



Topgolf Callaway Brands Corp.

Raymond James Institutional Investors Conference

March 4, 2024

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NYSE

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, net revenues, same venue sales, free cash flow, embedded cash flow, Adjusted EBITDA, Segment Adjusted EBITDA, EBITDAR, EBITDAR Margin Adjusted EBITDA Less Venue Financing Cash Interest, pretax income, net income, tax rates, net capital expenditures, depreciation & amortization, gross debt, net debt, net debt leverage ratio, venue financing liability, earnings per share, interest rates and expense and projected Topgolf venue economics), projected Topgolf venue financing options, new product lines, strength and demand of the Company's products and services, including promotional activity, 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, expected Topgolf venue traffic, Toptracer installations, closings of additional acquisitions of BigShots assets, capital allocation priorities, de-risking and de-leveraging the business, liquidity and adequacy of cash and available borrowing under credit facilities, anticipated stock repurchases, 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 free cash flow, Adjusted EBITDA, Segment Adjusted EBITDA, non-GAAP diluted earnings per share, 4-Wall Adjusted EBITDAR margin, EBITDAR, EBITDA Less Venue Financing Cash Interest, non-GAAP depreciation and amortization, non-GAAP net income, non-GAAP pretax income, non-GAAP tax rate, net capital expenditures, embedded cash flow, payback period, return on gross investment and cash-on-cash return information (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.

UNMATCHED SCALE AND CONSUMER REACH

TOPGOLF



GOLF EQUIPMENT



ACTIVE LIFESTYLE



#1

Off-course golf company and ball tracing technology in Toptracer

Over

30M

Unique Topgolf visits expected in 2024

Top
20

Fastest growing brands¹

#1

Callaway and Odyssey top ranked golf clubs by dollar share²

#1

In R&D spend

#2

Ranked golf ball company by dollar share²

Operate in

25+

Countries worldwide

Leading golf apparel brand in TravisMathew

Jack Wolfskin is a leading outdoor apparel brand in central Europe

MODERN GOLF ECOSYSTEM DRIVING SYNERGIES

TOPGOLF



GOLF EQUIPMENT



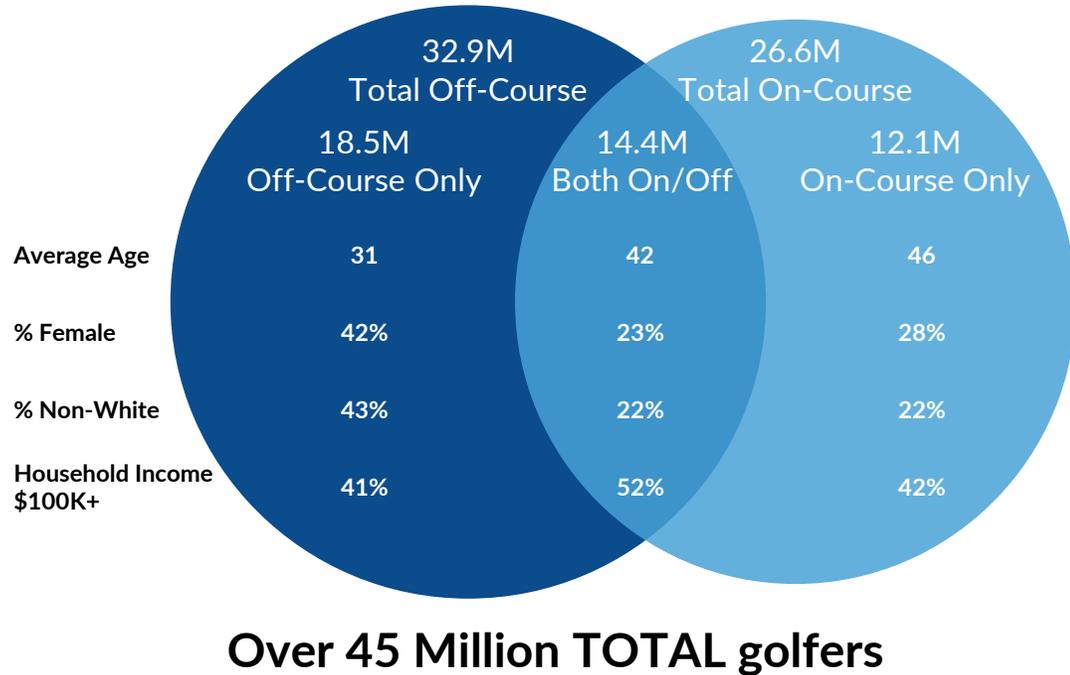
ACTIVE LIFESTYLE



- **Cross brand Consumer Data Platform**
 - Targeted and personalized advertising
 - Membership or loyalty program
- **Retail opportunity at Topgolf venues**
 - Increased prominence of Callaway golf equipment & TravisMathew apparel
 - Co-branded Callaway/Topgolf golf gloves and balls
- **Product opportunities**
 - Upgrade to Callaway clubs at Topgolf venues
 - Updated Topgolf-branded clubs designed by Callaway
- **Leveraging relationships with athletes and influencers across brands**
 - Cross-promotion and tour exposure to drive avid golfers to Topgolf venues & Toptracer bays from Callaway & TravisMathew brand enthusiasts

2023 GOLF STATS SHOW NO SIGN OF SLOWDOWN

MODERN GOLF ECOSYSTEM¹



NOTEWORTHY 2023 STATS¹

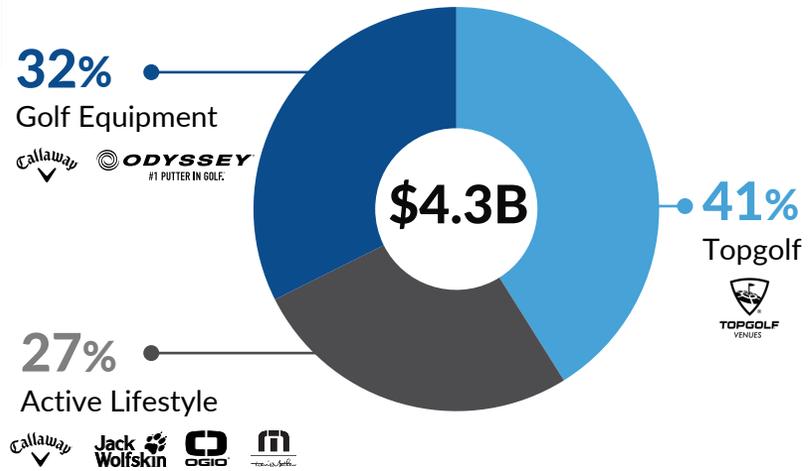
- Total on and off course golfers 45M, up 9% YoY and up 32% vs. 2019
- ~26.6M Americans played golf on course, up 1M YoY
- Largest 1-year growth in participants since 2001, driven by 3.4M 1st time on course golfers, a record
- 32.9M participated in off course golf, +18% YoY and +41% since 2019

Topgolf is adding 300-400 thousand unique visitors with each venue added and will have 30+ million unique visitors in 2024

~10% OF CURRENT GREEN GRASS GOLFERS CREDIT TOPGOLF FOR GETTING THEM INTO THE GAME¹

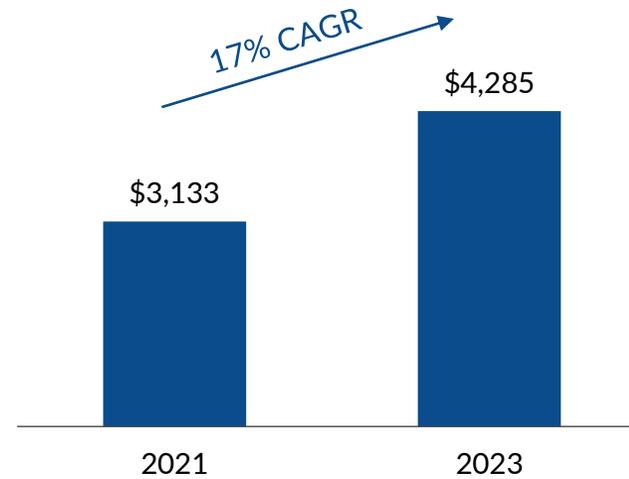
DIVERSIFIED REVENUE MIX, STRONG PERFORMANCE

2023 REVENUE MIX BY SEGMENT



NET REVENUE

\$ in millions



ADJUSTED EBITDA¹

\$ in millions



1. See Appendix for Adjusted EBITDA reconciliation to GAAP. Additionally, as Adjusted EBITDA is a non-GAAP measure, please see the Regulation G disclaimers on page 2 of this presentation.

UNIQUE AND COMPELLING INVESTMENT OPPORTUNITY



Proven

Demonstrated Results Across All Segments



Scaled

Unmatched Global Reach in Modern Golf



Diversified

Growth Not Determined by Any One Segment



Protected

High Barriers to Entry, Premium Brands, Create Deep Moats



Growth-Oriented

Positioned for Sustainable Growth within a Growing Category

TOTAL COMPANY AND TOPGOLF TRANSITIONED TO POSITIVE FREE CASH FLOW IN 2023

2024
CALLAWAY
PRODUCT
LAUNCHES

AI SMOKE



AI SMOKE FAIRWAY



AI SMOKE IRONS



CHROME TOUR GOLF BALL





APPENDIX

ADJUSTED EBITDA RECONCILIATION

Non-GAAP Reconciliation and Supplemental Financial Information

(\$ in millions)

(Unaudited)

	2023 Trailing Twelve Month Adjusted EBITDA					2022 Trailing Twelve Month Adjusted EBITDA				
	Quarter Ended					Quarter Ended				
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	Total	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	Total
Net income (loss)	\$ 25.0	\$ 117.4	\$ 29.7	\$ (77.1)	\$ 95.0	\$ 86.7	\$ 105.4	\$ 38.5	\$ (72.7)	\$ 157.9
Interest expense, net	49.6	51.7	52.3	56.6	210.2	31.4	32.5	36.4	42.5	142.8
Income tax provision (benefit)	(4.2)	(45.8)	(3.0)	(7.2)	(60.2)	(15.7)	2.9	0.3	(3.5)	(16.0)
Depreciation and amortization expense	56.1	58.6	61.0	64.0	239.7	42.5	48.9	48.4	53.0	192.8
Non-cash stock compensation and stock warrant expense, net	12.5	12.3	13.2	8.4	46.4	14.5	11.6	10.3	9.7	46.1
Non-cash lease amortization expense	4.6	4.4	4.5	4.4	17.9	3.5	6.6	4.4	4.5	19.0
Acquisitions & other non-recurring costs, before taxes ⁽¹⁾	13.7	7.6	5.6	20.7	47.6	6.9	(0.6)	6.1	3.1	15.5
Adjusted EBITDA	\$ 157.3	\$ 206.2	\$ 163.3	\$ 69.8	\$ 596.6	\$ 169.8	\$ 207.3	\$ 144.4	\$ 36.6	\$ 558.1

⁽¹⁾ 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 non-cash asset write-downs associated with the Jack Wolfskin retail operations in Russia and the closure of a pre-merger Topgolf concept location, both due to business decisions to exit those businesses, costs associated with the implementation of new IT systems for Topgolf, and legal costs and credit agency fees related to a postponed debt refinancing.