

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

March 16, 2023
Date of Report (Date of earliest event reported)

TOPGOLF CALLAWAY BRANDS CORP.
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction
of incorporation)

1-10962
(Commission
File Number)

95-3797580
(IRS Employer
Identification No.)

2180 RUTHERFORD ROAD, CARLSBAD, CALIFORNIA
(Address of principal executive offices)

92008-7328
(Zip Code)

(760) 931-1771
Registrant's telephone number, including area code

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	MODG	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.*

On March 16, 2023, Topgolf Callaway Brands Corp. issued a press release captioned, “Topgolf Callaway Brands Successfully Completes Debt Refinancing.” A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by this reference.

Item 9.01 Financial Statements and Exhibits.*

(d) Exhibits.

The following exhibit is being furnished herewith:

Exhibit 99.1 [Press Release, dated March 16, 2023, captioned, “Topgolf Callaway Brands Successfully Completes Debt Refinancing.”](#)

Exhibit 104 Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

* The information furnished in this Current Report on Form 8-K shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any registration statement or other filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TOPGOLF CALLAWAY BRANDS CORP.

Date: March 16, 2023

By: /s/ Brian P. Lynch
Name: Brian P. Lynch
Title: Executive Vice President, Chief Financial Officer and Chief Legal Officer



TOPGOLF CALLAWAY BRANDS SUCCESSFULLY COMPLETES DEBT REFINANCING

CARLSBAD, Calif., March 16, 2023 /PRNewswire/ – Topgolf Callaway Brands Corp. (NYSE: MODG) (“Topgolf Callaway Brands” or the “Company”) today announced the completion of a series of related transactions in support of a comprehensive plan to refinance its capital structure. Through these transactions, the Company simplified and unified its financial reporting, extended its debt maturities and improved liquidity.

Summary of Transactions

- Entered into a new \$1.25 billion 7-year senior secured term loan B
- A portion of the proceeds were used to refinance the existing \$432 million Topgolf Callaway Brands term loan B, \$337 million Topgolf term loan B and \$175 million Topgolf revolving credit facility resulting in go-forward cash interest savings of over \$12 million per year on this refinanced debt
- The balance of the proceeds will be used to pay down the Topgolf Callaway Brands existing ABL balances and for general corporate purposes
- Upsized and extended the existing Topgolf Callaway Brands \$400 million asset-backed lending (ABL) revolving credit facility with a new 5-year \$525 million senior secured ABL revolving credit facility

“We are pleased to announce the successful completion of our debt refinancing, which simplifies and strengthens our capital structure while maintaining modest net leverage and increasing our liquidity by over \$300 million,” said Brian Lynch, Chief Financial Officer and Chief Legal Officer at Topgolf Callaway Brands. “As we assess our capital allocation priorities, we believe that continuing to invest in the growth of our existing business will create the most long-term value for shareholders. In particular, we view the development of 11 new Topgolf venues per year as a highly attractive investment given our track record of delivering 40% to 50% cash-on-cash returns. Through this new capital structure, we will have more financial flexibility and venue financing options to fund the continued growth of the business, while also remaining on track to deliver positive free cash flow in 2023.”

The \$1.25 billion senior secured term loan facility, which was privately placed with institutional investors, will accrue interest at an annual rate of SOFR+350, plus an additional 10 basis point credit spread adjustment, and will mature on March 16, 2030. Bank of America, N.A., JPMorgan Chase Bank, N.A., MUFG Securities Americas Inc., and Truist Securities, Inc. acted as Joint Lead Arrangers and Joint Bookrunners.

The \$525 million senior secured ABL revolving credit facility, led by Bank of America, N.A. as Administrative Agent, will mature on March 16, 2028.

For additional information on the terms and conditions, please see the Company’s Form 8-K, which will be filed with the Securities and Exchange Commission within four business days.

Forward-Looking Statements

Statements used in this press release that relate to future plans, events, financial results, performance, prospects, or growth opportunities, including statements relating to the Company's financial structure, liquidity, investment in growth of the existing business, opening of new Topgolf venues, financial flexibility and financing options and projected free cash flow, 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 statements are based upon current information and expectations. Accurately estimating the forward-looking statements is based upon various risks and unknowns, including production delays, staffing shortages; uncertainty regarding global economic conditions and related decreases in customer demand/spending; increases in operating and freight costs; global supply chain constraints and challenges; the Company's level of indebtedness; continued availability of credit facilities and liquidity and ability to comply with applicable debt covenants; effectiveness of capital allocation and cost/expense reduction efforts; continued brand momentum and product success; growth in the direct-to-consumer and e-commerce channels; cost of living and inflationary pressures; any changes in U.S. trade, tax or other policies, including restrictions on imports or an increase in import tariffs; future retailer purchasing activity, which can be significantly negatively affected by adverse industry conditions and overall retail inventory levels; and future changes in foreign currency exchange rates and the degree of effectiveness of the Company's hedging programs. Actual results may differ materially from those estimated or anticipated as a result of these risks and unknowns or other risks and uncertainties, including the effect of terrorist activity, armed conflict, natural disasters or pandemic diseases; delays, difficulties or increased costs in the supply of components or commodities needed to manufacture the Company's products or in manufacturing the Company's products; and a decrease in participation levels in golf generally. For additional information concerning these and other risks and uncertainties that could affect these statements and the Company's business, see the Company's Annual Report on Form 10-K for the year ended December 31, 2022 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 Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to republish revised forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

About Topgolf Callaway Brands Corp.

Topgolf Callaway Brands Corp. (NYSE: MODG) is an unrivaled tech-enabled Modern Golf and active lifestyle company delivering leading golf equipment, apparel, and entertainment, with a portfolio of global brands including Topgolf, Callaway Golf, TravisMathew, Toptracer, Odyssey, OGIO, Jack Wolfskin, and World Golf Tour ("WGT"). "Modern Golf" is the dynamic and inclusive ecosystem that includes both on-course and off-course golf. For more information, please visit <https://www.topgolfcallawaybrands.com>.

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