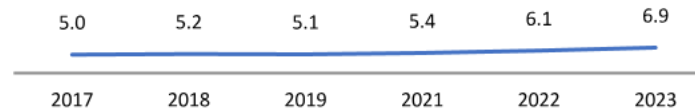
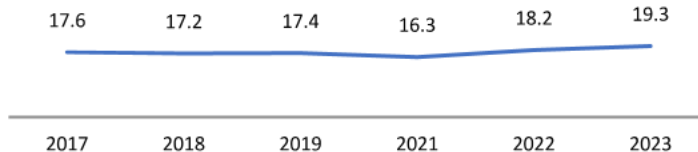
Pre-2014 vintage US Venues



2014 vintage US venues



2015 vintage US venues



1. Excludes Glasgow venue

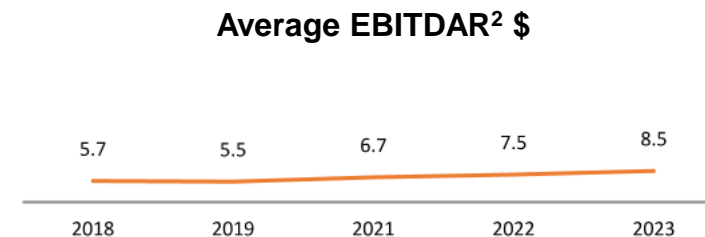
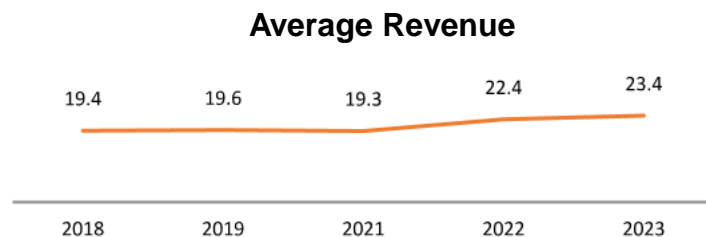
2. For purposes of estimating Adjusted EBITDAR by venue, management has estimated the amounts of depreciation, amortization, tax, interest and certain other expenses allocable to each venue, as the Company does not record such expenses at that level of detail for its GAAP financial measures.

3. CAGR calculated using Avg. EBITDAR \$ from 2nd full calendar year of operations; (e.g. represents FY16 results for 2014 vintage; UK vintage uses FY07 for year 2 and Pre-2014 vintage uses FY15 for year 2) to 2023 Average EBITDAR

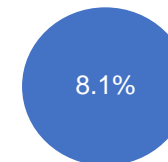
Venue Cohort Performance Proven Over Time

(\$ in millions)

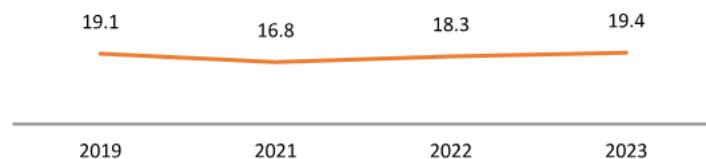
2016 vintage¹
US venues



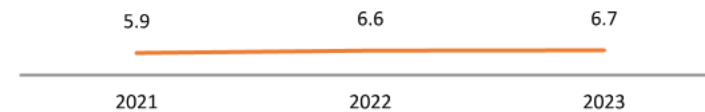
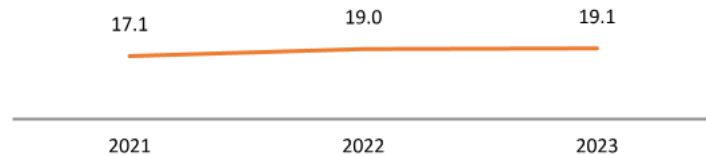
**Average EBITDAR
\$ CAGR³**



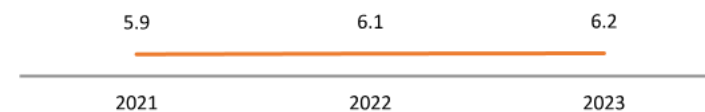
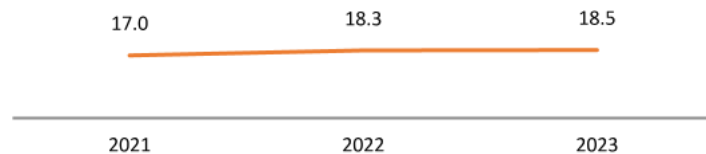
2017 vintage
US venues



2018 vintage
US venues



2019 vintage
US venues



1. Excludes Vegas venue
2. For purposes of estimating Adjusted EBITDAR by venue, management has estimated the amounts of depreciation, amortization, tax, interest and certain other expenses allocable to each venue, as the Company does not record such expenses at that level of detail for its GAAP financial measures.
3. CAGR calculated using Avg. EBITDAR \$ from 2nd full calendar year of operations; (e.g. using FY16 results for 2014 vintage; UK vintage uses FY07 for year 2 and Pre-2014 vintage uses FY15 for year 2) to 2023 Average EBITDAR; Using 1st full calendar year of operations for CAGR calculation for 2018 vintage (FY19)

NET DEBT LEVERAGE, ADJUSTED FOR REIT FINANCING

(\$ in millions)

	September 30, 2024	September 30, 2023
Total Principal – Long term debt & ABL credit facilities	\$1,541.3	\$1,650.1
Topgolf Venue Financing Liabilities	\$291.2	\$247.0
Deemed Landlord Financing Obligations	\$1,148.3	\$809.7
Equipment Financing lease liabilities	\$0.2	\$1.1
Less: Convertible Notes & Unrestricted Cash ²	\$(700.2)	\$(588.6)
Total Net Debt ¹	\$2,280.8	\$2,119.3
Trailing twelve month Adjusted EBITDA ³	\$556.1	\$563.4
Total Net Debt Leverage Ratio ¹	4.1 x	3.8 x
Less: DLF obligations & Venue lease liabilities	\$(1,439.5)	\$(1,056.7)
REIT Adjusted Net Debt ¹	\$841.3	\$1,062.6
Venue Financing ("VF") Cash Interest ¹	\$(95.2)	\$(64.8)
Trailing 12-Month Adj. EBITDA less VF Cash Interest ¹	\$460.9	\$498.6
REIT Adjusted Net Debt Leverage Ratio ¹	1.8 x	2.1 x

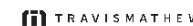
1. See "Definitions of Certain Financial Measures" slide for the calculation methodologies of net debt leverage ratio, REIT adjusted net debt leverage ratio and venue financing cash interest, and see slide 2 for further information on the use of non-GAAP measures.
2. For 2024, includes convertible notes of \$258.3 million and unrestricted cash of \$441.9 million. For 2023, includes convertible notes of \$258.3 million and unrestricted cash of \$330.3 million.
3. See "Adjusted EBITDA Reconciliation" slide for reconciliation to the most directly comparable GAAP measure (net income).

2023 SAME VENUE SALES¹

	Q1	Q2	Q3	Q4	FY23
Total					
'23 vs '22	11%	1%	-3%	-3%	1%
1-2 Bay²					
'23 vs '22	9%	7%	0%	0%	4%
3+ Bay³					
'23 vs '22	23%	-18%	-17%	-12%	-10%

Note: Numbers may not foot due to rounding.

1. Same venue sales (SVS) represents sales for the comparable venue base, which is defined as the number of Company-operated venues with at least 24 full fiscal months of operations.
2. Sales primarily to non-corporate or "consumer" customers
3. Sales primarily to corporate customers



DEFINITIONS OF CERTAIN FINANCIAL MEASURES

Adjusted EBITDA Less Venue Financing Cash Interest - a Non-GAAP measure calculated as Adjusted EBITDA less Venue Financing Cash Interest obligations.

Adjusted Free Cash Flow - a non-GAAP measure calculated as cash from operations, less capital expenditures net of proceeds from lease financing and net of proceeds from government grants.

Available Liquidity - comprised of cash on hand, plus availability under revolving credit facilities.

Embedded Cash Flow - a non-GAAP measure calculated as cash from operations less non-growth capital expenditures.

Gross Debt - calculated as debt, including all Venue Financing Liabilities related to the Topgolf venues, less the Company's \$258.3 million in Convertible Notes.

Growth Capital Expenditures - capital expenditures related to the opening of additional Topgolf venues, net of proceeds from lease financing and proceeds from government grants or, in the case of other brands, related to new store openings and expansions.

Net Capital Expenditures - capital expenditures net of proceeds from lease financing and proceeds from government grants.

Net Debt - a non-GAAP measure calculated as total debt, venue financing liabilities, DLF obligations and equipment financing lease obligations, less the Company's convertible notes and unrestricted cash.

Net Debt Leverage Ratio - a non-GAAP measure calculated as Net Debt divided by trailing 12-month Adjusted EBITDA.

Non-Cash Lease Amortization expense - excludes purchase price amortization related to the Topgolf merger.

Non-GAAP Depreciation & Amortization - excludes pre-tax amortization of acquired intangible assets. Please see Non-GAAP reconciliation slides for specific amounts excluded.

Non-Growth Capital Expenditures - capital expenditures other than Growth Capital Expenditures and excludes proceeds from lease financing and proceeds from government grants.

REIT Adjusted Net Debt - a non-GAAP measure calculated as Net Debt less DLF & Venue Financing Lease Liabilities.

REIT Adjusted Net Leverage Ratio - a non-GAAP measure calculated as REIT Adjusted Net Debt divided by Adjusted EBITDA less Venue Financing Cash Interest.

Topgolf segment adjusted free cash flow - calculated as Topgolf segment operating cash flows, less Topgolf net capital expenditures.

Venue Financing Cash Interest (VFCI) - primarily represents cash paid for interest on Venue Financing Lease Liabilities.

Venue Financing Interest - interest expense on Venue Financing Lease Liabilities.

Venue Financing Lease Liability - the sum of venue finance lease liability and deemed landlord financing obligations.



SEGMENT OPERATING INCOME

Supplemental Financial Information

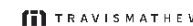
(\$ in millions, except percentages)

(Unaudited)

	Three Months Ended September 30,			Twelve Months Ended December 31,		
	2024	2023	Change	2023	2022	Change
Topgolf	\$ 28.3	\$ 38.9	(27.2) %	\$ 108.8	\$ 76.8	41.7 %
% of segment revenue	6.2 %	8.7 %	(250) bps	6.2 %	5.0 %	120 bps
Golf Equipment	\$ 26.8	\$ 35.2	(23.9) %	\$ 193.3	\$ 251.4	(23.1) %
% of segment revenue	9.1 %	12.0 %	(290) bps	13.9 %	17.9 %	(400) bps
Active Lifestyle	\$ 19.4	\$ 40.0	(51.5) %	\$ 117.0	\$ 77.4	51.2 %
% of segment revenue	7.3 %	13.4 %	(610) bps	10.3 %	7.4 %	290 bps
Total Segment Operating Income	\$ 74.5	\$ 114.1	(34.7) %	\$ 419.1	\$ 405.6	3.3 %
% of segment revenue	7.4 %	11.0 %	(360) bps	9.8 %	10.2 %	(40) bps
Constant Currency Total Segment Operating Income ⁽¹⁾			(35.4) %			7.4 %

⁽¹⁾ Segment Operating income excludes corporate general and administrative expenses not utilized by management in determining segment profitability as well as the amortization and depreciation of acquired intangible assets and purchase accounting adjustments.

Note: Numbers may not foot due to rounding



NON-GAAP RECONCILIATION

Supplemental Financial Information

(\$ in millions, except percentages)

(Unaudited)

	Three Months Ended September 30,											
	2024						2023					
	GAAP	Non-Cash Acquisition Related Amortization ⁽¹⁾	Non-Recurring Items ⁽²⁾	Tax Valuation Allowance ⁽⁴⁾	Non-GAAP	GAAP	Non-Cash Acquisition Related Amortization ⁽¹⁾	Non-Recurring Items ⁽³⁾	Tax Valuation Allowance ⁽⁴⁾	Non-GAAP		
Income from operations	\$ 33.7	\$ (2.9)	\$ (6.4)	\$ —	\$ 43.0	\$ 73.8	\$ (2.8)	\$ (5.6)	\$ —	\$ 82.2		
Net (loss) income	\$ (3.6)	\$ (2.9)	\$ (5.0)	\$ —	\$ 4.3	\$ 29.7	\$ (2.1)	\$ (4.3)	\$ 0.3	\$ 35.8		
(Loss) earnings per share - diluted ^{(5) (6)}	\$ (0.02)	\$ (0.02)	\$ (0.03)	\$ —	\$ 0.02	\$ 0.16	\$ (0.01)	\$ (0.02)	\$ —	\$ 0.19		

⁽¹⁾ Includes non-cash amortization of purchase accounting adjustments associated with acquired intangible assets, including acquired customer and distributor relationships and acquired developed technology related to our merger with Topgolf, acquisitions of Jack Wolfskin, TravisMathew and OGIO, and distribution rights in the Korea apparel market (collectively, the "Acquisitions"). See "Definitions of Certain Financial Measures" above for further information. Starting in the second quarter of 2024, the depreciation and amortization of all other purchase accounting adjustments associated with our Acquisitions will be excluded from our non-GAAP adjustments. As such, prior period amounts have been recast in order to conform with the current period presentation. For the three months ended September 30, 2024 and 2023, non-cash depreciation and amortization related to these excluded purchase accounting adjustments was \$0.9 million and \$3.0 million, respectively.

⁽²⁾ Primarily includes \$2.8 million in restructuring and reorganization charges in our Active Lifestyle segment, \$2.6 million of costs incurred related to the planned separation of Topgolf, and \$0.3 million in IT integration charges including costs associated with the implementation of a new cloud based HRM system.

⁽³⁾ Primarily includes \$2.7 million in restructuring and reorganization charges in our Active Lifestyle segment and \$1.5 million in IT costs related to a cybersecurity incident.

⁽⁴⁾ Release of tax valuation allowances recorded in connection with the merger with Topgolf.

⁽⁵⁾ For 2024, on a GAAP basis, Diluted loss per share and Diluted weighted average common shares outstanding are the same as Basic loss per share and Basic weighted average common shares outstanding due to a net loss position. For 2024, on a Non-GAAP basis, Diluted earnings per share and Diluted weighted average common shares outstanding exclude the impact of the 2020 convertible notes due to the notes being anti-dilutive. For 2023, the impact of the 2020 convertible notes is included in the calculation of Diluted earnings per share using the if-converted method.

⁽⁶⁾ When aggregated, earnings per share amounts may not add across due to rounding.

Note: Numbers may not foot due to rounding



NON-GAAP RECONCILIATION

Supplemental Financial Information

(\$ in millions, except percentages)

(Unaudited)

	Nine Months Ended September 30,									
	2024					2023				
	GAAP	Non-Cash Acquisition Related Amortization ⁽¹⁾	Non-Recurring Items ⁽²⁾	Tax Valuation Allowance ⁽³⁾	Non-GAAP	GAAP	Non-Cash Acquisition Related Amortization ⁽¹⁾	Non-Recurring Items ⁽⁴⁾	Tax Valuation Allowance ⁽³⁾	Non-GAAP
Income from operations	\$ 203.6	\$ (8.7)	\$ (25.1)	\$ —	\$ 237.4	\$ 270.3	\$ (11.2)	\$ (16.4)	\$ —	\$ 297.9
Net income	\$ 65.0	\$ (7.3)	\$ (29.5)	\$ —	\$ 101.8	\$ 172.1	\$ (8.5)	\$ (20.6)	\$ 59.4	\$ 141.8
Earnings per share - diluted ^{(5) (6)}	\$ 0.35	\$ (0.04)	\$ (0.15)	\$ —	\$ 0.54	\$ 0.88	\$ (0.04)	\$ (0.10)	\$ 0.29	\$ 0.73

⁽¹⁾ Includes non-cash amortization of purchase accounting adjustments associated with acquired intangible assets stemming from our Acquisitions, including acquired customer and distributor relationships and acquired developed technology. See "Definitions of Certain Financial Measures" above for further information. Starting in the second quarter of 2024, the depreciation and amortization of all other purchase accounting adjustments associated with our Acquisitions will be excluded from our non-GAAP adjustments. As such, prior period amounts have been recast in order to conform with the current period presentation. For the nine months ended September 30, 2024 and 2023, non-cash depreciation and amortization related to these excluded purchase accounting adjustments was \$4.2 million and \$9.7 million, respectively.

⁽²⁾ Primarily includes \$14.6 million in restructuring and reorganization charges in our Active Lifestyle segment, \$4.7 million in charges related to our 2024 debt repricing, \$3.4 million in currency translation adjustments reclassified into earnings due to the dissolution of the Jack Wolfskin Russia entity, \$3.4 million of additional charges related to the impairment and abandonment of the Shankstars media game in the Topgolf segment, \$2.6 million of costs incurred related to the planned separation of Topgolf, \$2.1 million in IT integration charges including costs associated with the implementation of a new cloud based HRM system, and \$1.4 million in IT costs related to a 2023 cybersecurity incident.

⁽³⁾ Related to the release of tax valuation allowances recorded in connection with the merger with Topgolf.

⁽⁴⁾ Primarily includes \$13.6 million in total charges related to our 2023 debt modification, \$5.8 million in restructuring and reorganization charges in our Active Lifestyle segment, \$3.7 million in IT integration and implementation costs primarily related to the Topgolf merger, and \$1.5 million in costs related to a cybersecurity incident.

⁽⁵⁾ The impact of 2020 convertible notes is included in the calculation of Diluted earnings per share using the if-converted method.

⁽⁶⁾ When aggregated, earnings per share amounts may not add across due to rounding.

Note: Numbers may not foot due to rounding

NON-GAAP RECONCILIATION

Supplemental Financial Information

(\$ in millions, except percentages)

(Unaudited)

Twelve Months Ended December 31,

	2023					
	GAAP	Non-Cash Acquisition Related Amortization ⁽¹⁾	Non-Recurring Items ⁽²⁾	Tax Valuation Allowance ⁽³⁾	Non-GAAP	
Income from operations	\$ 237.7	\$ (14.0)	\$ (37.5)	\$ —	\$ 289.2	
Net income	\$ 95.0	\$ (10.6)	\$ (36.6)	\$ 58.3	\$ 83.9	
Earnings per share - diluted ⁽⁴⁾	\$ 0.50	\$ (0.06)	\$ (0.18)	\$ 0.29	\$ 0.45	

⁽¹⁾ Includes non-cash amortization of purchase accounting adjustments associated with acquired intangible assets stemming from our Acquisitions, including acquired customer and distributor relationships and acquired developed technology. See "Definitions of Certain Financial Measures" above for further information. Starting in the second quarter of 2024, the depreciation and amortization of all other purchase accounting adjustments associated with our Acquisitions will be excluded from our non-GAAP adjustments. As such, prior period amounts have been recast in order to conform with the current period presentation. For the twelve months ended December 31, 2023, non-cash depreciation and amortization related to these purchase accounting adjustments was \$10.9 million.

⁽²⁾ Primarily includes \$12.7 million in total charges related to the impairment and abandonment of the Shankstars media game in the Topgolf segment, \$12.3 million of total reorganization costs in the Topgolf and Active Lifestyle segments, \$13.7 million in total charges related to our 2023 debt modification, \$4.2 million in IT integration and implementation costs primarily related to the Topgolf merger, and \$2.4 million in costs related to a cybersecurity incident.

⁽³⁾ Related to the release of tax valuation allowances recorded in connection with the merger with Topgolf.

⁽⁴⁾ Diluted earnings per share calculated using the if-converted method, which excludes periodic interest expense related to the 2020 convertible notes from the calculation of net income for the purpose of calculating diluted earnings per share.

Note: Numbers may not foot due to rounding



ADJUSTED EBITDA RECONCILIATION

Supplemental Financial Information

(\$ in millions, except percentages)

(Unaudited)

	2024 Trailing Twelve Month Adjusted EBITDA					2023 Trailing Twelve Month Adjusted EBITDA				
	Quarter Ended					Quarter Ended				
	December 31, 2023	March 31, 2024	June 30, 2024	September 30, 2024	Total	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	Total
Net (loss) income	\$ (77.1)	\$ 6.5	\$ 62.1	\$ (3.6)	\$ (12.1)	\$ (72.7)	\$ 25.0	\$ 117.4	\$ 29.7	\$ 99.4
Interest expense, net	56.6	58.8	57.0	57.7	230.1	42.5	49.6	51.7	52.3	196.1
Income tax (benefit) provision	(7.2)	5.0	(9.7)	(19.4)	(31.3)	(3.5)	(4.2)	(45.8)	(3.0)	(56.5)
Depreciation and amortization expense	64.0	65.4	65.8	68.1	263.3	53.0	56.1	58.6	61.0	228.7
Non-cash stock compensation and stock warrant expense, net	8.4	14.2	7.0	7.8	37.4	9.7	12.5	12.3	13.2	47.7
Non-cash lease amortization expense	4.4	3.5	3.6	2.8	14.3	4.5	4.6	4.4	4.5	18.0
Acquisitions & other non-recurring costs, before taxes ⁽¹⁾	20.7	7.5	19.8	6.4	54.4	3.1	13.7	7.6	5.6	30.0
Adjusted EBITDA	\$ 69.8	\$ 160.9	\$ 205.6	\$ 119.8	\$ 556.1	\$ 36.6	\$ 157.3	\$ 206.2	\$ 163.3	\$ 563.4

⁽¹⁾ In 2024, amounts include restructuring and reorganization charges in our Active Lifestyle segment, charges related to the 2024 debt repricing, currency translation adjustments reclassified into earnings due to the dissolution of the Jack Wolfskin Russia entity, charges related to the impairment and abandonment of the Shankstars media game, costs incurred related to the separation of Topgolf, IT costs related to a 2023 cybersecurity incident, and IT integration and implementation costs associated with the implementation of a new cloud based HRM system. In 2023, amounts include charges related to the impairment and abandonment of the Shankstars media game, charges in connection with the 2023 debt modification, IT integration and implementation costs stemming primarily from the merger with Topgolf, restructuring and reorganization charges in our Topgolf and Active Lifestyle segments, and costs related to a cybersecurity incident. In 2022, amounts include costs associated with the implementation of new IT systems for Topgolf, and legal costs and credit agency fees related to a postponed debt refinancing.

Note: Numbers may not foot due to rounding

TOPGOLF ADJUSTED EBITDA RECONCILIATION

Supplemental Financial Information

(\$ in millions, except percentages)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,		Twelve Months Ended December 31,	
	2024	2023	2024	2023	2023	2022
Topgolf Segment operating income ⁽¹⁾ :	\$ 28.3	\$ 38.9	\$ 87.3	\$ 85.7	\$ 108.8	\$ 76.8
Non GAAP depreciation and amortization expense	50.8	43.2	148.4	119.5	164.9	125.2
Non-cash stock compensation expense	2.0	4.1	8.4	12.4	12.9	15.2
Non-cash lease amortization expense	2.8	4.3	9.1	13.1	17.1	19.6
Other expense, net	0.5	0.4	0.5	0.4	0.6	(1.4)
Adjusted Segment EBITDA	\$ 84.4	\$ 90.9	\$ 253.7	\$ 231.1	\$ 304.3	\$ 235.4

⁽¹⁾ We do not calculate GAAP net income at the operating segment level, but have provided Topgolf's segment income from operations as a relevant measurement of profitability. Segment income from operations does not include interest expense and taxes as well as other non-cash and non-recurring items. Segment operating income is reconciled to the Company's consolidated pre-tax income in the Segment Results section of this release.

Note: Numbers may not foot due to rounding



NON-GAAP RECONCILIATION

Supplemental Financial Information
(\$ in millions, except percentages)
(Unaudited)

	Twelve Months Ended December 31,	
	2023	
GAAP cash flows provided by operations ⁽¹⁾	\$	364.7
Less: capital expenditures ⁽¹⁾		(482.0)
Add: proceeds from lease financing & government grants ⁽¹⁾		277.3
Consolidated Non-GAAP Adjusted Free Cash Flow	\$	160.0

⁽¹⁾ Source: Consolidated statement of cash flows within the Company's annual report on Form 10-K.

Note: Numbers may not foot due to rounding



THANK YOU