TOPGOLF CALLAWAY BRANDS

Topgolf Callaway Brands Announces Intent to Separate into Two Independent Companies

September 4, 2024

Important Notices

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, profitability, cash flows and the Non-GAAP Projections (as defined below), projected Topgolf venue economics, Topgolf venue openings and addressable markets, Topgolf margin expansion, opportunities for growth and reinvestment in the golf equipment, active lifestyle and Toptracer businesses, maximizing shareholder value, new product lines, 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, the completion of a separation and the timing thereof, the benefits of a separation, one-time costs and dis-synergies associated with a separation, expected leadership following a separation, plans for returns of capital and reducing leverage, the expected tax treatment of a separation, 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 from time to time. 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 and depreciation of acquired intangible assets and purchase accounting adjustments. 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. The reconciliations are included in the appendix to this presentation.

For forward-looking Topgolf segment Adjusted EBITDA, Topgolf segment Adjusted EBITDA less venue financing cash interest (VFCI), Callaway Brands adjusted EBITDA, adjusted free cash flow, payback period, cash-on-cash returns and return on gross investment (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.

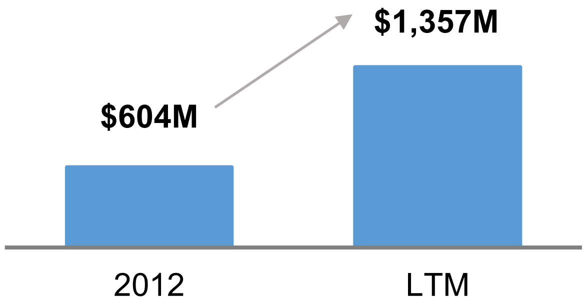
Topgolf Callaway's History of Growth and Success

GOLF EQUIPMENT

The Leader in Golf Equipment[1], Driving the Industry Forward

- #1 golf clubs
- #2 golf balls, with growing market share
- The leader in technology and innovation

Revenue

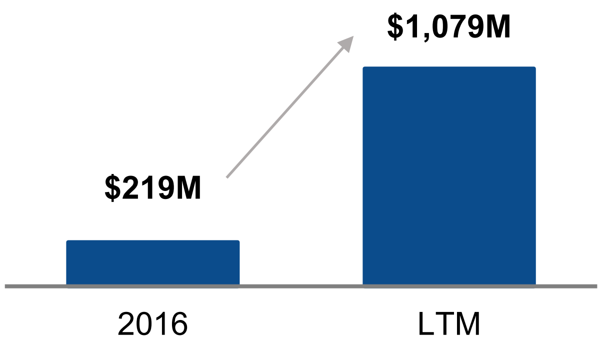


ACTIVE LIFESTYLE

Scaled and Highly Complementary Active Lifestyle Business

- Operations in 25+ countries worldwide
- Proven ability to grow across channels
- Leading golf apparel brands in TravisMathew and Callaway

Revenue

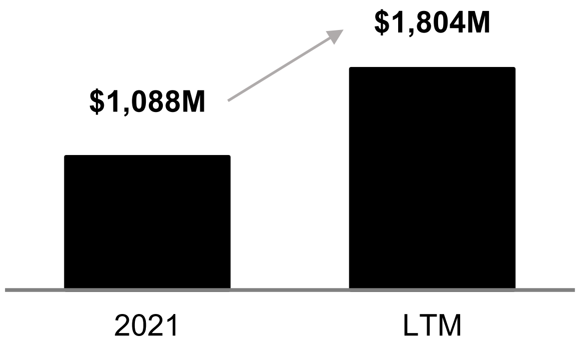


TOPGOLF

The Category Leading High-Growth, Pure-Play Venue-Based Golf Entertainment Business

- 100+ U.S. and international venues[2]
- Significant whitespace opportunity
- Strong venue level EBITDAR margin improvement

Revenue



Note: Active Lifestyle includes Callaway apparel and footwear and Callaway and Ogio accessories. LTM metrics are as of Q2 FY24.
Source: Golf Datatech Attitude & Usage. Hard goods US market share ranking data results as of July 31, 2024.
1. Per Golf Datatech Attitude & Usage.
2. Includes franchised locations.

Creating Two Market Leaders in the Expanding Modern Golf Industry

CALLAWAY
Leading Golf Equipment[1] and Active Lifestyle Business

- Portfolio of leading golf clubs, balls, apparel and technology brands with $2.5B in LTM revenue
- #1 in golf clubs by dollar market share driven by Callaway and Odyssey brands; #2 in golf ball by dollar market share
- Leading golf apparel and golf bag brands in TravisMathew, Callaway and OGIO
- #1 range technology in Toptracer with significant innovation and expansion opportunity

TOPGOLF
The Category Leading High-Growth, Pure-Play Venue-Based Golf Entertainment Business

- Portfolio of 100+ U.S. and international venues[2] generating $1.8B in LTM revenue
- Differentiated customer experience with a strong competitive moat and growing brand awareness
- Highly attractive unit economics and strong existing venue free cash flow
- Significant whitespace with a proven ability to identify and open new venues

Note: LTM metrics are as of Q2 FY24. Hard goods US market share ranking data results as of July 31, 2024.
1. Per Golf Datatech Attitude & Usage.
2. Includes franchised locations.

Rationale for Separation

Enhanced Strategic Focus

- Create two strong, focused operating companies with industry-leading market positions
- Greater ability to align incentives with both performance and shareholder value creation

Optimized Capital Allocation

- Position both businesses to implement appropriate capital investment strategies and leverage profiles

Simplified Operating Structure

- Simplified management and streamlined financial reporting

Distinct Investment Thesis For Each Entity

Positioned to maximize shareholder value as two independent businesses

Callaway Today

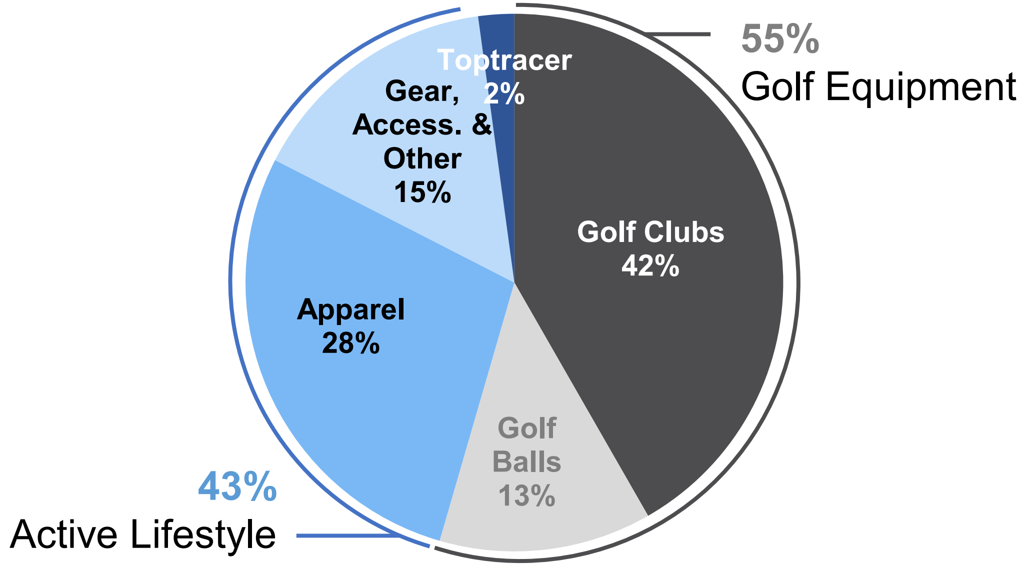
A Leader in Golf Equipment with a Highly Complementary Active Lifestyle Business

Core Areas of Strength

~$2.5B
LTM Net Sales

- Market Leading Brands
- Technology & Innovation
- Global Supply Chain
- Strong Industry Momentum

LTM Business Mix



Note: LTM metrics are net sales as of Q2 2024.

Callaway is a Leading Golf Equipment and Active Lifestyle Business

TOPGOLF CALLAWAY BRANDS

Golf Equipment

- A global leader in golf equipment
- Iconic brands in Callaway and Odyssey
- Proven track record
- Leader in innovation and technology
- Significant opportunity in the premium golf ball segment

Active Lifestyle

- Scale portfolio of golf and outdoor apparel and accessories
- Highly complementary go-to-market with Golf Equipment business
- Significant opportunity with TravisMathew, which has grown dramatically under Callaway's ownership
- Jack Wolfskin is the leading outdoor brand in Central Europe, with a growing position in China

Toptracer

- Leading driving range technology
- Doubled the number of Toptracer bays since 2021
- Suite of scalable and engaging products
- Long-term opportunity for deep engagement with avid golfers and to transform the driving range experience

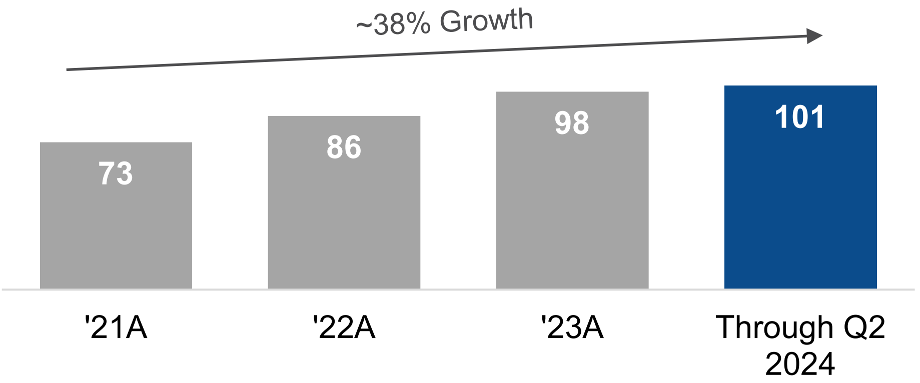
Callaway Financial Positioning

- Clear leader in attractive and growing golf markets worldwide
- Primed to continue building on strong track record of profitable growth and free cash flow
- Positioned to reinvest in its market-leading positions
- Solid balance sheet with strong free cash flow and intent to reduce leverage below 3.0x net debt to EBITDA within 12 months of separation
- A business that has historically been well understood and valued by the market

Topgolf is the Scaled Leader in the Attractive Venue-Based Golf Entertainment Market with Over 100 Venues Worldwide

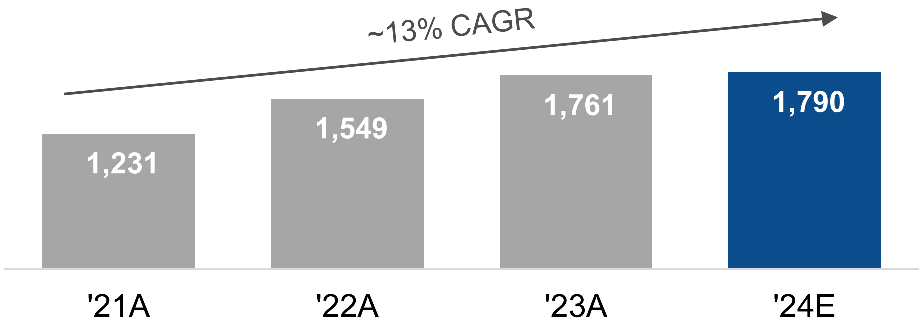
TOPGOLF CALLAWAY BRANDS

Significant Investment in Growing Topgolf's Footprint and Market-Leadership Position[1]

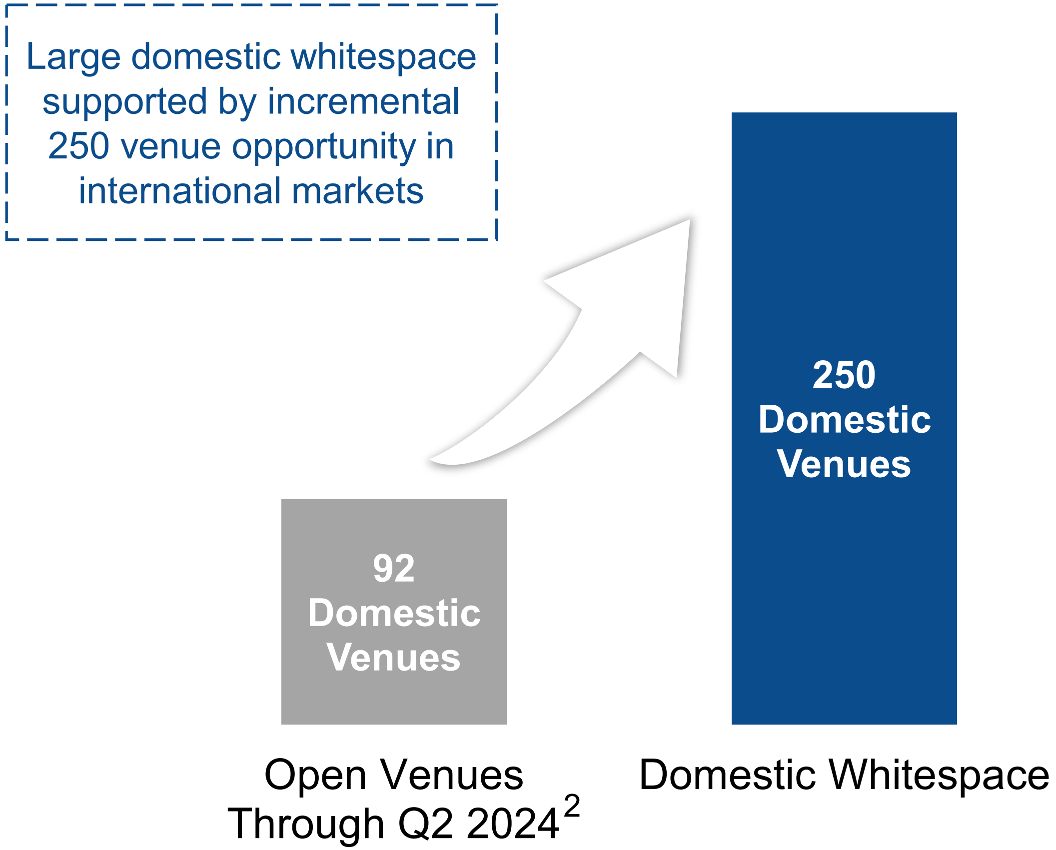


Topgolf's Growth is Driving the Industry Forward

Revenue ($ in millions)



Expansive Domestic and International Whitespace Opportunity



1. Global owned and operated and franchised venues.
2. Includes currently open owned domestic venues.

Topgolf's Action Plan for Accelerating Growth

TOPGOLF CALLAWAY BRANDS

Same Venue Sales Growth

- Further enhance **front and back-end digital capabilities** including PIE(1) and Customer Data Platform
- Drive increased **newness to surprise and delight** new and repeat customers
- Continue to **strengthen targeted marketing and promotion muscle**
- Add new and exciting **partnerships**

Margin Expansion

- **Leverage PIE** inventory management system to drive higher visibility into demand, improve bay utilization and optimize labor costs
- Continue to drive **scale efficiencies**
- Drive further efficiencies through **mobile order and pay**
- **COGS improvement** with menu optimization and personalized offerings

Development Pipeline

- Significant **whitespace opportunity** of over 500 venues worldwide(2)
- **Proven and attractive economics** with multiple venue formats
- **World class real estate team** with strong track record of opening venues

Topgolf's strategy is designed to re-accelerate performance in existing venues and expand Topgolf's scale, resulting in operating leverage and durable profit and free cash flow growth

1. Popular Inventory Engine; Topgolf's digital bay inventory management system.
2. Includes 250 domestic and 250 international venues, including owned and operated and franchised locations.

Topgolf Strategic and Financial Positioning

TOPGOLF CALLAWAY BRANDS

Attractive Financial Model[1]…

~2.5 Years	~50-60%	~18-22%
Estimated Payback Period(2)	Target Cash-on-Cash Returns(3)	Target Return on Gross Investment(4)

…and a Differentiated Competitive Positioning…

Significant **brand halo with** strong customer advocacy

Innovative technology that enhances our business offerings

Brand power and venue real estate execution make us a **tenant of choice**

Deep experience operating large, complex venues with significant capital invested at scale

…Driving Attractive Investment Thesis

- Category leading high-growth, pure-play venue-based golf entertainment business
- Highly attractive unit economics and strong existing venue free cash flow
- Solid balance sheet, with a strong cash balance, no financial debt and retained venue financing obligations
- Free cash flow positive in 2023, forecast to be free cash flow positive in 2024 and 2025(5)
- Significant opportunity for profit growth driven by improving venue performance and new venues

1. Venue return metrics are under the current ownership structure.
2. Payback Period, a non-GAAP metric, represents the time needed to recover the initial investment, which consists of Topgolf's construction cost (after financing) and pre-opening expense. See slide 2 for additional information regarding use of forward looking non-GAAP measures.
3. Cash-on-cash return, a non-GAAP measure, is a Year 5 calculation, taking the Year 5 4-wall Adjusted EBITDAR, less the annual building rent, annual ground rent and annual maintenance capex, divided by Topgolf's construction cost after financing. Excludes pre-opening costs, enhancement capex, refresh capex and new technology improvements. See slide 2 for additional information regarding use of forward looking non-GAAP measures.
4. Return on Gross Investment, a non-GAAP measure, is a Year 5 calculation, taking the Year 5 4-wall Adjusted EBITDAR, less the annual ground rent and annual maintenance capex, divided by the total construction cost before financing and pre-opening expense. Excludes enhancement capex, refresh capex and new technology improvements See slide 2 for additional information regarding use of forward looking non-GAAP measures.
5. Reflects free cash flow burdened by capital expenditures net of REIT financing.

Revenue and Brand Synergies Expected to Remain Intact

- Exclusive golf equipment partner
- Callaway will support development and sourcing of Topgolf golf equipment
- Golf equipment will be displayed at venues and co-promoted
- Digital integration and shared use of consumer data

Overview of Business Structure and Management Post-Transaction

Transaction Structure	• The Company intends to **spin at least 80.1% of Topgolf to obtain the desired tax-free treatment of the spin-off for U.S. federal income tax purposes** • Existing shareholders would receive a pro-rata allocation of shares in the new Topgolf company
Timing	• Targeted **completion in the second half of 2025,** subject to customary approvals
Key Transaction Workstreams	• Establish **independent organization structures** • **Complete audited financials** of the separated, independent companies • Finalize **capital structure and capital allocation policies** across both businesses
Closing Conditions	• **Private letter ruling from the relevant tax authorities and/or an opinion of tax counsel regarding the intended federal tax treatment of the spin** • **SEC declaring the registration statement related to the spin effective** • Other customary approvals, including **final approval from our Board of Directors**
Management Teams	• Callaway will continue to be led by **Chip Brewer, CEO of Topgolf Callaway** • Topgolf will continue to be led by **Artie Starrs, CEO of Topgolf**

Existing Business Results and Guidance, Toptracer Results and Other Items

TOPGOLF CALLAWAY BRANDS

		Current Reporting		
		TOPGOLF	NON-TOPGOLF (Incl. Golf Equipment, Active Lifestyle and Corporate)	TOPTRACER (Currently reported within Topgolf Segment)
LTM Q2 2024	Revenue	$1.8B	$2.4B	$46M
	Adj. EBITDA	$333M	$267M	$1M
	Adj. EBITDA – VFCI(1)	$245M		
FY24 Guidance	Revenue	~$1.8B	$2.4B - $2.5B	
	Adj. EBITDA	~$310M	$260M - $280M	
	Adj. EBITDA - VFCI(1)	~$210M		

OTHER ITEMS	
Net Dis-Synergies(2)	~$25M
Transaction Expenses	~$50M

Note: LTM metrics are as of Q2 2024.
1. VFCI defined as Venue Financing Cash Interest represents cash paid for interest on Deemed Landlord Financing and Venue Financing Lease Liabilities. These payments are akin to rent, but accounting rules classify them as interest.
2. ~$25mm of net dis-synergies, with slightly more than ~$25mm incurred at Topgolf and a net benefit at Callaway.
3. Corporate includes one-time items associated with total company

TOPGOLF Callaway travisMathew TOPTRACER ODYSSEY #1 PUTTER IN GOLF OGIO Jack Wolfskin WGT

Reaffirming Topgolf Callaway's Commitment to Shareholder Value and Creating Two Strong Companies Through This Process

CALLAWAY BRANDS

Golf Equipment

Callaway

ODYSSEY #1 PUTTER IN GOLF.

Active Lifestyle

travisMathew

OGIO

Callaway

Jack Wolfskin

Range Technology

TOPTRACER

Leading Golf Equipment and Active Lifestyle Business with Strong Free Cash Flow

LTM Revenue:
$2.5B

TOPGOLF

TOPGOLF

Category Leading High-Growth, Pure-Play Venue-Based Golf Entertainment Business

LTM Revenue:
$1.8B

Note: LTM metrics are as of Q2 2024.

Appendix

Historical Same Venue Sales

	2015	2016	2017	2018	2019	2022	2023
Same Venue Sales Growth	4.3%	3.2%	(1.3%)	0.1%	0.4%	7.4%	0.7%

Note: 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. 2022 same venues sales are compared to 2019.

Adjusted EBITDA Reconciliations

($ in millions)
(Unaudited)

	LTM 2Q FY 2024				
	Toptracer	Topgolf without Toptracer	Total Topgolf	Non-Topgolf[2]	Consolidated
Operating income (loss)	$ (8)	$ 129	$ 121	$ 90	$ 211
Depreciation and amortization expense	9	177	186	70	256
Non-cash stock compensation expense	—	11	11	32	43
Non-cash lease amortization expense	—	14	14	2	16
Non-recurring items, before taxes[3]	—	—	—	54	54
Other income[4]	—	1	1	19	20
Adjusted EBITDA	**$ 1**	**$ 332**	**$ 333**	**$ 267**	**$ 600**
Less: Venue Financing Cash Interest[1]		88	88		
Adjusted EBITDA (Venue Financing Cash interest)		**$ 244**	**$ 245**		

(1) VFCI defined as Venue Financing Cash Interest represents cash paid for interest on Deemed Landlord Financing and Venue Financing Lease Liabilities. These payments are akin to rent, but accounting rules classify them as interest.
(2) Includes corporate G&A expenses.
(3) Includes $21 million of non-recurring items related to Topgolf.
(4) Other income primarily includes net gains from foreign currency transactions and hedging contracts, and dividend income from our Full Swing investment as well as other investment activities.

Consolidated Adjusted EBITDA Reconciliation

TOPGOLF CALLAWAY BRANDS

($ in millions)

	2024 Trailing Twelve Month Adjusted EBITDA				
	Quarter Ended				
	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024	Total
Net income (loss)	$ 29.7	$ (77.1)	$ 6.5	$ 62.1	$ 21.2
Interest expense, net	52.3	56.6	58.8	57.0	224.7
Income tax (benefit) provision	(3.0)	(7.2)	5.0	(9.7)	(14.9)
Depreciation and amortization expense	61.0	64.0	65.4	65.8	256.2
Non-cash stock compensation and stock warrant expense, net	13.2	8.4	14.2	7.0	42.8
Non-cash lease amortization expense	4.5	4.4	3.5	3.6	16.0
Acquisitions & other non-recurring costs, before taxes (1)	5.6	20.7	7.5	19.8	53.6
Adjusted EBITDA	$ 163.3	$ 69.8	$ 160.9	$ 205.6	$ 599.6

(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, 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.

THANK YOU