

Bowlero

INVESTOR PRESENTATION
NOVEMBER 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 and 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. Our fiscal year 2024 guidance measures (other than revenue) are provided on a non-GAAP basis without a reconciliation to the most directly comparable GAAP measure because the Company is unable to predict with a reasonable degree of certainty certain items contained in the GAAP measures without unreasonable efforts. For the same reasons, the Company is unable to address the probable significance of the unavailable information. Such items include, but are not limited to, acquisition related expenses, stock-based compensation and other items not reflective of the company's ongoing operations.

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.

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. 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

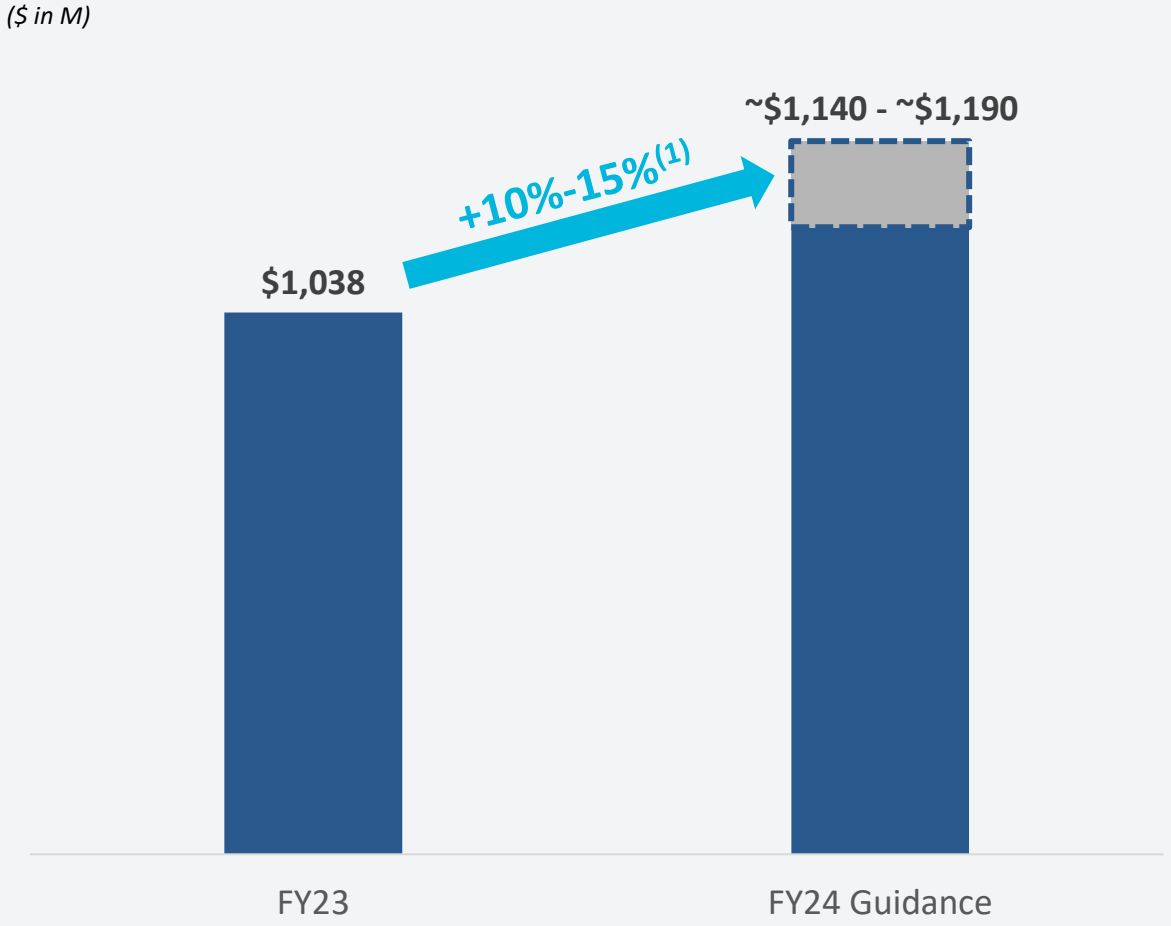


- Scaled Operator with a Sustainable Growth Algorithm
- Well-Capitalized and Self-Funding
- Multiple Accretive Uses of Capital
- Becoming Digital-led
- Pioneer in Experiential Secular Trend
- Out-of-Home Entertainment Industry Leader
- Affordable Leisure with Mass Appeal
- Owner-operated and Founder-led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

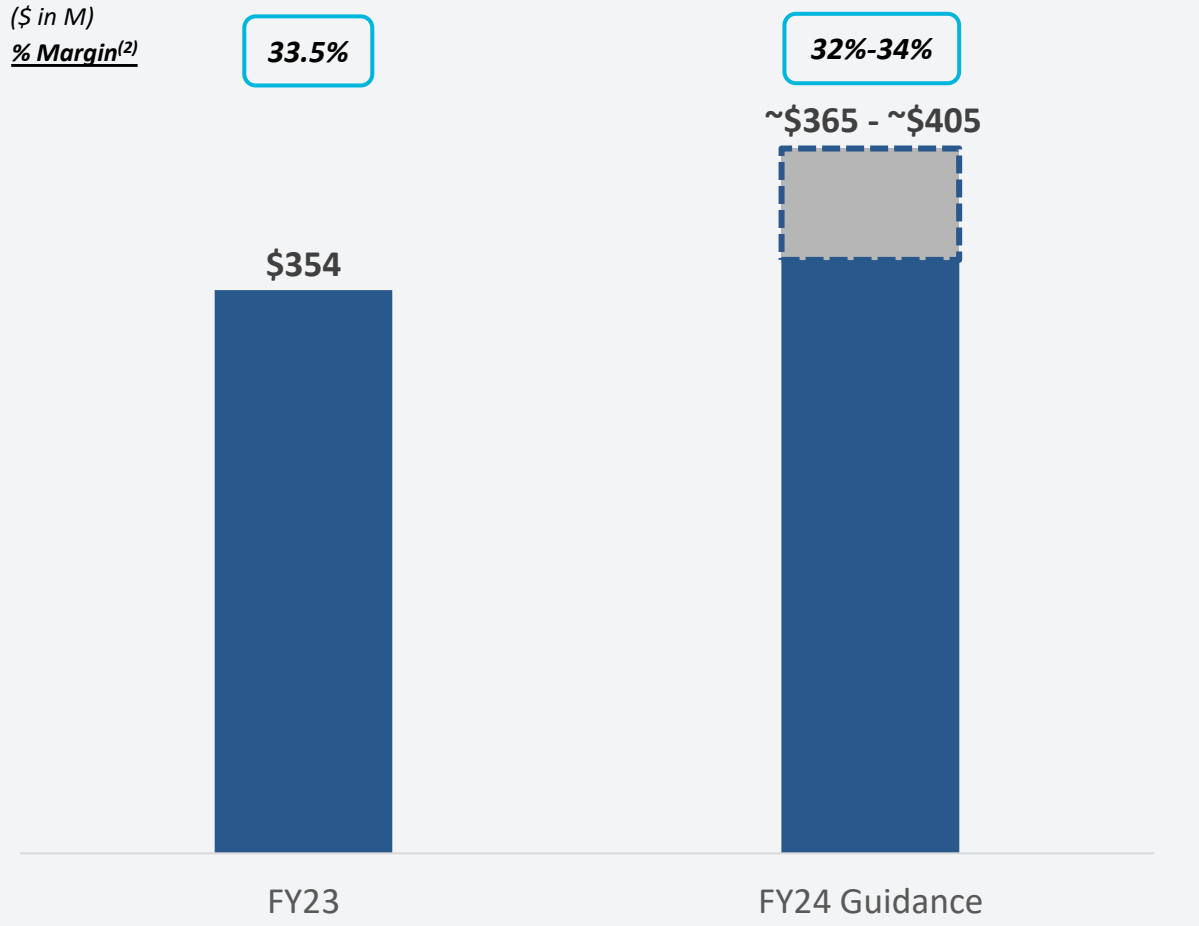
Fiscal Year 2024 Guidance

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

Total Revenue



Adjusted EBITDA(2)



(1) Excludes $21 million Service Fee 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

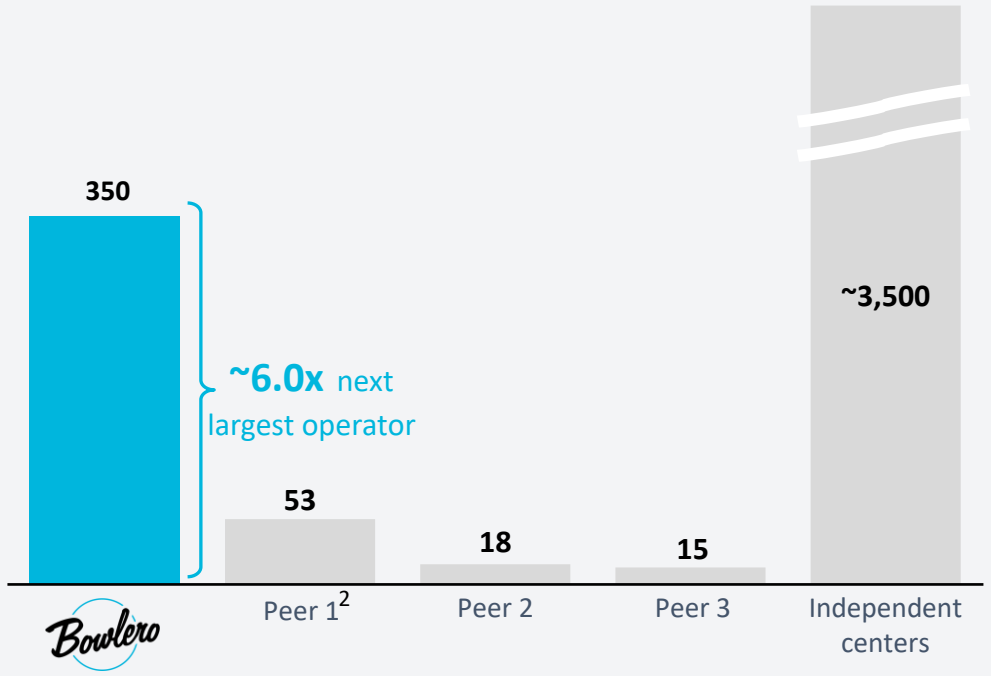
- CPI-level annual price increases
- Bundled offerings drive additional spend
- Continual innovation of the customer experience / offerings

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)

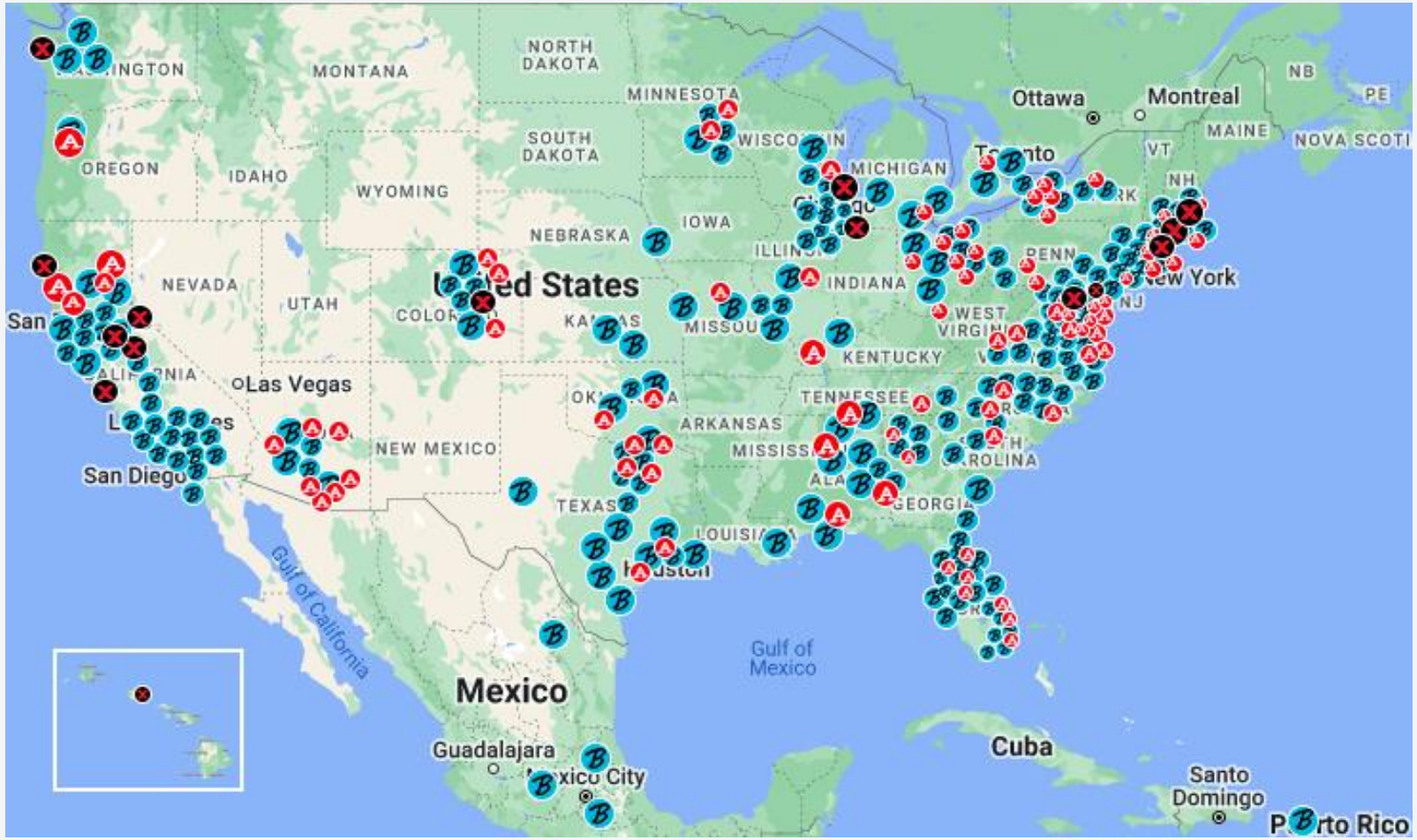


Clear Path to Long-Term, Compounded Topline Growth

Source: Company websites and management estimates. 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) Subsidiary of a larger company.

Growing Portfolio of Assets in Diversified and Attractive Markets

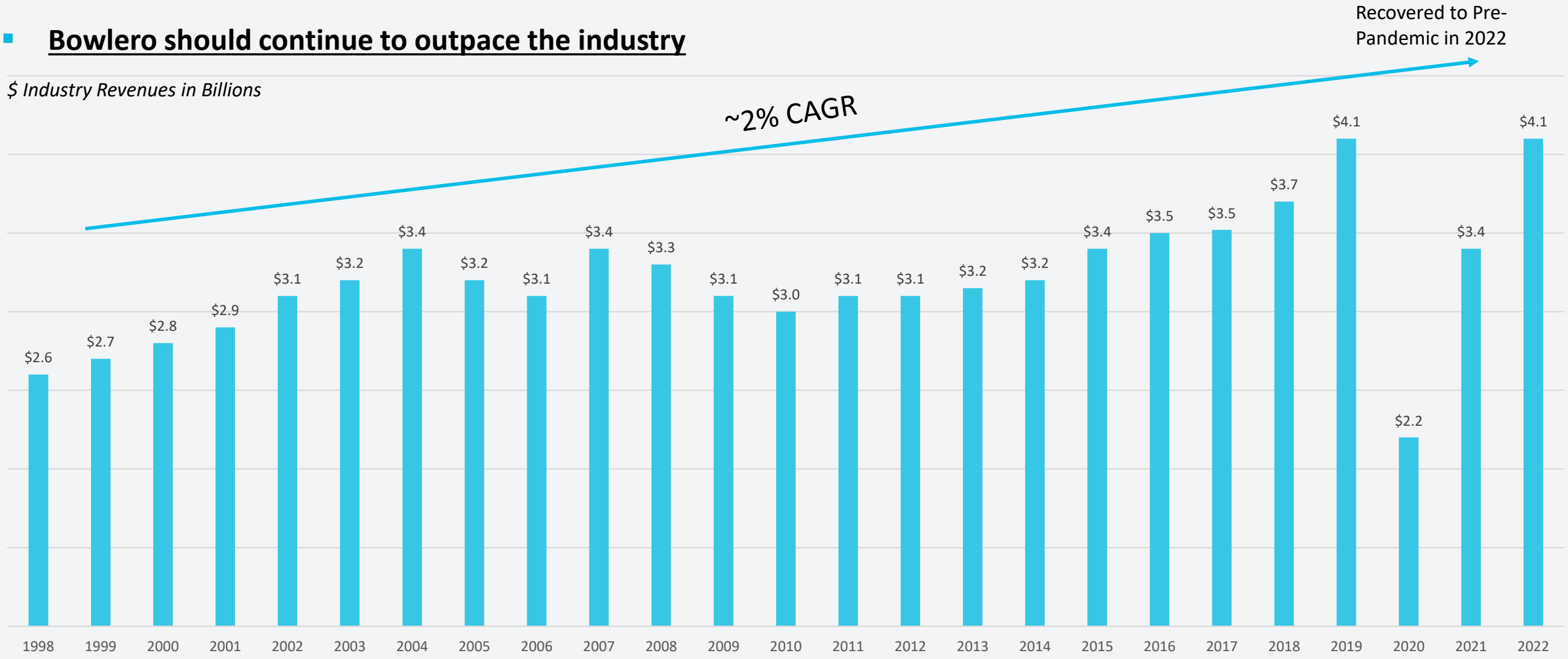
Bowlero Lucky Strike AMF/Other



- **350** operating centers as of November 7, 2023
- Well positioned in **highly attractive markets** across North America
- **Robust acquisition pipeline** supports unit growth
- **Three core brands**

Bowling Has a History of Sustained Growth and Recession Resilience

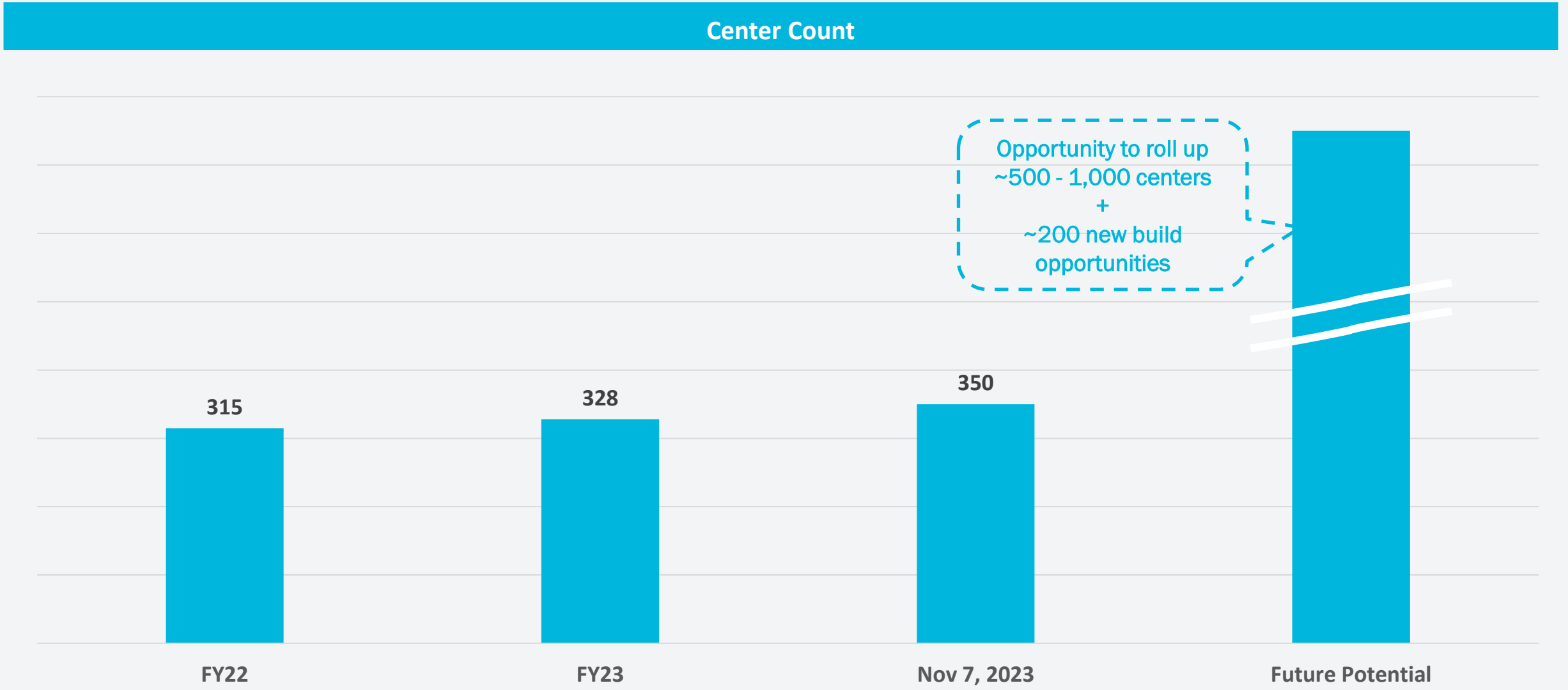
- **Revenue for the bowling entertainment sector has demonstrated steady growth of ~2% over the past 20+ years**
- **Bowling has a broad appeal to customers across income levels, ages and other demographic characteristics that supports the resilience of the experience through various economic cycles**
- **<u>Bowlero should continue to outpace the industry</u>**



Source: Annual Industry Revenues from US Census Bureau.

Center Growth Potential

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

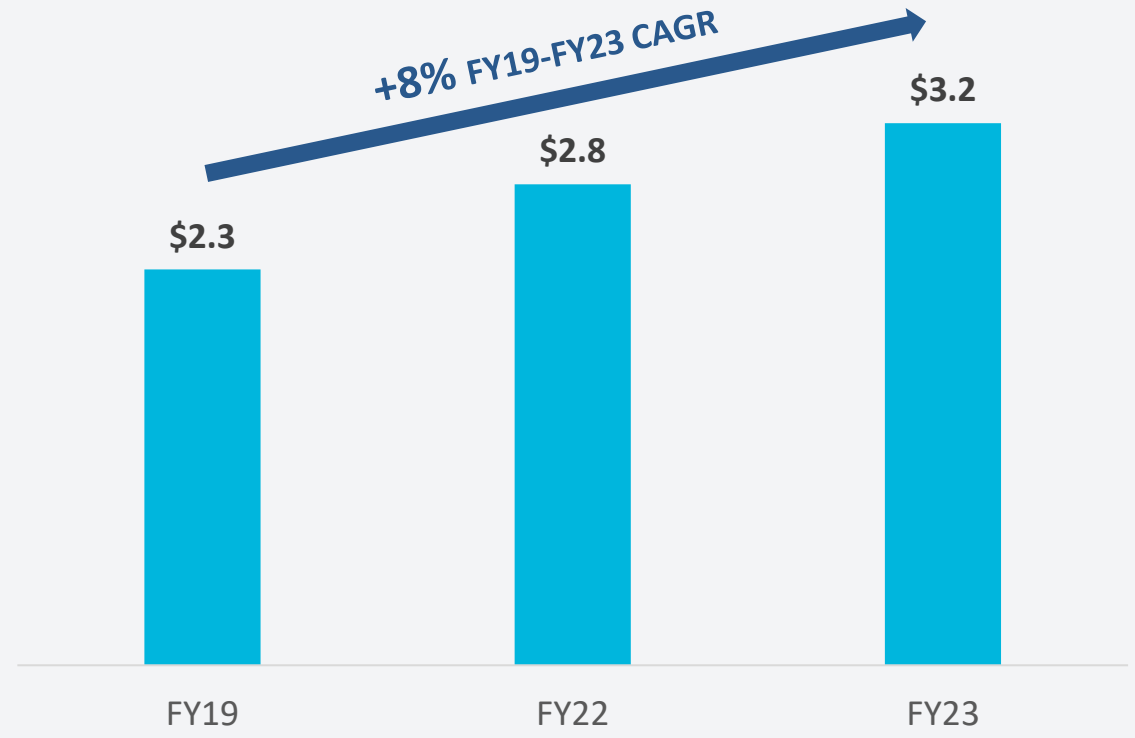


Growing Wallet Share with Strong Incrementals

- **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

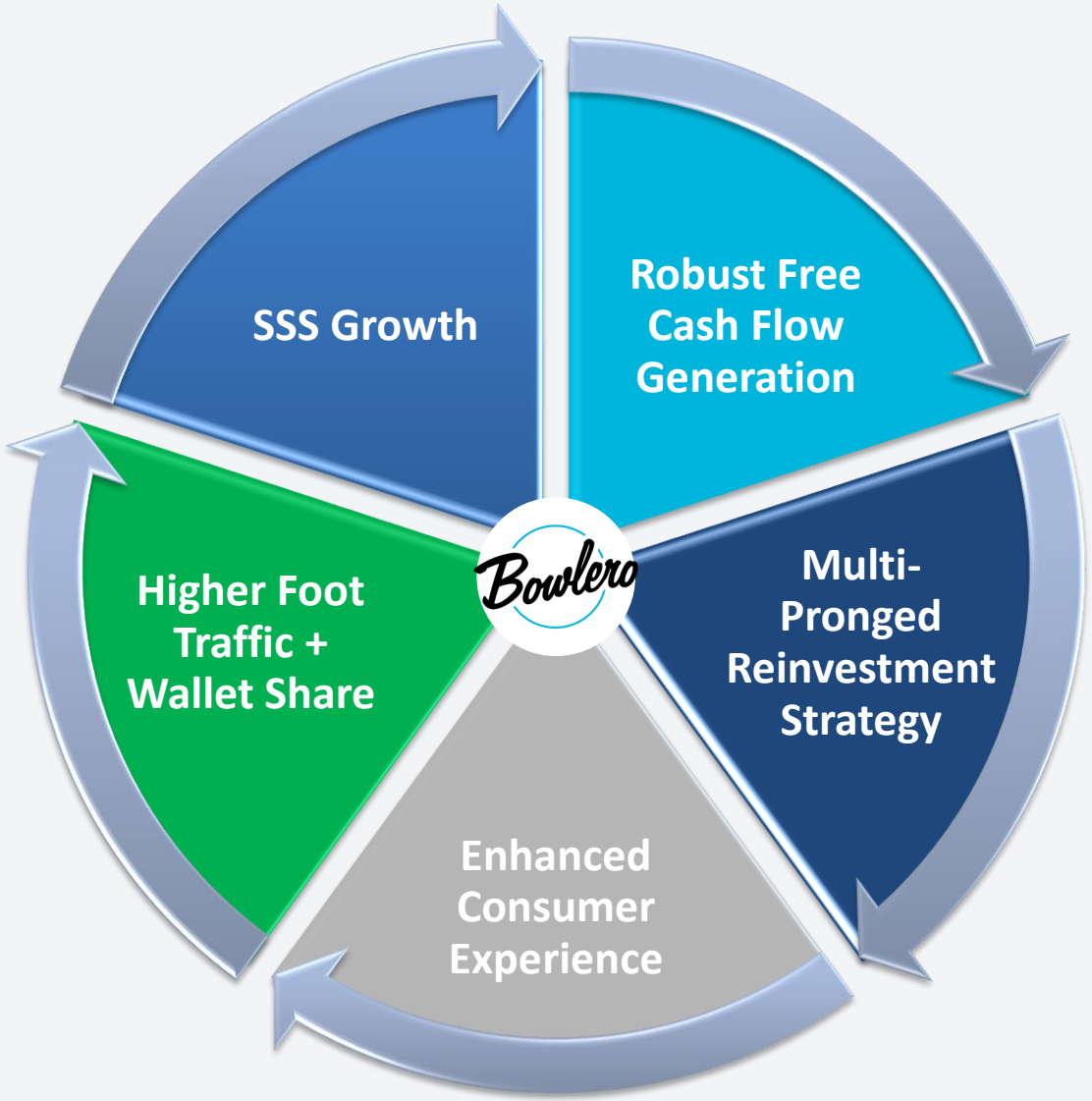
~75%
Contribution Margin



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

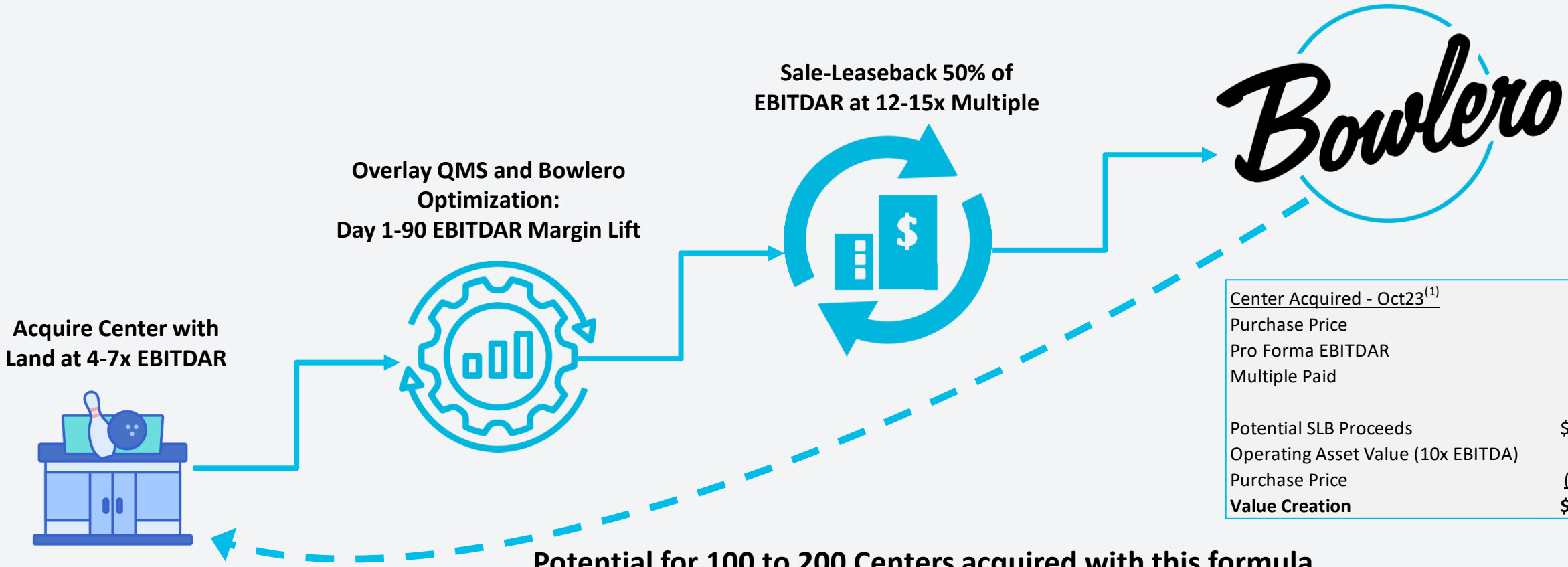
F&B/Arcade Attachment

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

Proven Self Funding Model with Sale-Leasebacks

- **We create significant value with our self-funding sale-leaseback model**
- **We acquire centers with land, overlay our proprietary operations optimization technology to drive operational excellence through benchmarking and force-ranked recommendations**
- **Purchase independent bowling centers with land ownership. Sale-leaseback of that land at reasonable cap rates that imply a 12-15x EBITDA**

Bowlero Self Funding Model



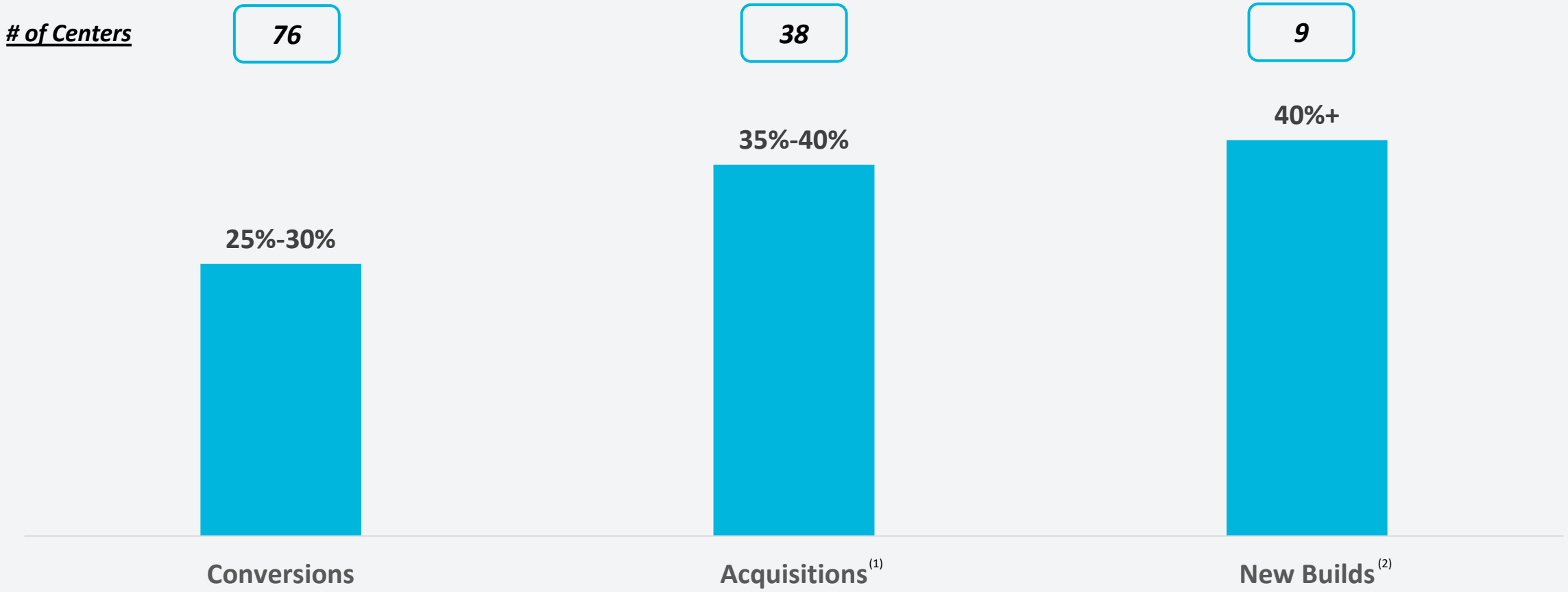
Center Acquired - Oct23[(1)]	
Purchase Price	$7.2
Pro Forma EBITDAR	$1.5
Multiple Paid	4.8x
Potential SLB Proceeds	$10.3
Operating Asset Value (10x EBITDA)	$7.5
Purchase Price	($7.2)
Value Creation	**$10.6**

Potential for 100 to 200 Centers acquired with this formula

(1) Illustrative example for most recent center acquisition.

Attractive ROI Across Multi-Pronged Reinvestment Strategy

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



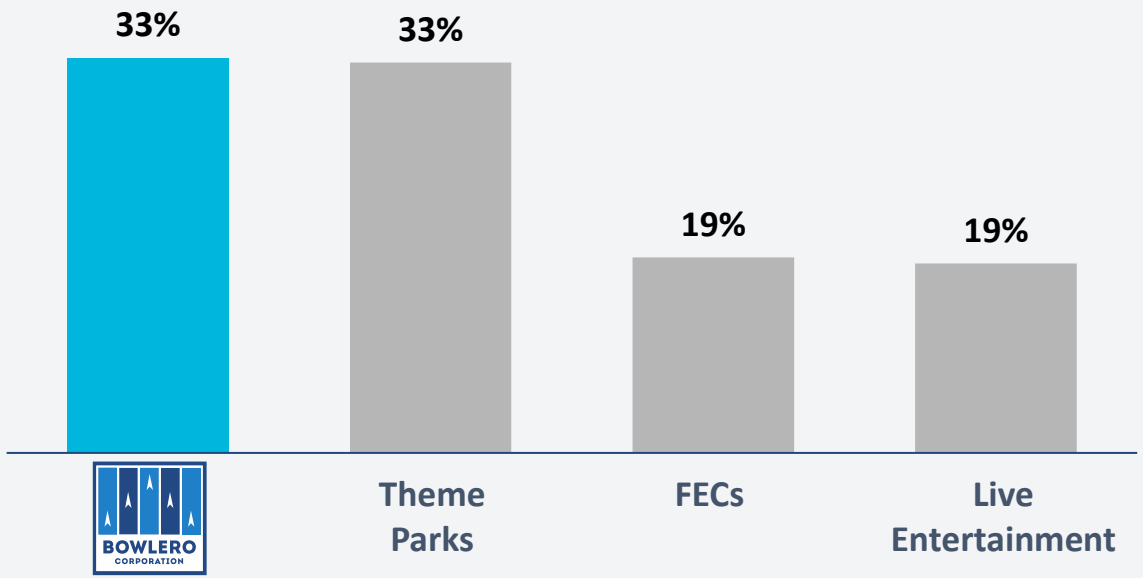
Accelerating Capital Deployment in FY24

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

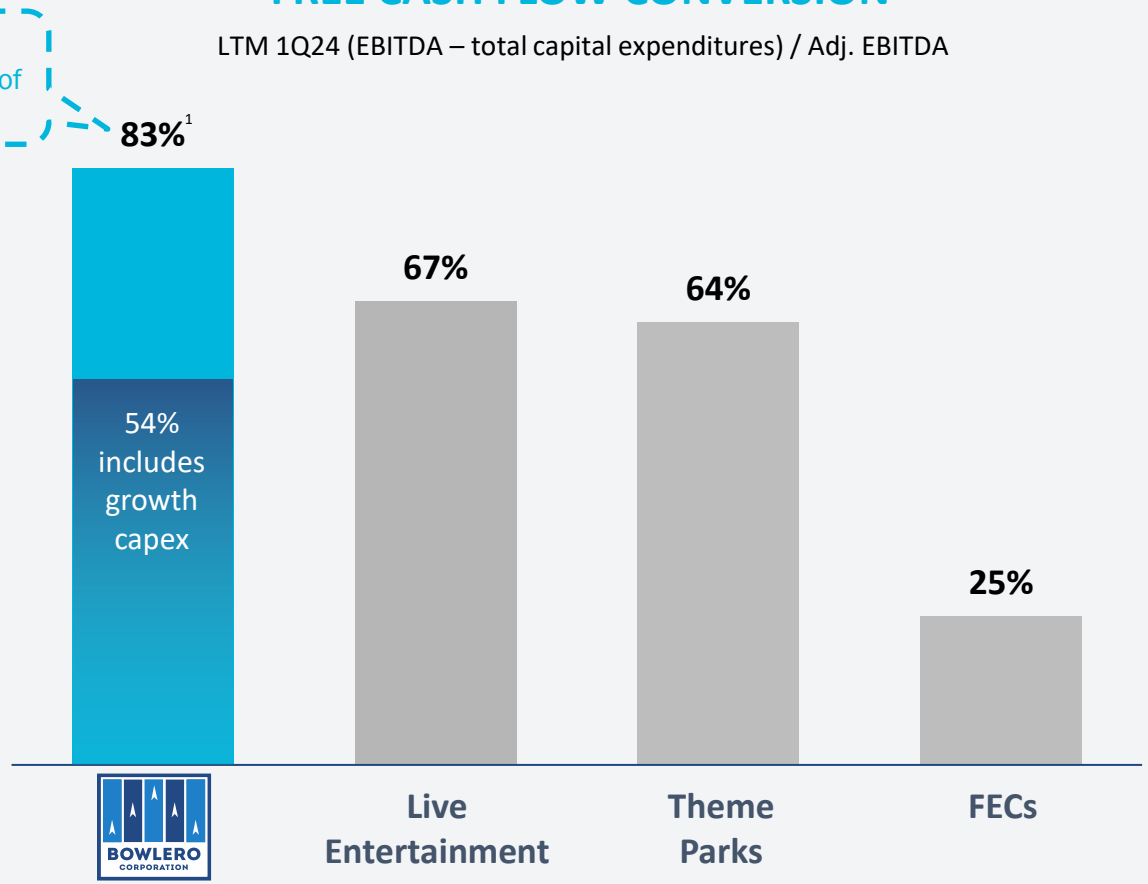
TOP-TIER PROFITABILITY

LTM 1Q24 EBITDA margin



INDUSTRY-LEADING FREE CASH FLOW CONVERSION

LTM 1Q24 (EBITDA – total capital expenditures) / Adj. EBITDA



Note: Bars in chart represent average of peer set as of LTM period 10/02/23 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.

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









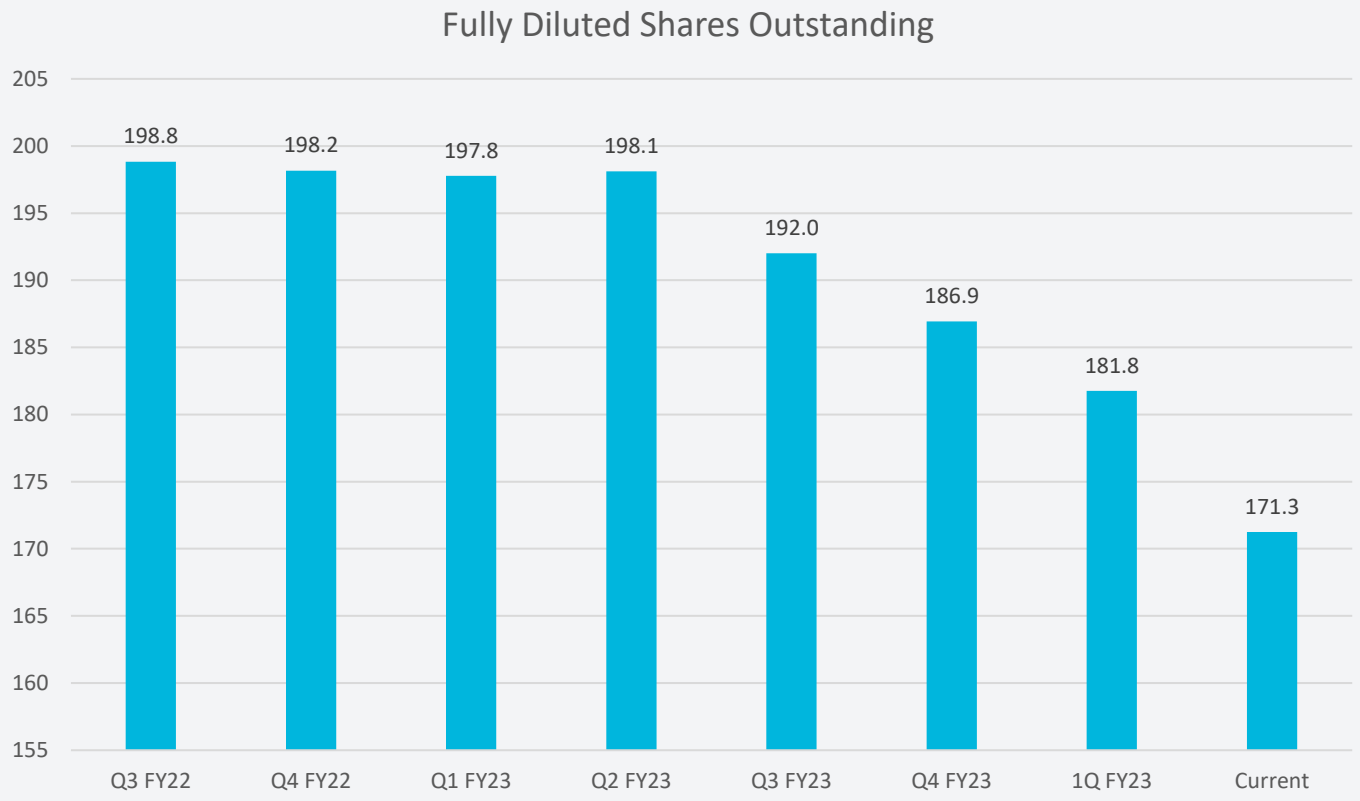
PBA Continues to Grow



- Over 72 hours of original first-run linear programming in 2024
- Record for most live hours on broadcast in PBA history
- $3mm+ dollar media rights contract with FOX Sports
- Over $600K in additional media rights fees from CBS Sports Network and OTT platform, BowlTV
- 13.6M total viewership in 2023
- 10% ratings increase on FOX and FS1 year over year
- 11% M18-34 ratings increase on FOX and FS1 year over year
- Expanding the PBA Elite League to a season-long event (five additional team shows on FS1) for the first time
- Launch of first-ever PBA All-Star Weekend in 2024

Fully Diluted Share Count

Since going public, the fully diluted share count has been reduced by ~28 million shares or 14% while retiring all warrants



(shares in thousands)	**November 2023**
Presumed Share Price	*$10.00*
Class A & B Shares Issued & Outstanding	151,286
Earnout Shares[1]	0
Options & RSUs[2]	8,866
Convertible Preferred Stock[3]	11,102
Fully Diluted Shares Outstanding	**171,254**

(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.


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be kind un-tie
SHOE RETURN
BOWLMOR
AIR FX

Appendix

Non-GAAP reconciliations

(in thousands)	FY24 vs. FY20		FY23 vs. FY22		FY22 - FY24							
	1Q FY20 9/29/19	1Q FY24 10/1/23	1Q FY22 9/26/21	1Q FY23 10/2/22	2Q FY22 12/26/21	3Q FY22 3/27/22	4Q FY22 7/3/22	1Q FY23 10/2/22	2Q FY23 1/1/23	3Q FY23 4/2/23	4Q FY23 7/2/23	1Q FY24 10/1/23
Total Revenue - Reported	$148,570	$227,405	$180,978	$230,260	$205,190	$257,820	$267,717	$230,260	$273,385	$315,725	$239,420	$227,405
less: Service Fee Revenue	—	(1,556)	—	(4,975)	—	—	(14,796)	(4,975)	(5,305)	(6,652)	(4,088)	(1,556)
Revenue excluding Service Fee Revenue	$148,570	$225,849	$180,978	$225,285	$205,190	$257,820	$252,921	$225,285	$268,080	$309,073	$235,332	$225,849
less: Non-Center Related (including Closed Centers)	(5,693)	(7,419)	(6,206)	(5,245)	(4,609)	(6,603)	(7,868)	(5,245)	(5,193)	(5,630)	(5,545)	(7,419)
less: 53rd Week / Calendar Shift	—	—	—	—	—	—	(20,663)	—	—	—	—	—
Total Bowling Center Revenue	$142,877	$218,430	$174,772	$220,040	$200,581	$251,217	$224,390	$220,040	$262,887	$303,443	$229,787	$218,430
less: Acquired Revenue	(541)	(37,497)	(1,448)	(17,181)	(1,927)	—	(168)	(347)	(15,067)	(15,608)	(11,406)	(10,784)
Same Store Revenue	$142,336	$180,933	$173,324	$202,859	$198,654	$251,217	$224,222	$219,693	$247,820	$287,835	$218,381	$207,646
% Year-over-Year Change												
Total Revenue – Reported		53.1%		27.2%					33.2%	22.5%	(10.6)%	(1.2)%
Total Revenue excluding Service Fee Revenue		52.0%		24.5%					30.6%	19.9%	(7.0)%	0.3%
Total Bowling Center Revenue		52.9%		25.9%					31.1%	20.8%	2.4%	(0.7)%
Same Store Revenue		27.1%		17.0%					24.7%	14.6%	(2.6)%	(5.5)%
Comp Center Count for Same Store Revenue[1]	279	279	288	288	303	307	307	312	303	307	307	312

1. Revenues from 312 centers are included in the same-store comparable center base for the comparison in the above table. In our previously filed 10-Q for the three months ended October 2, 2022, revenues from 291 centers were included in the same-store comparable center base for the comparison to the three months ended September 26, 2021. The comparable center base changes from period to period as a result of fluctuations in the center population through acquisitions, new builds and closed centers.

Non-GAAP reconciliations

(in thousands)	FY22 vs. FY23 FY22 7/03/22	 FY23 07/2/23
Total Revenue - Reported	$911,705	$1,058,790
less: Service Fee Revenue	(14,796)	(21,019)
Revenue excluding Service Fee Revenue	$896,909	$1,037,771
less: Non-Center Related (including Closed Centers)	(25,287)	(21,613)
less: 53rd Week / Calendar Shift	(20,663)	—
Total Bowling Center Revenue	$850,959	$1,016,158
less: Acquired Revenue	(47,168)	(109,737)
Same Store Revenue	$803,791	$906,421
% Year-over-Year Change		
Total Revenue – Reported		16.1%
Total Revenue excluding Service Fee Revenue		15.7%
Total Bowling Center Revenue		19.4%
Same Store Revenue		12.8%
Comp Center Count for Same Store Revenue[(1)]	285	285

1. Revenues from 285 centers are included in the same-store comparable center base for the comparison in the above table.

Non-GAAP reconciliations (cont'd)

Adjusted Bowling Center Metrics									
(in millions)	Q1 FY22 9/26/21	Q2 FY22 12/26/21	Q3 FY22 3/27/22	Q4 FY22 7/3/22	Q1 FY23 10/2/22	Q2 FY23 1/1/23	Q3 FY23 4/2/23	Q4 FY23 7/2/23	Q1 FY24 10/1/23
Consolidated									
Revenue									
Retail	$140	$136	$184	$192	$166	$170	$216	$163	$152
Event	22	40	40	46	41	69	60	48	46
League & tournaments	13	25	27	21	19	29	34	22	22
Total Bowling Center Revenue [1]	$175	$201	$251	$259	$226	$268	$310	$233	$220
Less: Service Fee Revenue	—	—	—	(16)	(5)	(5)	(7)	(4)	(2)
Adjusted Total Bowling Center Revenue (excl. Service Fee Revenue) [1]	$175	$201	$251	$243	$221	$263	$303	$229	$218
Adjusted EBITDA	$59	$67	$108	$82	$65	$97	$128	$64	$52
Non-Bowling Center SG&A Expense	17	20	20	27	25	26	28	26	28
Media & Other (Income) loss	(1)	—	1	—	—	(1)	(1)	1	1
Adjusted Center EBITDA	$75	$87	$129	$109	$90	$122	$155	$91	$81
% Adj. Center EBITDA margin [2]	*43%*	*43%*	*51%*	*45%*	*41%*	*46%*	*51%*	*40%*	*37%*
Gross profit	$54	$64	$101	$82	$65	$94	$126	$57	$44
Depreciation attributable to Centers	21	22	26	26	24	28	27	26	28
Indirect Cost of Sales attributable to Centers [3]	44	50	47	55	55	59	58	57	62
Gross Loss (Profit) attributable to Closed Centers, Media & Other Income	1	1	1	1	2	1	1	3	5
Adjusted Center Gross Profit	$120	$137	$175	$164	$146	$182	$212	$143	$139
% Adj. Center Gross profit margin [2]	*69%*	*68%*	*70%*	*67%*	*66%*	*69%*	*70%*	*62%*	*64%*
Centers included in Bowling Center Revenue	310	314	315	313	317	324	327	328	330

1. Total Bowling Center Revenue excludes closed bowling center activity and media revenue, which is also a component of our bowling operations.
2. Margins are calculated off of Adjusted Total Bowling Center Revenue (excl. Service Revenue)
3. Includes adjustments for 842 adoption impacts for other periods due to retrospective adoption in Q4 FY23.

Non-GAAP reconciliations (cont'd)

	Adjusted EBITDA Reconciliation				
	Fiscal Year Ended		Three Months Ended		
(in thousands)	July 2, 2023	July 3, 2022	October 1, 2023	October 2, 2022	September 29, 2019
Consolidated					
Revenues	$1,058,790	$911,705	$227,405	$230,260	$148,570
Net income (loss) - GAAP	82,048	(29,934)	18,219	(33,534)	(19,719)
Net income (loss) margin	7.7%	(3.3)%	8.0%	(14.6)%	(13.3)%
Adjustments:					
Interest expense	112,160	94,460	39,032	23,570	19,665
Income tax (benefit) expense	(84,243)	(690)	(9,683)	429	153
Depreciation, amortization and impairment charges	117,281	108,505	32,026	26,351	21,102
Share-based compensation	15,742	50,236	1,911	3,648	869
Closed center EBITDA [1]	3,319	1,480	2,462	379	1,116
Foreign currency exchange loss (gain)	(53)	5	79	(71)	—
Asset disposition gain	(2,240)	(4,109)	(27)	(155)	66
Transactional and other advisory costs [2]	23,635	43,512	8,398	4,166	1,308
Changes in the value of earnouts [3]	85,352	52,789	(40,682)	40,760	—
Other, net [4]	1,343	121	399	(234)	371
Adjusted EBITDA	$354,344	$316,375	$52,134	$65,309	$24,931
Adjusted EBITDA Margin	*33.5%*	*34.7%*	*22.9%*	*28.4%*	*16.8%*

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 is to remove of the impact of the revaluation of the earnouts. As a result of the Business Combination, the Company recorded liabilities for earnouts. Changes in the fair value of the earnout liability is 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.
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)

	Cash Flow Available for Reinvestment and Growth			
	Fiscal Year Ended		Three Months Ended	
(in thousands)	July 2, 2023	July 3, 2022	October 1, 2023	October 2, 2022
Consolidated				
Revenues	$1,058,790	$911,705	$227,405	$230,260
Adjusted EBITDA[1]	$354,344	$316,375	$52,134	$65,309
Maintenance Capital Expenditures	(41,130)	(27,916)	(9,777)	(7,784)
Corporate Capital Expenditures	(11,902)	(9,162)	(5,790)	(2,020)
Adjusted EBITDA Less Maintenance Capital Expenditures	$301,312	$279,296	$36,567	$55,505
Interest Expense, excluding Finance Leases	(41,130)	(27,916)	(25,476)	(12,798)
Cash Interest Expense on Finance Leases	(35,767)	(35,433)	(12,751)	(5,719)
Cash Paid for Taxes	(6,640)	(3,898)	(28)	(2,519)
Cash Flow Available for Reinvestment & Growth	$208,638	$191,187	($1,688)	$34,469

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