



TOPGOLF
CALLAWAY

BRANDS



First Quarter 2024
Earnings Conference Call

May 8, 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, the Non-GAAP Projections (as defined below), shares outstanding and tax rates), projected Topgolf venue financing options, 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, 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, anticipated debt paydowns, 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 Adjusted EBITDA, Topgolf segment Adjusted EBITDA, non-GAAP depreciation and amortization, embedded cash flow, 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.



Q1 2024 Highlights



Q1 Revenue of \$1.144 billion and Topgolf same venue sales of -7% – both in line with expectations.



Non-GAAP Net Income of \$16 million and Adjusted EBITDA of \$161 million – both ahead of expectations.



Company reaffirmed full year Adjusted EBITDA guidance and increased full year earnings per share and cash generation outlook.



Ai Smoke clubs achieved #1 U.S. market share in Driver, Fairway Woods and Irons and the new Chrome Tour golf balls drove record 11% market share in the premium ball category.¹



Successfully completed term loan repricing, repurchased an additional one million shares of common stock in April and announced plans to pay down \$50 million of term loan debt.

1. Source: Golf Datatech. Hard goods US market share ranking data results for the year ended March 31, 2024.

Q1 SEGMENT HIGHLIGHTS

TOPGOLF



Venue-level Adjusted EBITDAR margins increased ~180bps YoY¹

New Block Party game available in all venues – first new game since 2020

Acquired Bryan, TX BigShots Venue in January

GOLF EQUIPMENT



Ai Smoke #1 U.S. market share club model in Irons, Drivers and Fairway²

New Chrome Tour balls drove record 11% market share in the premium ball category²

#1 market share in Putter and record 16% market share in golf glove²

ACTIVE LIFESTYLE



TravisMathew on track to open approximately 10 new doors in 2024

Continued strong performance of TravisMathew Women's collection

TravisMathew re-launched shoe business under the TravisMathew brand

1. For purposes of estimating Adjusted EBITDAR margins, 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. Please see appendix for further information on the calculation of Adjusted EBITDAR margins and slide 2 of this presentation for further information on the use of non-GAAP measures.
2. Source: Golf Datatech. Hard goods US market share ranking data results for the year ended March 31, 2024.



Q1 2024 FINANCIAL RESULTS

Q1 2024 GAAP RESULTS

(\$ in millions, except per share data)

	Q1 2024	Q1 2023	Change (%)
Net Revenues	\$1,144.2	\$1,167.4	(2)%
Net Income	\$6.5	\$25.0	(74)%
Earnings Per Share	\$0.04	\$0.13	(69)%

Q1 2024 NON-GAAP RESULTS¹

(\$ in millions, except per share data)

	Q1 2024	Q1 2023	Change (%)
Net Revenues	\$1,144.2	\$1,167.4	(2)%
Net Income	\$15.8	\$33.2	(52)%
Earnings Per Share	\$0.09	\$0.17	(50)%
Adjusted EBITDA	\$160.9	\$157.3	2%

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 SALES

TOPGOLF 2-YEAR STACKED SVS¹

	Q1
Total	
'23 vs '22	11%
'24 vs '23	-7%
Total Stacked	4%

1-2 Bay	
'23 vs '22	9%
'24 vs '23	-5%
Total Stacked	5%

3+ Bay	
'23 vs '22	23%
'24 vs '23	-16%
Total Stacked	7%

■ 1-2 Bay (Walk-In, Reservations & Events)²

Q1 decline driven by extreme weather during the first half of January – trends have since normalized

■ 3+ Bay Events³

Reflects a post-COVID surge in corporate events in Q1 2023, as expected

	Q1	Q2	Q3	Q4	FY23
Total					
'23 vs '22	11%	1%	-3%	-3%	1%
1-2 Bay					
'23 vs '22	9%	7%	0%	0%	4%
3+ Bay					
'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. 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 per share data)	Current FY 2024 Guidance	Previous FY 2024 Guidance	FY 2023 Results
Net Revenue	\$4,435 - \$4,475	\$4,515 - \$4,555	\$4,285
Adjusted EBITDA	\$620 - \$640	\$620 - \$640	\$597
Non-GAAP Diluted Earnings per Share	\$0.31-\$0.39	\$0.26-\$0.34	\$0.49

Full Year Guidance Assumptions¹

- Total revenue lowered \$80M vs. prior guide due to ~\$45M reduction at Jack Wolfskin and ~\$35M add'l FX headwind vs. prior guide.
- Topgolf: Revenue of ~\$1.96B, Same Venue Sales slightly up to down low single digits, Adj. EBITDA ~\$350M
- \$45M & \$24M FX headwind vs 2023 for Revenue and Profit, respectively.
- EBITDA less Venue Financing Cash Interest unchanged at \$520 to \$540M
- ~\$118M corporate interest expense (~\$125M prior)
- 200 million diluted shares outstanding
- Tax rate of ~17% (~15% prior)
- Non-GAAP D&A expense of ~\$260M
- 7 new venues, including 1 acquired in January '24. 2 opened in Q2, 4 expected in Q4 2024
- Net CapEx of \$240M (\$180M for Topgolf), is \$20M lower than prior guide due to venue timing
- Increase Adj. Free Cash Flow to \$165M (\$105M prior) and Embedded Cash Flow to \$265M (\$225M prior)
 - \$30M benefit in working capital, \$10 million benefit to cash interest/dividend income
 - \$20M reduction in Topgolf Growth CapEx

Q2 2024¹

(\$ in millions)	Q2 2024 Guidance	Q2 2023 Results
Net Revenue	\$1,180 - \$1,200	\$1,180
Adjusted EBITDA	\$191 - \$201	\$206

Second Quarter Guidance Assumptions

- Low single digit year-over-year Same Venue Sales decline
- \$17 and \$9M FX headwind vs 2023 for Revenue and Profit, respectively.
- Anticipate ~\$50 million pay down in Term Loan debt
- Additional considerations:
 - Lapping an ~\$30 million Q2 2023 product launch at Callaway, which is moving to the second half of the year
 - TravisMathew lapping the balance of 2023 corporate channel sell-in

1. See appendix for calculation methodologies of adjusted EBITDA, non-GAAP diluted earnings per share, non-GAAP depreciation and amortization, adjusted free cash flow, embedded cash flow, net capital expenditures and growth capital expenditures. See slide 2 for disclaimers on the use of non-GAAP measures and the appendix for reconciliations to GAAP.



Q1 KEY METRICS

<i>(\$ in millions)¹</i>	Topgolf	Non-Topgolf	Total
Non-GAAP Operating Income	\$3	\$71	\$74
Non-GAAP Depreciation and Amortization	\$49	\$12	\$61
Non-Cash Lease Amortization Expense ²	\$3	\$1	\$4
Non-Cash Stock Comp Expense ⁶	\$5	\$9	\$14
Other Income (Expense)	\$0	\$8	\$8
Adjusted Segment EBITDA	\$60	\$101	\$161
Less: Venue Financing Cash Interest ³	\$23	-	\$23
Adj EBITDA less Venue Financing Cash Interest⁴	\$37	\$101	\$138
Interest Expense	\$28⁵	\$31	\$59

Note: Numbers may not foot due to rounding.

- See appendix for calculation methodologies of segment income from operations, non-GAAP D&A, non-cash lease amortization expense, adjusted segment EBITDA, net capital expenditures, venue financing lease liability, venue financing interest, venue financing cash interest, adjusted EBITDA less VFCI and embedded cash flow. See slide 2 for disclaimers on the use of non-GAAP measures and the appendix for reconciliations to GAAP.
- This is essentially non-cash rent.
- Assume ~\$2.5-\$3M per venue per year in 2024-2025 and \$2.75-\$3.25M after 2026.
- Assume ~\$4.5M per representative venue of adjusted EBITDA less VFCI.
- Includes interest on venue lease liability and interest on DLF obligations.
- Includes \$1.1M non-recurring cash severance payment.



FULL YEAR KEY METRICS & OUTLOOK

(\$ in millions, except for EPS) ¹	Topgolf	Non-Topgolf ⁵	Total	Prev. Total
Adjusted EBITDA	~\$350	~\$280	~\$630 ⁴	\$630 ⁴
Non-GAAP Depreciation & Amortization			~\$260	~\$265
Non-GAAP Topgolf D&A	~\$205		~\$205	~\$210
Non-GAAP Non-Topgolf D&A		~\$55	~\$55	~\$55
Non-GAAP Interest Expense ²			~\$238	~\$245
Non-GAAP Venue Financing Interest	~\$120		~\$120	~\$120
Non-GAAP Corporate Interest		~\$118	~\$118	~\$125
Share Based Compensation & Non-Cash Rent	~\$25	~\$30	~\$55 ³	~\$55 ³
Non-GAAP Pre-Tax Income	~Flat	~\$77	~\$77	~\$65
Non-GAAP Tax Rate			~17%	~15%
Non-GAAP Net Income			~\$64	~\$55
Non-GAAP Diluted EPS			~\$0.35 ⁴	~\$0.30 ⁴

Note: Numbers may not tie due to rounding.

- See appendix for calculation methodology of non-GAAP depreciation and amortization and reconciliations to GAAP. See slide 2 for information on non-GAAP measures.
- Includes non-cash interest and fees.
- Approximate 2024 financials inputs includes ~\$40M of Share-Based Compensation.
- This value is the mid-point of FY 2024 Guidance and assumes ~200 million diluted shares outstanding.

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



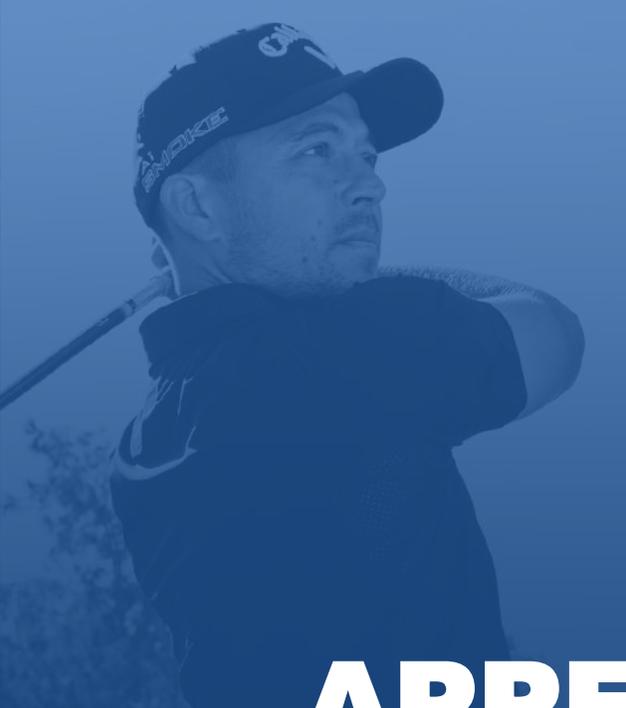
KEY BALANCE SHEET AND LIQUIDITY METRICS

Metric ¹ (\$ in millions)	As of Mar 31, 2024	As of Mar 31, 2023
Cash and Cash Equivalents	\$234	\$181
Inventory	\$703	\$930
Available Liquidity	\$720	\$626
Net Debt	\$2,426	\$2,210
REIT Adjusted Net Debt	\$1,122	\$1,256
Net Debt Leverage Ratio	4.0x	4.1x
REIT Adjusted Net Leverage Ratio	2.2x	2.5x

Metric ¹ (\$ in millions)	As of Mar 31, 2024	As of Mar 31, 2023
Gross Capital Expenditures ²	\$65	\$121
Net Capital Expenditures	\$38	\$70
Non-GAAP Depreciation & Amortization	\$61	\$49

- See appendix for calculation methodologies of available liquidity, net debt, REIT adjusted net debt, net debt leverage ratio, REIT adjusted net 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.
- 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. For the year ended December 31, 2023, the amount contributed by these financing partners, in addition to accrued capitalized interest was \$60.6M.





APPENDIX

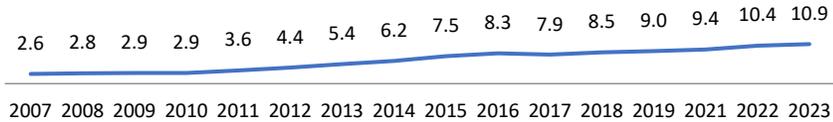


Venue Performance Proven Over Time

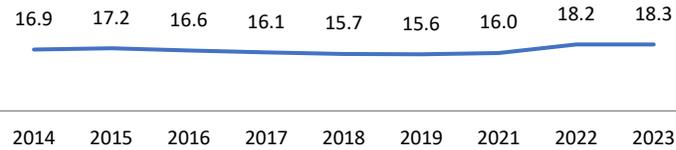
(\$ in millions)

Average Revenue

UK venues¹



Pre-2014 vintage US Venues



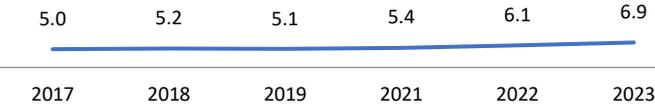
2014 vintage US venues



2015 vintage US venues



Average EBITDAR² \$



Average EBITDAR \$ CAGR³

12.5%

3.4%

3.4%

5.5%

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. Please see page 4 of this presentation for further information.
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 Performance Proven Over Time

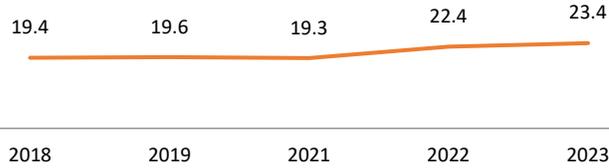
(\$ in millions)

Average Revenue

Average EBITDAR² \$

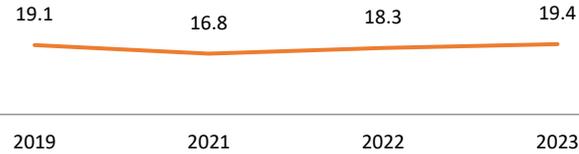
Average EBITDAR \$ CAGR³

2016 vintage¹
US venues



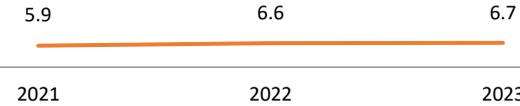
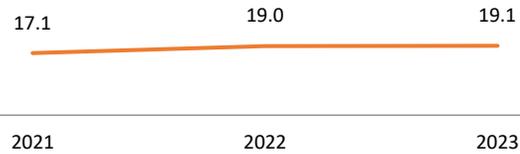
8.1%

2017 vintage
US venues



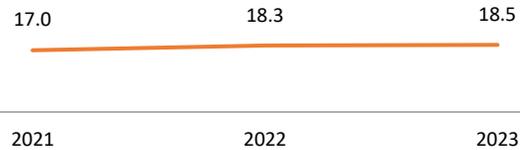
5.0%

2018 vintage
US venues



4.3%

2019 vintage
US venues



2.7%

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. Please see page 4 of this presentation for further information. 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)

	March 31, 2024	March 31, 2023
Net Debt ⁽¹⁾	\$2,425.6	\$2,209.7
Trailing twelve month Adjusted EBITDA ⁽²⁾	\$600.2	\$545.6
Total Net Debt Leverage Ratio	\$4.0X	\$4.1X
Less: DLF obligations & Venue lease liabilities ⁽³⁾	(\$1,303.4)	(\$953.6)
REIT Adjusted Net Debt	\$1,122.2	\$1,256.1
Venue Financing ("VF") Cash Interest	(\$80.3)	(\$52.6)
Trailing 12-Month Adj. EBITDA less VF Cash Interest	\$519.9	\$493.0
REIT Adjusted Net Debt Leverage Ratio	\$2.2X	\$2.5X

Notes on DLF obligations

- Similar to rent, but treated like debt due to GAAP rules
- There is no repayment of principal
- The rate is fixed at ~8.5% with ~2% yearly escalators. Rate does not adjust with SOFR.

Obligations to REIT financing partners are NON-RECOURSE to MODG shareholders

1. See "Definitions of Certain Financial Measures" slide for the calculation methodologies of net debt, REIT adjusted net debt, net debt leverage ratio, REIT adjusted net debt leverage ratio and venue financing cash interest. See slide 2 for further information on the use of non-GAAP measures.
2. See "Adjusted EBITDA Reconciliation" slide for reconciliation to the most directly comparable GAAP measure (net income).
3. Includes \$1,013.8 million in DLF obligations and \$289.6 million in VFL liabilities for twelve months ended March 31, 2024. Includes \$708.4 million in DLF obligations and \$245.2 million in VFL liabilities for twelve months ended March 31, 2023.

IMPORTANT NOTICES

Adjusted EBITDA Less Venue Financing Cash Interest is a non-GAAP measure calculated as Adjusted EBITDA, minus Venue Financing Cash Interest obligations.

Adjusted Free Cash Flow is 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. Topgolf segment adjusted free cash flow is calculated as Topgolf segment operating cash flows, less Topgolf net capital expenditures.

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

Embedded Cash Flow is a non-GAAP measure calculated as Adjusted Free Cash Flow less growth capital expenditures. Topgolf segment embedded cash flow is calculated as Topgolf segment adjusted free cash flow, less Topgolf growth capital expenditures.

Gross Debt is 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 are 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 are capital expenditures net of proceeds from lease financing and proceeds from government grants. For the three months ended March 31, 2024, net capital expenditures were \$38.2 million, net of proceeds from lease financing of \$27.2 million. For the three months ended March 31, 2023, net capital expenditures were \$69.8 million, net of proceeds from lease financing of \$51.6 million. Topgolf segment Net Capital Expenditures for the year ended December 31, 2023 were \$149.2 million, net of proceeds from lease financing of \$274.3 million. Topgolf segment Net Capital Expenditures for the year ended December 31, 2022 were \$281.4 million, net of proceeds from lease financing of \$175.7 million.

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

Net debt of \$2,425.6 million for the period ended March 31, 2024 is calculated as total debt of \$1,613.5 million, venue financing liabilities related to Topgolf venues of \$289.6 million, deemed landlord financing obligations of \$1,013.8 million, and equipment financing lease liabilities of \$0.9 million, less the Company's convertible notes of \$258.3 million and unrestricted cash of \$233.9 million.

Net debt of \$2,209.7 million for the period ended March 31, 2023 is calculated as total debt of \$1,693.3 million, venue financing liabilities related to Topgolf venues of \$245.2 million, deemed landlord financing obligations of \$708.4 million, and equipment financing lease liabilities of \$1.7 million, less the Company's convertible notes of \$258.3 million and unrestricted cash of \$180.6 million.

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

Non-GAAP Depreciation & Amortization excludes pre-tax amortization of acquired intangible assets and purchase accounting adjustments. The excluded amounts for the three months ended March 31, 2024 and 2023 were \$4.7 million and \$7.3 million, respectively.



DEFINITIONS OF CERTAIN FINANCIAL MEASURES

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

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

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

Venue Financing Cash Interest, or VFCI, primarily represents cash paid for interest on Venue Financing Lease Liabilities.

Venue Financing Interest is the interest expense on Venue Financing Lease Liabilities.

Venue Financing Lease Liability is the sum of venue finance lease liability and deemed landlord financing obligations, which were \$289.6 million and \$1,013.8 million respectively, as of March 31, 2024, and \$245.2 million and \$708.4 million, respectively, as of March 31, 2023.



SEGMENT OPERATING INCOME

Supplemental Financial Information

(\$ in millions, except percentages)

(Unaudited)

	Three Months Ended March 31,			Twelve Months Ended December 31,		
	2024	2023	Change	2023	2022	Change
Topgolf	\$ 2.9	\$ 2.8	3.6 %	\$ 108.8	\$ 76.8	41.7 %
% of segment revenue	0.7 %	0.7 %	— bps	6.2 %	5.0 %	120 bps
Golf Equipment	82.1	81.6	0.6 %	193.3	251.4	(23.1) %
% of segment revenue	18.2 %	18.4 %	(20) bps	13.9 %	17.9 %	(400) bps
Active Lifestyle	24.7	37.3	(33.8) %	117.0	77.4	51.2 %
% of segment revenue	9.1 %	11.6 %	(250) bps	10.3 %	7.4 %	290 bps
Total Segment Operating Income	\$ 109.7	\$ 121.7	(9.9) %	\$ 419.1	\$ 405.6	3.3 %
% of segment revenue	9.6 %	10.4 %	(80) bps	9.8 %	10.2 %	(40) bps
Constant Currency Total Segment Operating Income ⁽¹⁾			(6.0) %			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 March 31,

	2024					2023				
	GAAP	Non-Cash Amortization and Depreciation ⁽¹⁾	Non-Recurring Items ⁽²⁾	Tax Valuation Allowance ⁽³⁾	Non-GAAP	GAAP	Non-Cash Amortization, Depreciation ⁽¹⁾	Non-Recurring Items ⁽⁴⁾	Tax Valuation Allowance ⁽³⁾	Non-GAAP
Net revenues	\$ 1,144.2	\$ —	\$ —	\$ —	\$ 1,144.2	\$ 1,167.4	\$ —	\$ —	\$ —	\$ 1,167.4
Total costs and expenses	1,077.3	4.7	2.8	—	1,069.8	1,086.9	7.3	3.2	—	1,076.4
Income (loss) from operations	66.9	(4.7)	(2.8)	—	74.4	80.5	(7.3)	(3.2)	—	91.0
Other expense, net	(55.4)	(0.1)	(4.7)	—	(50.6)	(59.7)	(0.6)	(10.7)	—	(48.4)
Income (loss) before income taxes	11.5	(4.8)	(7.5)	—	23.8	20.8	(7.9)	(13.9)	—	42.6
Income tax (benefit) provision	5.0	(1.2)	(1.8)	—	8.0	(4.2)	(1.9)	(3.4)	(8.3)	9.4
Net income (loss)	<u>\$ 6.5</u>	<u>\$ (3.6)</u>	<u>\$ (5.7)</u>	<u>\$ —</u>	<u>\$ 15.8</u>	<u>\$ 25.0</u>	<u>\$ (6.0)</u>	<u>\$ (10.5)</u>	<u>\$ 8.3</u>	<u>\$ 33.2</u>
Earnings (loss) per share - diluted ⁽⁵⁾	\$ 0.04	\$ (0.02)	\$ (0.03)	\$ —	\$ 0.09	\$ 0.13	\$ (0.03)	\$ (0.05)	\$ 0.04	\$ 0.17
Weighted-average shares outstanding - diluted	184.4	184.4	184.4	184.4	184.4	185.2	201.5	201.5	201.5	201.5

⁽¹⁾ Includes amortization and depreciation of acquired intangible assets and purchase accounting adjustments related to acquisitions.

⁽²⁾ Primarily includes \$5.7 million in total charges related to our 2024 debt repricing in addition to IT costs related to a 2023 cybersecurity incident and acquisition-related IT integrations and implementations.

⁽³⁾ Primarily includes \$12.5 million in total charges related to our 2023 debt refinancing and acquisition-related IT integration and implementation costs.

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

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 Amortization and Depreciation ⁽¹⁾	Non-Recurring Items ⁽²⁾	Tax Valuation Allowance ⁽³⁾	Non-GAAP
Net revenues	\$ 4,284.8	\$ —	\$ —	\$ —	\$ 4,284.8
Total costs and expenses	4,047.1	24.9	37.5	—	3,984.7
Income (loss) from operations	237.7	(24.9)	(37.5)	—	300.1
Other expense, net	(202.9)	(0.6)	(10.8)	—	(191.5)
Income (loss) before income taxes	34.8	(25.5)	(48.3)	—	108.6
Income tax (benefit) provision	(60.2)	(6.1)	(11.4)	(58.3)	15.6
Net income (loss)	\$ 95.0	\$ (19.4)	\$ (36.9)	\$ 58.3	\$ 93.0
Earnings (loss) per share - diluted ⁽⁵⁾	\$ 0.50	\$ (0.10)	\$ (0.18)	\$ 0.29	\$ 0.49
Weighted-average shares outstanding - diluted	201.1	201.1	201.1	201.1	201.1

⁽¹⁾ Includes amortization and depreciation of acquired intangible assets and purchase accounting adjustments related to acquisitions.

⁽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.

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				
	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	Total	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	Total
Net income (loss)	\$ 117.4	\$ 29.7	\$ (77.1)	\$ 6.5	\$ 76.5	\$ 105.4	\$ 38.5	\$ (72.7)	\$ 25.0	\$ 96.2
Interest expense, net	51.7	52.3	56.6	58.8	219.4	32.5	36.4	42.5	49.6	161.0
Income tax (benefit) provision	(45.8)	(3.0)	(7.2)	5.0	(51.0)	2.9	0.3	(3.5)	(4.2)	(4.5)
Depreciation and amortization expense	58.6	61.0	64.0	65.4	249.0	48.9	48.4	53.0	56.1	206.4
Stock compensation and stock warrant expense, net	12.3	13.2	8.4	14.2	48.1	11.6	10.3	9.7	12.5	44.1
Non-cash lease amortization expense	4.4	4.5	4.4	3.5	16.8	6.6	4.4	4.5	4.6	20.1
Non-recurring items, before taxes ⁽¹⁾	7.6	5.6	20.7	7.5	41.4	(0.6)	6.1	3.1	13.7	22.3
Adjusted EBITDA	\$ 206.2	\$ 163.3	\$ 69.8	\$ 160.9	\$ 600.2	\$ 207.3	\$ 144.4	\$ 36.6	\$ 157.3	\$ 545.6

⁽¹⁾ In 2024, amounts include charges related to the 2024 debt repricing, IT costs related to a 2023 cybersecurity incident, and IT integration and implementation costs stemming primarily from the merger with Topgolf. 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.

Note: Numbers may not foot due to rounding



TOPGOLF ADJUSTED EBITDA RECONCILIATION

Supplemental Financial Information

(\$ in millions, except percentages)

(Unaudited)

	Three Months Ended March 31,		Twelve Months Ended December 31,	
	2024	2023	2023	2022
Topgolf Segment operating income ⁽¹⁾ :	\$ 2.9	\$ 2.8	\$ 108.8	\$ 76.8
Non-GAAP Depreciation and amortization expense	48.5	36.6	164.9	125.2
Non-cash stock compensation expense	5.2	4.1	12.9	15.2
Non-cash lease amortization expense	3.2	4.5	17.1	19.6
Other income (expense)	—	0.1	0.6	(1.4)
Adjusted segment EBITDA	\$ 59.8	\$ 48.1	\$ 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



THANK YOU