
BOWLING
BOWLERO
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INVESTOR PRESENTATION
SEPTEMBER 2023

Disclaimer

Forward-looking statements

Some of the statements contained in this presentation are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risk, assumptions and uncertainties, such as statements of our plans, objectives, expectations, intentions and forecasts. These forward-looking statements are generally identified by the use of forward-looking terminology, including the terms "anticipate," "believe," “confident,” “continue,” "could," "estimate," "expect," "intend," “likely,” "may," "plan," “possible,” "potential," "predict," "project," "should," "target," "will," "would" and, in each case, their negative or other various or comparable terminology. These forward-looking statements reflect our views with respect to future events as of the date of this release and are based on our management’s current expectations, estimates, forecasts, projections, assumptions, beliefs and information. Although management believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. All such forward-looking statements are subject to risks and uncertainties, many of which are outside of our control, and could cause future events or results to be materially different from those stated or implied in this document. It is not possible to predict or identify all such risks. These risks include, but are not limited to: our ability to design and execute our business strategy; changes in consumer preferences and buying patterns; our ability to compete in our markets; the occurrence of unfavorable publicity; risks associated with long-term non-cancellable leases for our centers; our ability to retain key managers; risks associated with our substantial indebtedness and limitations on future sources of liquidity; our ability to carry out our expansion plans; our ability to successfully defend litigation brought against us; our ability to adequately obtain, maintain, protect and enforce our intellectual property and proprietary rights and claims of intellectual property and proprietary right infringement, misappropriation or other violation by competitors and third parties; failure to hire and retain qualified employees and personnel; the cost and availability of commodities and other products we need to operate our business; cybersecurity breaches, cyber-attacks and other interruptions to our and our third-party service providers’ technological and physical infrastructures; catastrophic events, including war, terrorism and other conflicts; public health emergencies and pandemics, such as the COVID-19 pandemic, or natural catastrophes and accidents; changes in the regulatory atmosphere and related private sector initiatives; fluctuations in our operating results; economic conditions, including the impact of increasing interest rates, inflation and recession; and other factors described under the section titled “Risk Factors” in the Company's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (the “SEC”) by the Company on September 11, 2023, as well as other filings that the Company will make, or has made, with the SEC, such as Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this presentation and in other filings. We expressly disclaim any obligation to publicly update or review any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by applicable law.

Non-GAAP Financial Measures

To provide investors with information in addition to our results as determined under Generally Accepted Accounting Principles (“GAAP”), we disclose Total Bowling Center Revenue, Normalized Calendar Same Store Revenue, Adjusted EBITDA and trailing twelve month Adjusted EBITDA as “non-GAAP measures”, which management believes provide useful information to investors because each measure assists both investors and management in analyzing and benchmarking the performance and value of our business. Accordingly, management believes that these measurements are useful for comparing general operating performance from period to period, and management relies on these measures for planning and forecasting of future periods. Additionally, these measures allow management to compare our results with those of other companies that have different financing and capital structures. These measures are not financial measures calculated in accordance with GAAP and should not be considered as a substitute for revenue, net income, or any other operating performance or liquidity measure calculated in accordance with GAAP, and may not be comparable to a similarly titled measure reported by other companies.

Total Bowling Center Revenue represents Total Revenue less Non-Center Related Revenue, Revenue from Closed Centers, Service Revenue, and Revenue from the 53rd Week and associated Calendar Shift, if applicable. Normalized Calendar Same Store Revenue represents Total Revenue less Non-Center Related Revenue, Revenue from centers that were either closed or opened since the end of the reference period, Service Revenue, Revenue from the 53rd Week and associated Calendar Shift, if applicable, and Acquired Revenue. Adjusted EBITDA represents Net Income (Loss) before Interest, Income Taxes, Depreciation and Amortization, Share-based Compensation, EBITDA from Closed Centers, Foreign Currency Exchange Loss (Gain), Asset Disposition Loss (Gain), Transactional and other advisory costs, changes in the value of earnouts and warrants and settlement costs, and other. Trailing twelve month Adjusted EBITDA represents Adjusted EBITDA over the most recent twelve month period.

The Company considers Total Bowling Center Revenue as an important financial measure because it provides a financial measure of revenue directly associated with bowling center operations. The Company also considers Normalized Calendar Same Store Revenue as an important financial measure because it provides comparable revenue for centers open for the entire duration of both the current and comparable measurement periods, and removes the impact of the 53rd week and associated calendar shift that are non-recurring in nature.

The Company considers Adjusted EBITDA as an important financial measure because it provides a financial measure of the quality of the Company’s earnings. Other companies may calculate Adjusted EBITDA differently than we do, which might limit its usefulness as a comparative measure. Adjusted EBITDA is used by management in addition to and in conjunction with the results presented in accordance with GAAP. Additionally, we believe trailing twelve month Adjusted EBITDA provides the current run-rate for trending purposes, rather than annualizing the respective quarters, as the Company’s business is seasonal, with the second and third fiscal quarters being higher than the first and last quarters. We have presented Adjusted EBITDA solely as a supplemental disclosure because we believe it allows for a more complete analysis of results of operations and assists investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are that Adjusted EBITDA and trailing twelve month Adjusted EBITDA: do not reflect every expenditure, future requirements for capital expenditures or contractual commitments; do not reflect changes in our working capital needs; do not reflect the interest expense, or the amounts necessary to service interest or principal payments, on our outstanding debt; do not reflect income tax (benefit) expense, and because the payment of taxes is part of our operations, tax expense is a necessary element of our costs and ability to operate; do not reflect non-cash equity compensation, which will remain a key element of our overall equity based compensation package; and do not reflect the impact of earnings or charges resulting from matters we consider not to be indicative of our ongoing operations.

Why Bowlero is Distinct

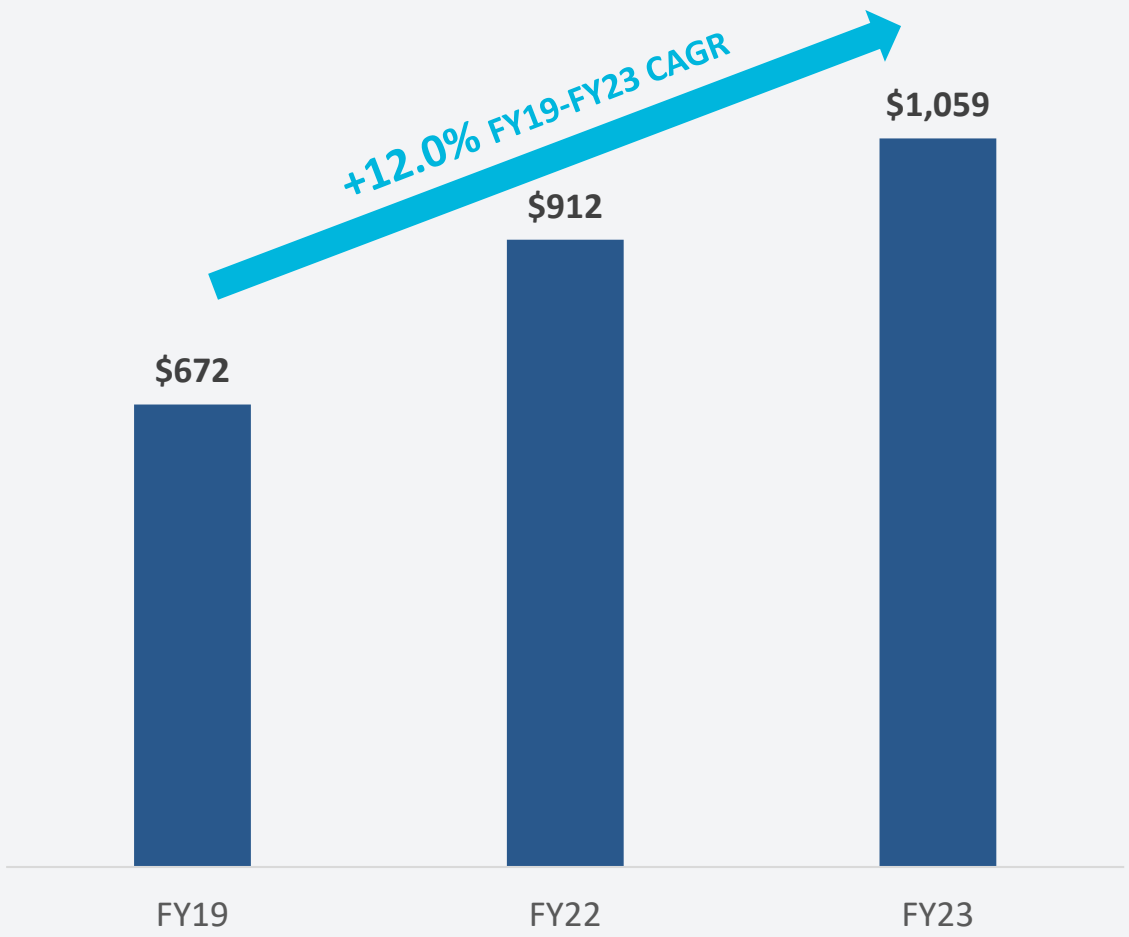


- Scaled Operator with a Sustainable Growth Algorithm
- Well-Capitalized and Self-Funding
- Multiple Accretive Uses of Capital
- Becoming Digital-led
- Pioneer in Experiential Secular Trend
- Out-of-Home Entertainment Industry Leader
- Affordable Leisure with Mass Appeal
- Owner-operated and Founder-led
- Diversified Portfolio of Centers

Consistent Top and Bottom-line Growth

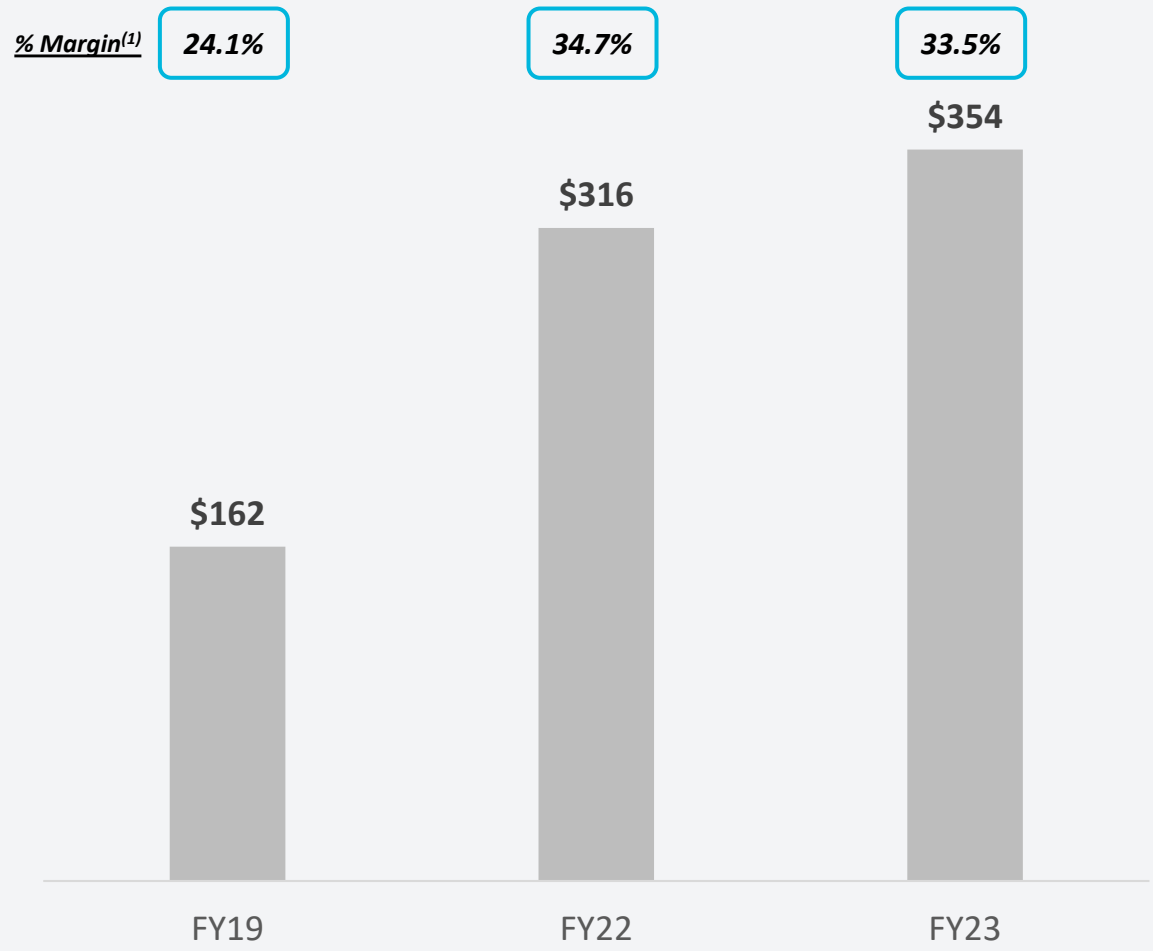
Total Revenue - Reported

($ in M)



Adjusted EBITDA[1]

($ in M)

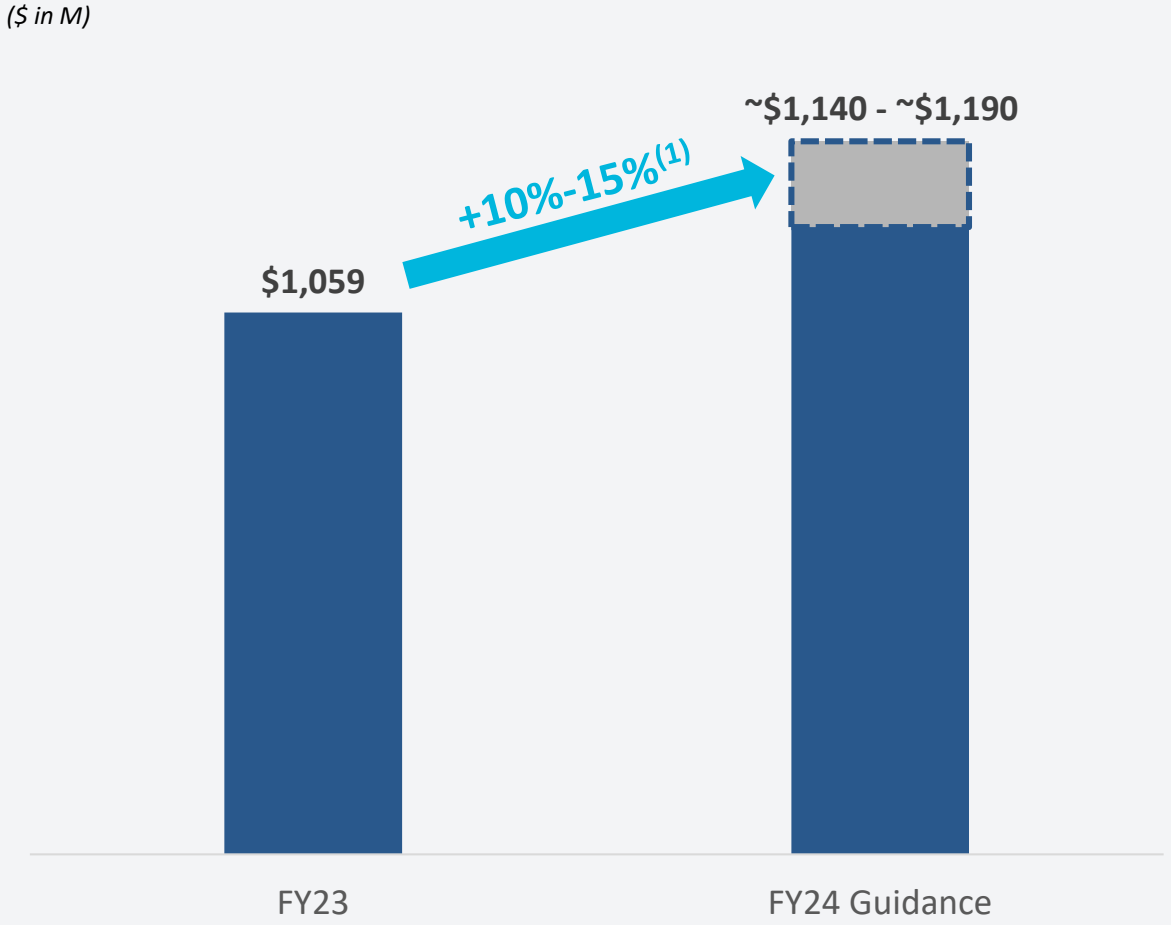


(1) See "Non-GAAP Financial Measures" above for more details. See the Appendix for reconciliation of non-GAAP items.

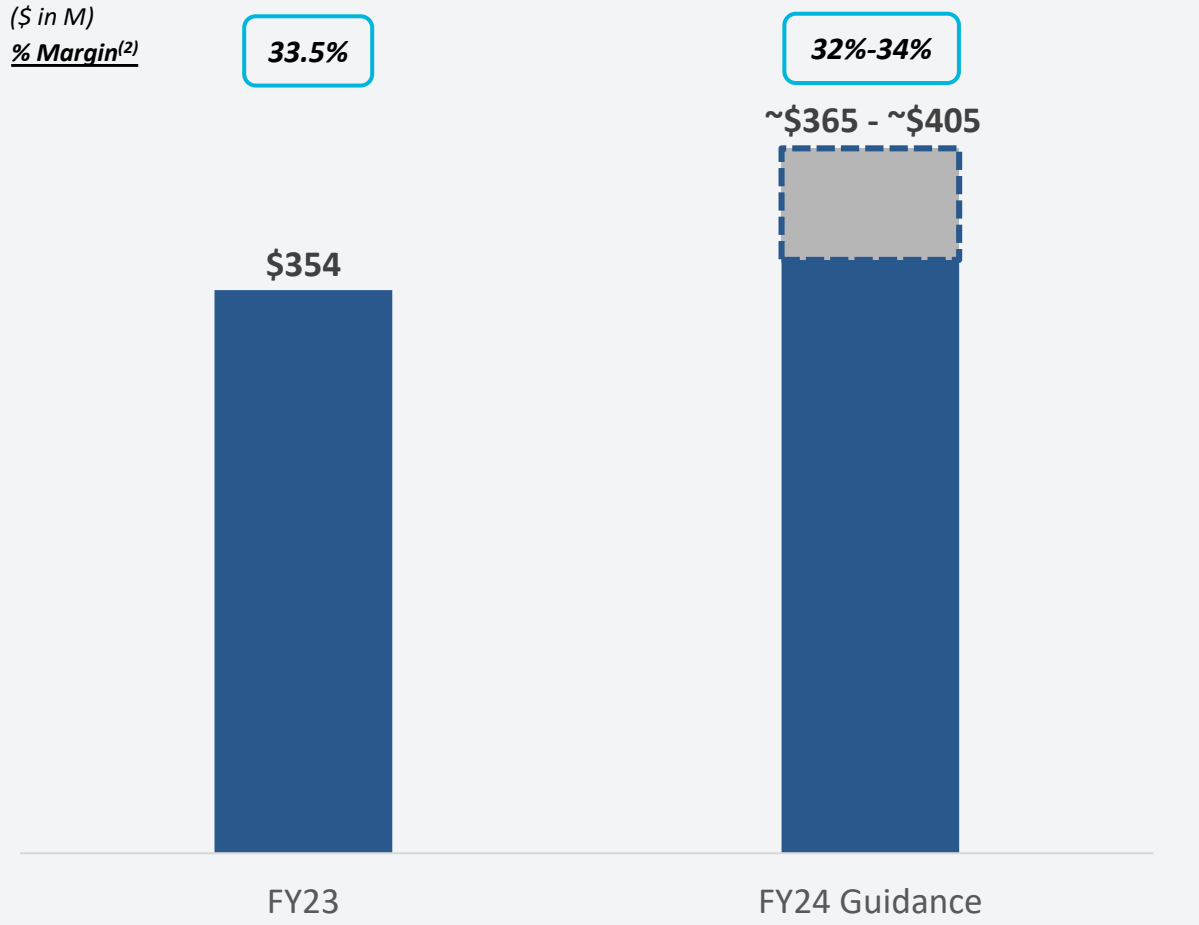
Fiscal Year 2024 Guidance

- **Total Revenue growth of 10%-15%[(1)], with Same Store Revenue[(2)] flattish**
- **Adjusted EBITDA % Margin[(2)] of 32%-34%**

Total and Same Store Revenue



Adjusted EBITDA[(2)]



(1) Excludes $21 million Service Revenue in Fiscal Year 2023.
(2) See "Non-GAAP Financial Measures" above for more details. See the Appendix for reconciliation of non-GAAP items.

Scaled Operator with a Sustainable Growth Algorithm

Same Store Revenue Growth

Average Revenue Per Customer

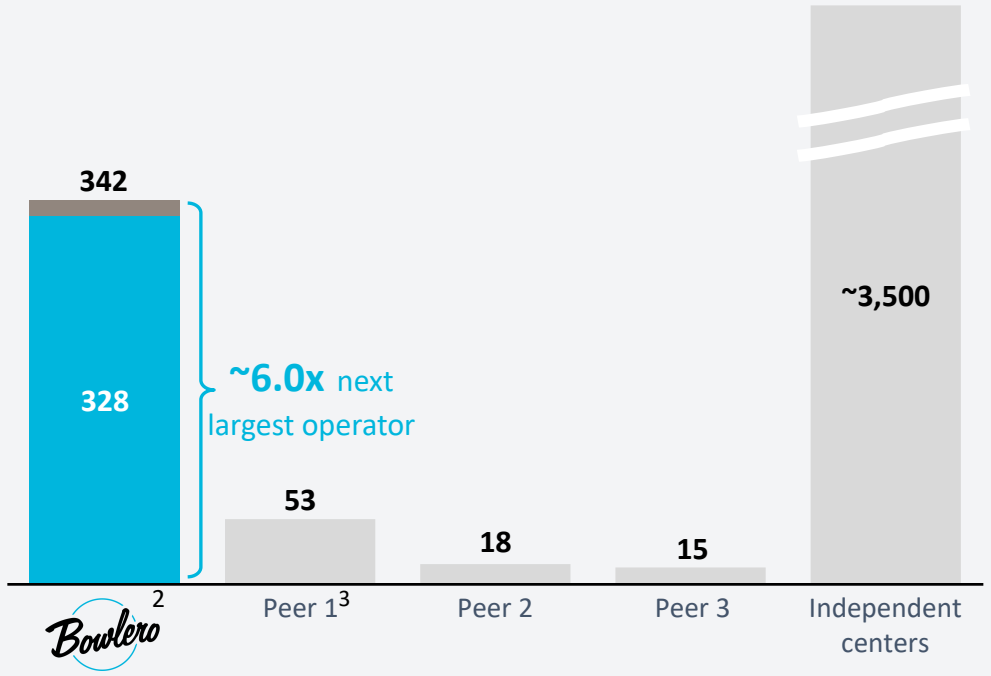
- CPI-level annual price increases
- Bundled offerings drive additional spend
- Continual innovation of the customer experience / offerings

Conversions

- 150+ centers remaining to be converted to upscale brand
- 25%+ returns

Acquisitions in a Favorable Market Dynamic[1]

(# of centers)



New Builds in Marquee Markets

(Gray boxes denote sample current or previous new builds)

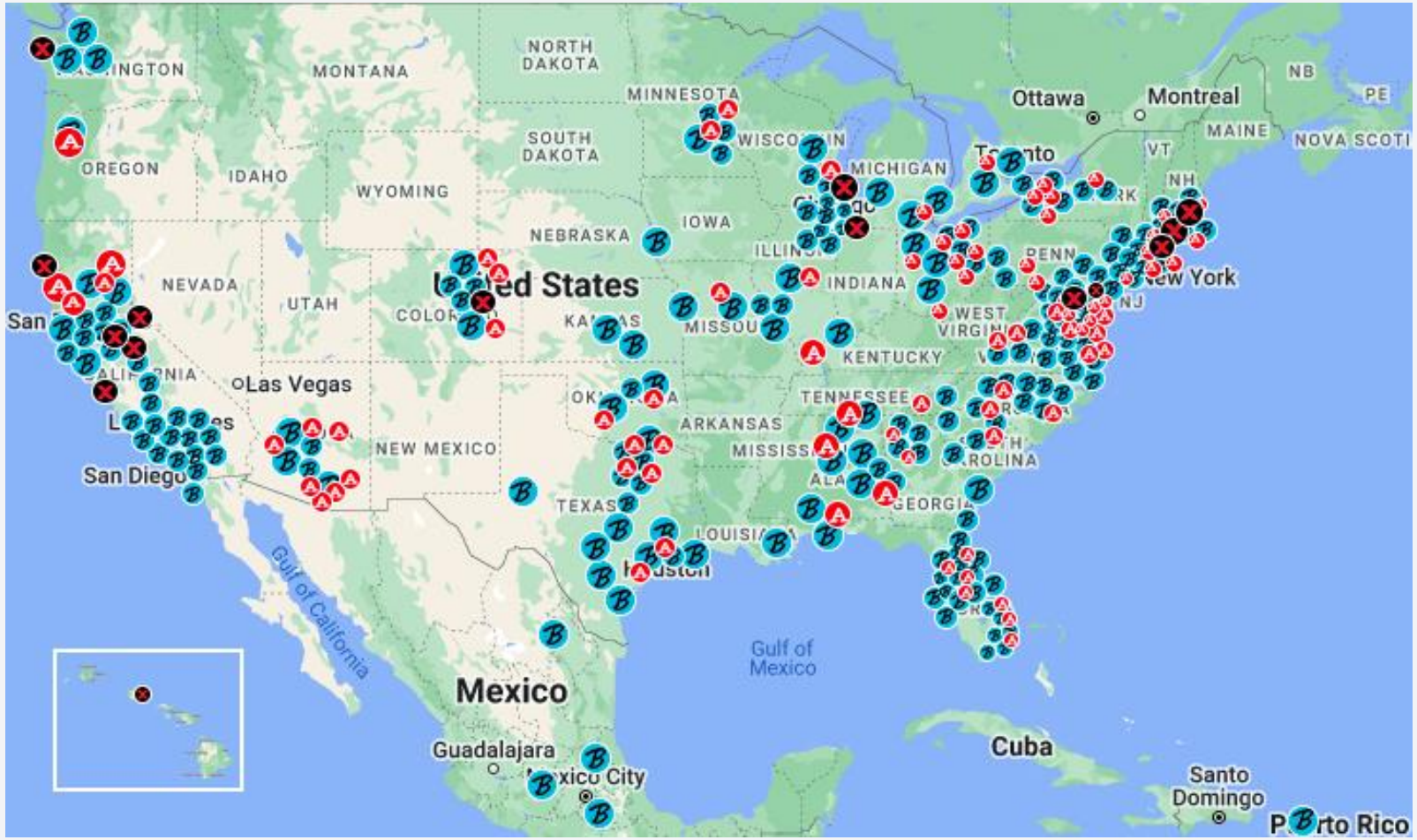


Clear Path to Long-Term, Compounded Topline Growth

Source: Company websites and management estimates as of Q4 FY23. Excludes centers that have yet to open (e.g., new builds) for all companies shown.
(1) Illustrative. Represents a sample of other peer chains (i.e., not an exhaustive list).
(2) Pro forma for acquisition of Lucky Strike Entertainment, LLC announced on May 31, 2023.
(3) Subsidiary of a larger company.

Growing Portfolio of Assets in Diversified and Attractive Markets

Bowlero Lucky Strike AMF/Other



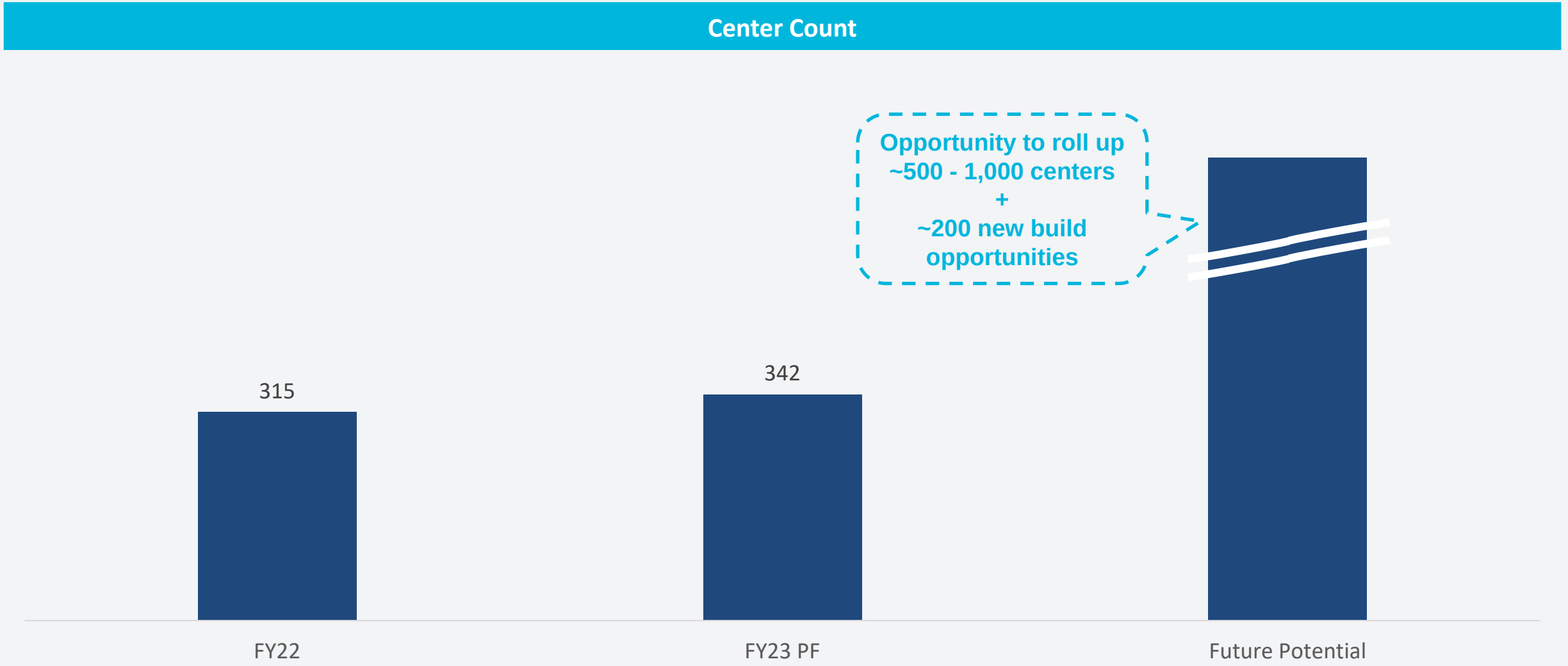
- **328** operating centers as of July 2, 2023, **342** pro forma for pending closing of Lucky Strike acquisition
- Well positioned in **highly attractive markets** across North America
- **Robust acquisition pipeline** supports unit growth
- **Three core brands**

Bowlero AMF LUCKY STRIKE

Note: As of July 2, 2023, unless otherwise noted.

Center Growth Potential

- **Acquisitions + New Builds provide avenue for continued center growth over the long-term**

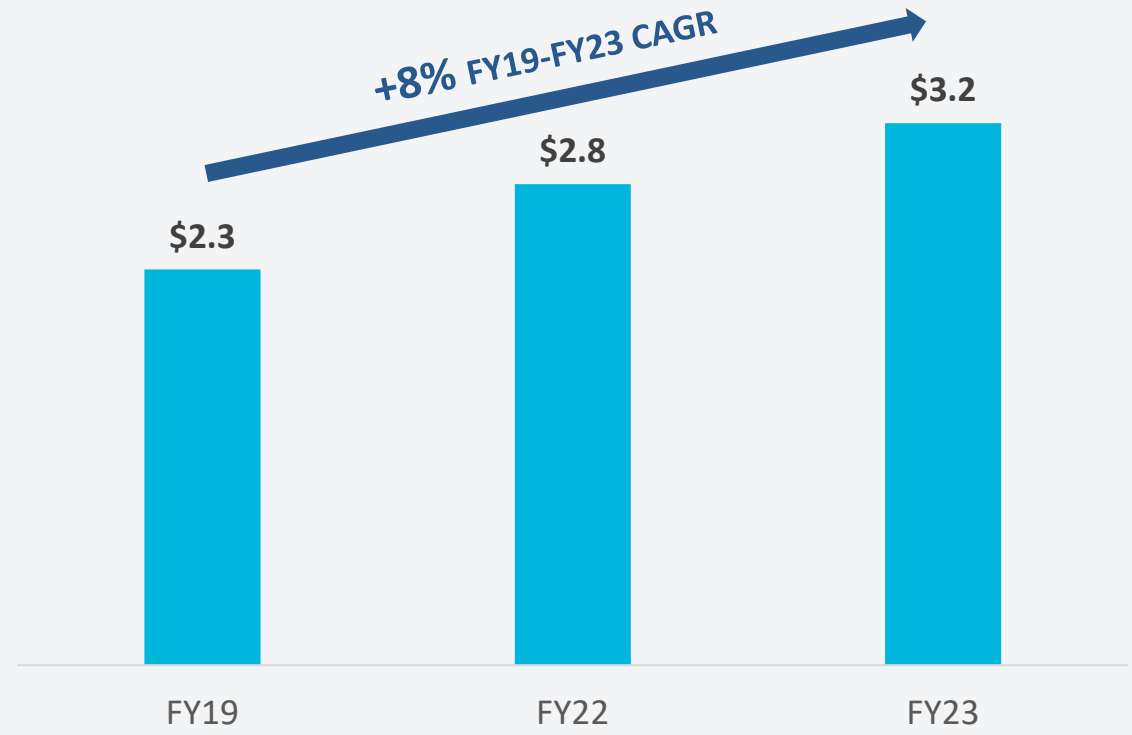


Growing Wallet Share with Strong Incrementals

- Average Unit Volumes have reset to a new base driven by higher Average Revenue Per Customer
- Margin expansion through high contribution margins across all products and cost management through scale and efficiencies

Average Unit Volumes Have Reset to a Higher Base

($ in millions)



Various Tools to Drive Average Revenue Per Customer









BOWLING

~100%
Contribution Margin



F&B

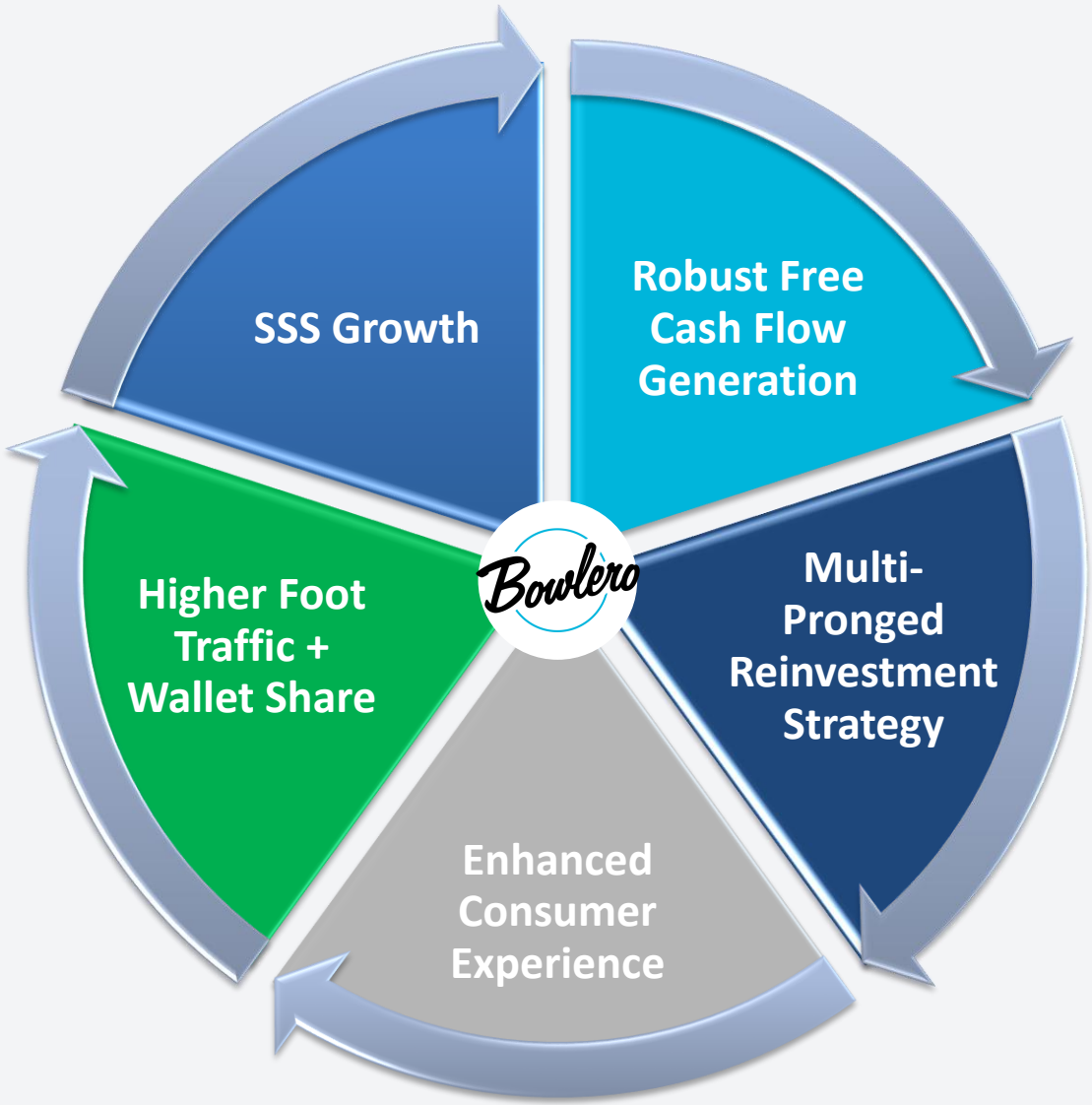
~75%
Contribution Margin



AMUSEMENTS

~91%
Contribution Margin

Self-Funding Flywheel Drives Sustainable Long-Term Growth



Normalized Calendar SSS CAGR(1)

12.8% FY22-FY23

4.9% FY16-FY19

Cash Flow Available for Reinvestment & Growth(1)

~$200M in both FY22 & FY23

Conversions

Center Acquisitions / New Builds

Share Buybacks / Tech

MoneyBowl™

Lane-Side Kiosks

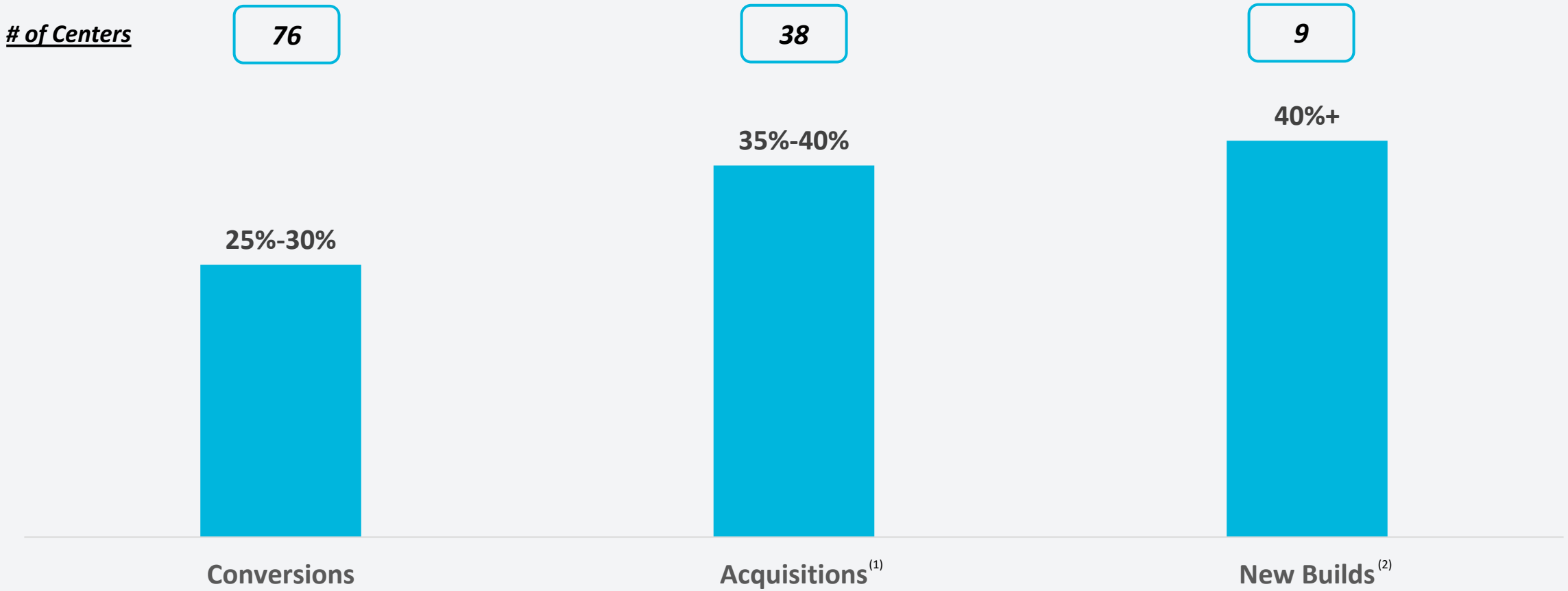
Bowling the Third Game

F&B/Arcade Attachment

(1) See "Non-GAAP Financial Measures" above for more details. See the Appendix for reconciliation of non-GAAP items.

Attractive ROI Across Multi-Pronged Reinvestment Strategy

Indicative One-Year Unlevered Returns (FY16-FY22 Dataset)



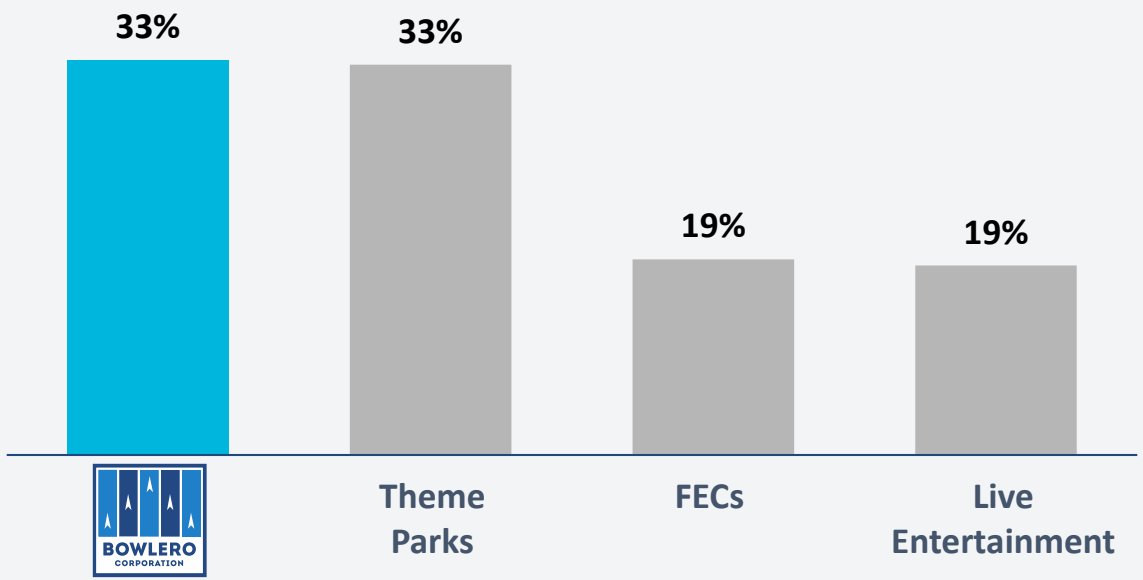
Accelerating Capital Deployment in FY24

Note: Dollars deployed across strategies in underlying dataset is ~$150 million for Conversions; ~$155 million gross for Acquisitions, ~$95 million net; and ~$65 million for New Builds.
(1) Includes the benefit of subsequent sales of underlying land and/or centers.
(2) New build metrics include the benefit of Tenant Improvement Allowances ("TIA").

Superior Margin and Cash Flow Profile vs. Peers

TOP-TIER PROFITABILITY

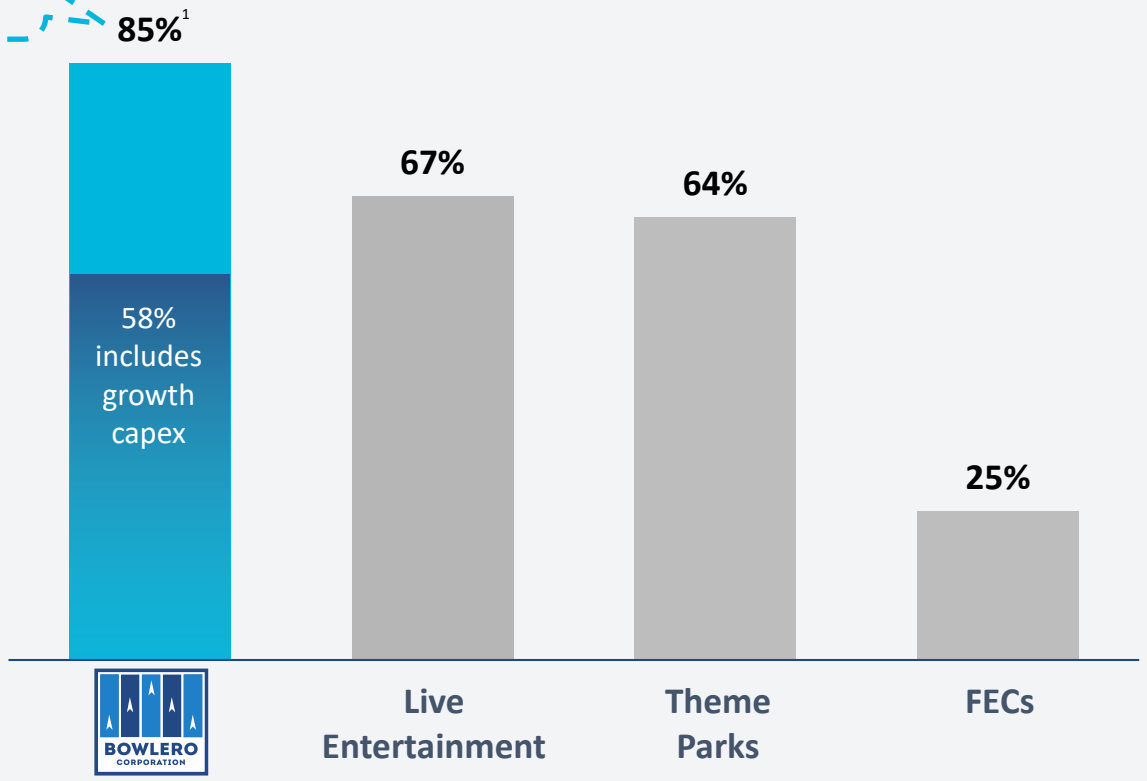
LTM CY Q2 CY23 EBITDA margin



INDUSTRY-LEADING FREE CASH FLOW CONVERSION

LTM CY Q2 CY23 (EBITDA – total capital expenditures) / EBITDA

Maintenance capex is 3%-4% of revenue



Note: Bars in chart represent average of peer set as of LTM period 06/30/23 or closest aligned CY LTM period. Peer metrics based on publicly available information. Source: Company filings.

(1) Free Cash Flow conversion excluding growth capex.

Theme Parks includes FUN, SEAS, and SIX. FECs includes MODG and PLAY. Live Entertainment includes LYV and VAIL.


JOIN OUR TEAM!
BOWL
SHOE RETURN
be kind un-tie
SHOE RETURN
CHECK OUT
BOWLMOR
AIR FX

Appendix

High Cash Flow Generation Provides Capital for Reinvestment

Highly profitable model and low maintenance requirements yield ~$200 million of cash flow per year for reinvestment in centers, acquisitions, new builds, and share buybacks

(dollars in thousands)	Twelve months ended July 2, 2023	Twelve months ended July 3, 2022 (including 53rd week)
Adjusted EBITDA[1]	**$354,344**	**$316,375**
Maintenance Capital Expenditures	(41,130)	(27,916)
Corporate Capital Expenditures	(11,902)	(9,162)
Adjusted EBITDA less Maintenance Capital Expenditures[1]	**$301,313**	**$279,296**
% of Adjusted EBITDA	*85%*	*88%*
Interest Expense, excluding Finance Leases	(62,169)	(48,778)
Lease Accounting Adjustments[2]	(35,767)	(35,433)
Cash Paid for Taxes	(6,640)	(3,898)
Cash Flow Available for Reinvestment & Growth	**$196,737**	**$191,187**

(1) See "Non-GAAP Financial Measures" above for more details. See the Appendix for reconciliation of non-GAAP items.
(2) This adjustment reflects (a) cash interest expense on finance leases, (b) an add-back for non-cash rent expense on operating leases, and (c) removal of non-cash gains due to lease modifications during the year. The purpose of this adjustment is remove non-cash gains and include cash expenses.

Conversions Are Multi-Phased Paths to an Upscale, Experiential Center

Phase I:

- *Arcades* – update and/or add an arcade
- *Cosmetics* – Flooring, paint (interior and exterior), and lighting
- *Audio-visual* – Video screens at the end of the lanes and upgraded sound system

Phase II:

- *Rebranding* – Rebrand name, including signage
- *Transition to Upscale* – Kitchen/bar replacement, front desk, changes to center layout (e.g., lane additions)

Pre-Investment – Illustrative





Post-Investment – Illustrative

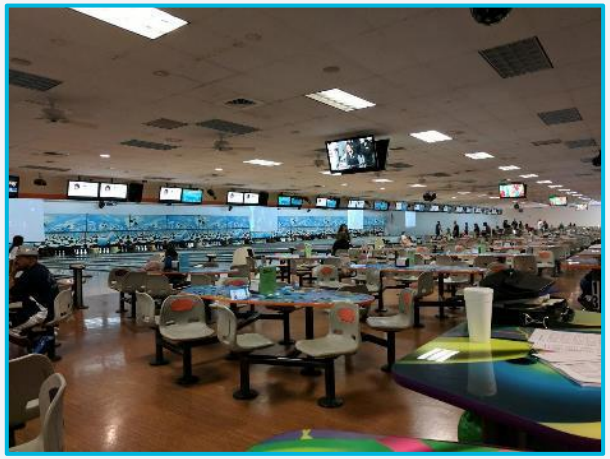




Illustrative Examples of Converted Centers

Bowlero Manteca





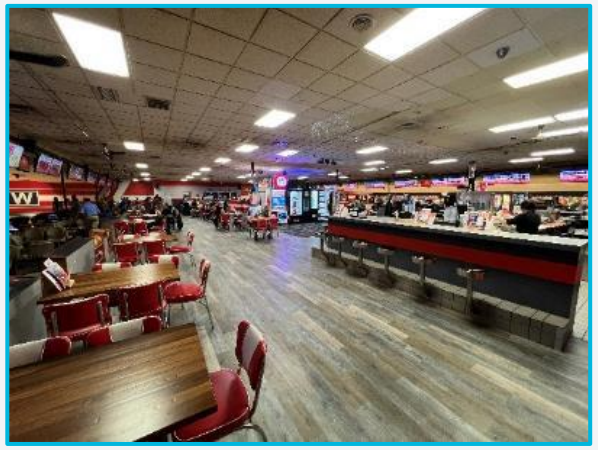


Bowl America Falls Church





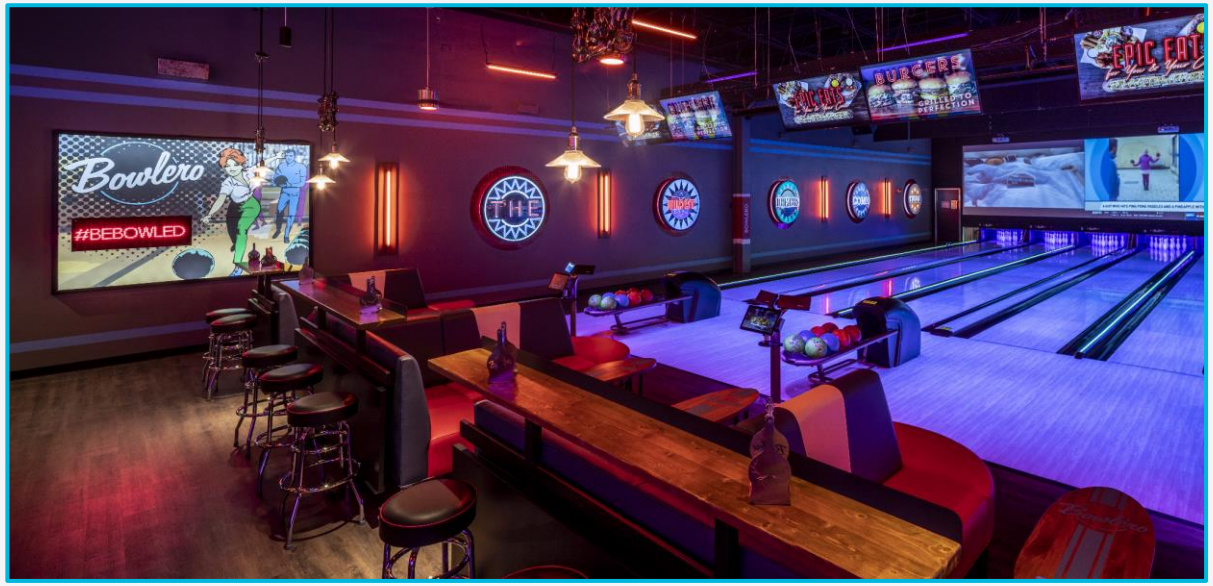




Illustrative Example of a New Build Center – Bowlero Dania Beach









Non-GAAP reconciliations

	Same Store Reconciliation – FY23 vs. FY19									
(dollars in thousands)	**Q1 FY19**	**Q2 FY19**	**Q3 FY19**	**Q4 FY19**	**Q1 FY23**	**Q2 FY23**	**Q3 FY23**	**Q4 FY23**	**FY19**	**FY23**
Total Revenue – Reported	**$141,248**	**$170,410**	**$205,023**	**$155,494**	**$230,260**	**$273,385**	**$315,725**	**$239,420**	**$672,175**	**$1,058,790**
less: Non-Center Related (including Closed Centers)	(5,958)	(7,861)	(8,224)	(6,344)	(5,245)	(5,193)	(5,630)	(5,545)	(28,387)	(21,613)
less: Service Revenue	-	-	-	-	(4,975)	(5,305)	(6,652)	(4,088)	-	(21,019)
Total Bowling Center Revenue	**$135,290**	**$162,549**	**$196,799**	**$149,150**	**$220,040**	**$262,887**	**$303,443**	**$229,787**	**$643,788**	**$1,016,158**
less: Acquired Revenue	(471)	(2,374)	(514)	(1,382)	(37,235)	(47,389)	(51,020)	(38,729)	(17,419)	(189,715)
Normalized Calendar Same Store Revenue	**$134,819**	**$160,175**	**$196,285**	**$147,768**	**$182,805**	**$215,498**	**$252,423**	**$191,058**	**$626,369**	**$826,443**
% YoY Change										
Total Revenue – Reported					*63.0%*	*60.4%*	*54.0%*	*54.0%*		*57.5%*
Total Bowling Center Revenue					*62.6%*	*61.7%*	*54.2%*	*54.1%*		*57.8%*
Normalized Calendar Same Store Revenue					*35.6%*	*34.5%*	*28.6%*	*29.3%*		*31.9%*

Non-GAAP reconciliations (cont'd)

	Same Store Reconciliation – FY23 vs. FY22									
(dollars in thousands)	**Q1 FY22**	**Q2 FY22**	**Q3 FY22**	**Q4 FY22**	**Q1 FY23**	**Q2 FY23**	**Q3 FY23**	**Q4 FY23**	**FY22**	**FY23**
Total Revenue – Reported	**$180,978**	**$205,190**	**$257,820**	**$267,717**	**$230,260**	**$273,385**	**$315,725**	**$239,420**	**$911,705**	**$1,058,790**
less: Non-Center Related (including Closed Centers)	(6,206)	(4,609)	(6,603)	(7,868)	(5,245)	(5,193)	(5,630)	(5,545)	(25,287)	(21,613)
less: Service Revenue	-	-	-	(14,796)	(4,975)	(5,305)	(6,652)	(4,088)	(14,796)	(21,019)
less: 53rd Week / Calendar Shift	-	-	-	(20,663)	-	-	-	-	(20,663)	-
Total Bowling Center Revenue	**$174,772**	**$200,581**	**$251,217**	**$224,390**	**$220,040**	**$262,887**	**$303,443**	**$229,787**	**$850,959**	**$1,016,158**
less: Acquired Revenue	(1,448)	(1,927)	-	(168)	(17,181)	(15,067)	(15,608)	(11,406)	(47,168)	(109,737)
Normalized Calendar Same Store Revenue	**$173,324**	**$198,654**	**$251,217**	**$224,222**	**$202,859**	**$247,820**	**$287,835**	**$218,381**	**$803,791**	**$906,421**
% YoY Change										
Total Revenue – Reported					*27.2%*	*33.2%*	*22.5%*	*(10.6%)*		*16.1%*
Total Bowling Center Revenue					*25.9%*	*31.1%*	*20.8%*	*2.4%*		*19.4%*
Normalized Calendar Same Store Revenue					*17.0%*	*24.8%*	*14.6%*	*(2.6%)*		*12.8%*

Non-GAAP reconciliations (cont'd)

	Adjusted EBITDA Reconciliation	
	Twelve Months Ended	
(in thousands)	July 2, 2023	July 3, 2022
Consolidated		
Revenue	$1,058,790	$911,705
Net income (loss)	82,048	(29,934)
Net income (loss) margin	*7.7%*	*(3.3)%*
Adjustments:		
Interest expense	112,160	94,460
Income tax (benefit) expense	(84,243)	(690)
Depreciation, amortization and impairment charges	117,281	108,505
Share-based compensation	15,742	50,236
Closed center EBITDA [1]	3,319	1,480
Foreign currency exchange (gain) loss	(53)	5
Asset disposition gain	(2,240)	(4,109)
Transactional and other advisory costs [2]	23,635	43,512
Changes in the value of earnouts and warrants [3]	85,352	52,789
Other, net [4]	1,343	121
Adjusted EBITDA	$354,344	$316,375
Adjusted EBITDA Margin	*33.5%*	*34.7%*

1. The closed center adjustment is to remove EBITDA for closed centers. Closed centers are those centers that are closed for a variety of reasons, including permanent closure, newly acquired or built centers prior to opening, centers closed for renovation or rebranding and conversion. If a center is not open on the last day of the reporting period, it will be considered closed for that reporting period. If the center is closed on the first day of the reporting period for permanent closure, the center will be considered closed for that reporting period.
2. The adjustment for transaction costs and other advisory costs is to remove charges incurred in connection with any transaction, including mergers, acquisitions, refinancing, amendment or modification to indebtedness, dispositions and costs in connection with an initial public offering, in each case, regardless of whether consummated.
3. The adjustment for changes in the value of earnouts and warrants is to remove of the impact of the revaluation of the earnouts and warrants. As a result of the Business Combination, the Company recorded liabilities for earnouts and warrants. Changes in the fair value of the earnout and warrant liabilities are recognized in the statement of operations. Decreases in the liability will have a favorable impact on the statement of operations and increases in the liability will have an unfavorable impact. The adjustment also includes realized costs associated with the settlement of warrants during past reporting periods.
4. Other includes the following related to transactions that do not represent ongoing or frequently recurring activities as part of the Company's operations: (i) non-routine expenses, net of recoveries for matters outside the normal course of business and (ii) other individually de minimis expenses. Certain prior year amounts have been reclassified to conform to current year presentation.

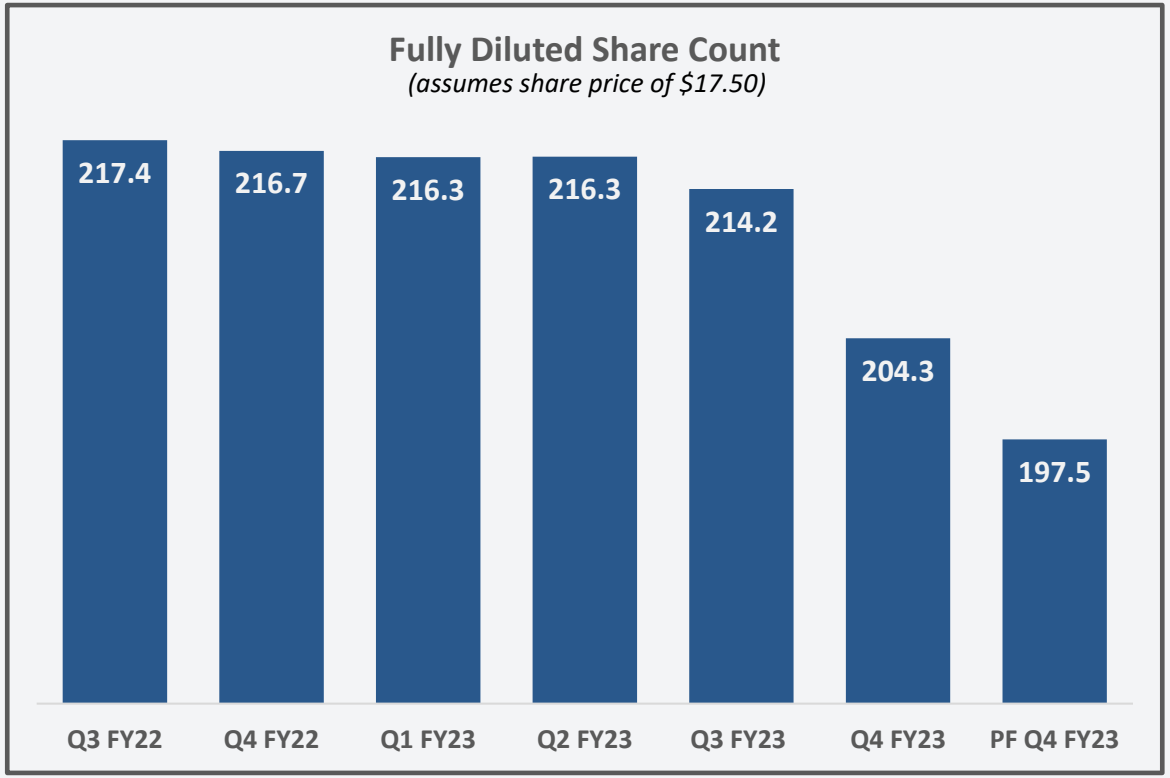
Non-GAAP reconciliations (cont'd)

Adjusted EBITDA Reconciliation for the Quarter Ended								
(in thousands)	**September 26, 2021**	**December 26, 2021**	**March 27, 2022**	**July 3, 2022**	**October 2, 2022**	**January 1, 2023**	**April 2, 2023**	**July 2, 2023**
Consolidated								
Revenue	$180,978	$205,190	$257,820	$267,717	$230,260	$273,385	$315,725	$239,420
Net Income (loss)	$15,564	$(34,454)	$(17,987)	$6,943	$(33,534)	$1,435	$(32,073)	$146,220
Adjustments:								
Interest expense	22,928	23,880	22,293	25,359	23,570	27,379	29,117	32,095
Income tax expense (benefit)	(6,244)	362	(207)	5,399	429	1,524	(668)	(85,528)
Depreciation, amortization and impairment charges	22,841	25,660	29,986	30,018	26,351	29,303	29,933	31,693
Share-based compensation	801	42,555	3,020	3,860	3,648	4,036	4,207	3,851
Closed center EBITDA [1]	420	398	611	51	379	768	480	1,692
Foreign currency exchange (gain) loss	35	86	(90)	(26)	(71)	(182)	328	(128)
Asset disposition gain	(30)	(123)	(1,601)	(2,355)	(155)	(1,823)	(192)	(70)
Transactional and other advisory costs [2]	3,691	30,001	7,059	2,762	2,226	5,880	8,726	6,804
Changes in the value of earnouts and warrants [3]	—	(22,472)	66,617	8,644	40,760	30,776	87,222	(73,406)
Other, net [4]	(1,162)	875	(1,330)	1,737	1,706	(2,141)	508	1,270
Adjusted EBITDA	$58,844	$66,768	$108,371	$82,392	$65,309	$96,955	$127,588	$64,493

1. The closed center adjustment is to remove EBITDA for closed centers. Closed centers are those centers that are closed for a variety of reasons, including permanent closure, newly acquired or built centers prior to opening, centers closed for renovation or rebranding and conversion. If a center is not open on the last day of the reporting period, it will be considered closed for that reporting period. If the center is closed on the first day of the reporting period for permanent closure, the center will be considered closed for that reporting period.
2. The adjustment for transaction costs and other advisory costs is to remove charges incurred in connection with any transaction, including mergers, acquisitions, refinancing, amendment or modification to indebtedness, dispositions and costs in connection with an initial public offering, in each case, regardless of whether consummated.
3. The adjustment for changes in the value of earnouts and warrants is to remove of the impact of the revaluation of the earnouts and warrants. As a result of the Business Combination, the Company recorded liabilities for earnouts and warrants. Changes in the fair value of the earnout and warrant liabilities are recognized in the statement of operations. Decreases in the liability will have a favorable impact on the statement of operations and increases in the liability will have an unfavorable impact. The adjustment also includes realized costs associated with the settlement of warrants during past reporting periods.
4. Other includes the following related to transactions that do not represent ongoing or frequently recurring activities as part of the Company's operations: (i) non-routine expenses, net of recoveries for matters outside the normal course of business and (ii) other individually de minimis expenses. Certain prior year amounts have been reclassified to conform to current year presentation.

Fully Diluted Share Count

Since going public, the fully diluted share count has been reduced by 19.9 million shares or 9.5% while retiring all warrants and 32% of the preferred shares



(shares in thousands)	Q4 FY23	*Adj. for Share Repurchases post Quarter-End*	*PF as August 30, 2023* PF Q4 FY23
Presumed Share Price	*$17.50*		*$17.50*
Class A & B Shares Issued & Outstanding	166,889	*(6,718)*	160,172
Earnout Shares[1]	11,418	--	11,418
Options & RSUs[2]	14,852	--	14,852
Convertible Preferred Stock[3]	11,102	--	11,102
Fully Diluted Shares Outstanding	**204,262**	***(6,718)***	**197,544**

(1) Earnout Shares vest during the period from and after December 15, 2021 (the closing date of the SPAC transaction, or the "Closing Date") until the fifth anniversary of the Closing Date. The remaining shares vest if the closing share price of Bowlero's Class A common stock equals or exceeds $17.50 per share for any 10 trading days within any consecutive 20-trading day period that occurs after the Closing Date and before the 5th anniversary of the Closing Date.

(2) Based on the Treasury Stock Method ("TSM"). Assumes weighted average strike prices of $7.20 and $13.89 for options granted under the 2017 Plan and 2021 Plan, respectively.

(3) Reflects equivalent number of Bowlero Class A common shares on an as-converted basis.