

4Q24
INVESTOR PRESENTATION

SEPTEMBER 2024

DISCLAIMER

Forward-looking statements

Some of the statements contained in this press release 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 5, 2024, 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 press release 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 Revenue Excluding Service Fee Revenue, Total Location Revenue, 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 2025 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, share-based compensation and other items not reflective of the company's ongoing operations.

Revenue Excluding Service Fee Revenue represents total Revenue less Service Fee Revenue. Total Location Revenue represents total Revenue less Non-Location Related Revenue, Revenue from Closed Locations (as defined below), and Service Fee Revenue, if applicable. Same Store Revenue represents total Revenue less Non-Location Related Revenue, Revenue from Closed Locations, Service Fee Revenue, if applicable, and Acquired Revenue. Adjusted EBITDA represents Net Income (Loss) before Interest Expense, Income Taxes, Depreciation and Amortization, Impairment and Other Charges, Share-based Compensation, EBITDA from Closed Locations, Foreign Currency Exchange Loss (Gain), Asset Disposition Loss (Gain), Transactional and other advisory costs, changes in the value of earnouts, and other.

The Company considers Revenue Excluding Service Fee Revenue as an important financial measure because provides a financial measure of revenue directly associated with consumer discretionary spending and Total Location Revenue as an important financial measure because it provides a financial measure of revenue directly associated with location operations. The Company also considers Same Store Revenue as an important financial measure because it provides comparable revenue for locations open for the entire duration of both the current and comparable measurement periods.

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:

- 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.
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4Q24 OVERVIEW (QUARTER ENDING JUNE 30, 2024)

- Same Store Revenue increased **+6.9% Y/Y**
  - Same Store Comps positive April, May and June 2024
- Revenue Ex-Service Fee increased **+20.2% Y/Y**
- **Adjusted EBITDA grew 29% Y/Y** to $83.4M
- Season Pass Sales across portfolio hit **$11 million**
- Acquired Raging Waves waterpark in Yorkville, Illinois
  - Contributed $4M of revenues in June 2024
  - **Record season with Double-Digit Revenue growth** over last summer
- Initiated FY25 Guidance
  - Low to Mid Single-Digit Positive Same-Store-Sales Comp
  - Total Revenue Growth of Mid Single-Digit to 10+%
  - Adjusted EBITDA Margin in the 32-34% Range
  - FY25 Capital Expenditures of $154M vs $193M in FY24 as we focus on internal initiatives

INVESTMENT THESIS

A location-based entertainment platform with proven history of superior returns



OUR *secret sauce*

- PEOPLE
- DATA
- PROCESS
- INDUSTRY LEADING FREE CASH FLOW GENERATION

INDUSTRY LEADER

The industry leader in massive addressable market of $100bn+ for out-of-home entertainment

OPERATIONAL EXCELLENCE

Proven history of improving acquired assets' margins and above industry sales growth

VALUE CREATION THROUGH DEALS

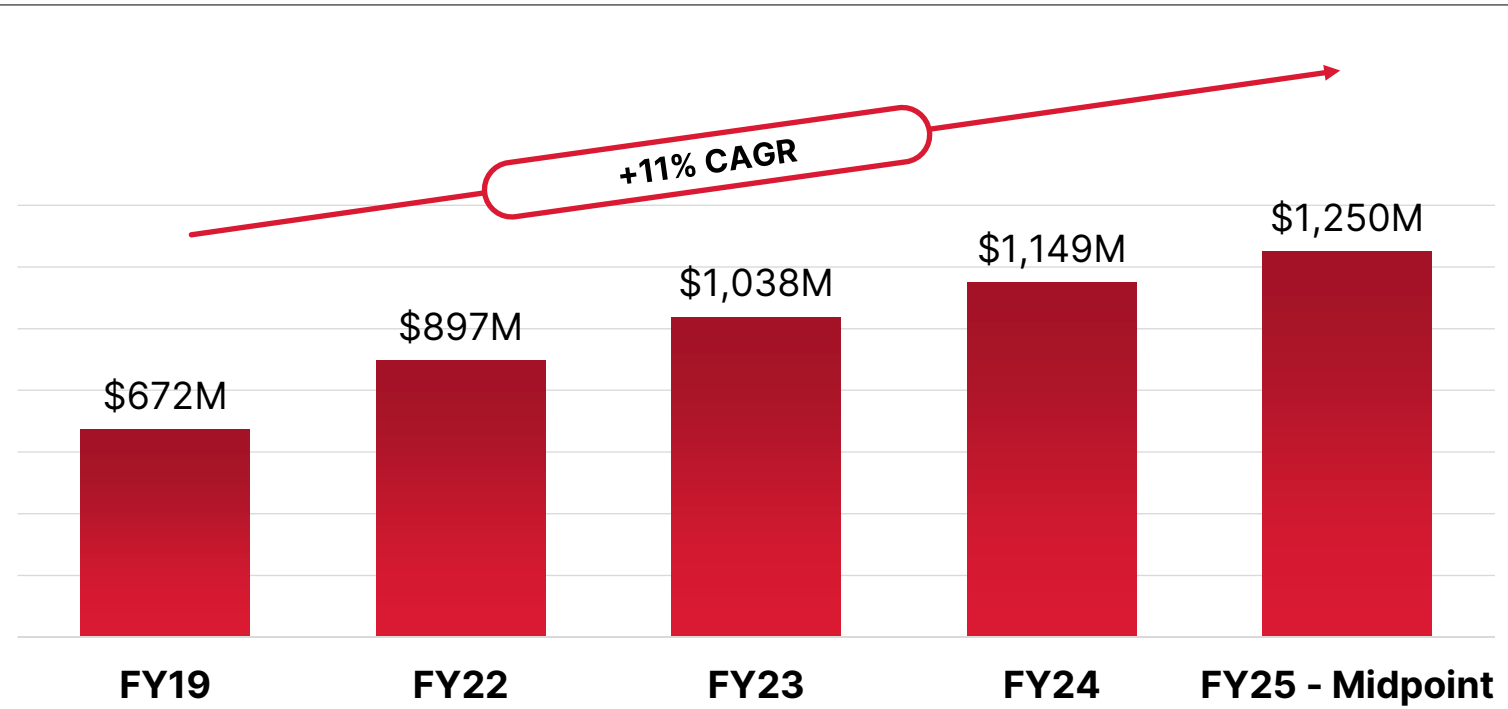
Consistent and proven track record of outsized returns via acquisitions

MANAGEMENT

Best in class management team to execute the plan

CONSISTENT DOUBLE-DIGIT ANNUAL REVENUE GROWTH

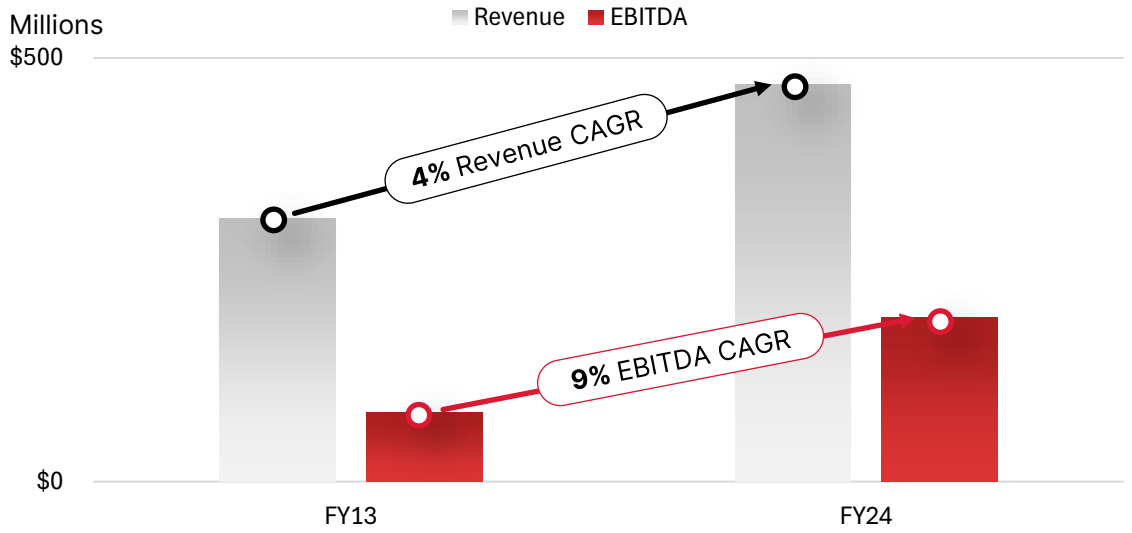
LONG-TERM TOPLINE GROWTH



CONSISTENT VALUE CREATION THROUGH ACQUISITIONS

- ↗ Acquired AMF at Enterprise Value of $310M. Bowlero put up $20M equity funding in 2013
- ↗ Bowlero best practices implemented in acquired centers **drove dramatic performance achievements**
- ↗ Proven discipline in cost controls as Bowlero has **continually focused on optimizing performance**
- ↗ Grew revenue **4% Revenue CAGR over 11 years** despite closing 18% of centers
- ↗ 6% Revenue CAGR when adjusting for closed centers with AUV going from $1.2 to $2.2M over the period or an 85% increase

4-WALL EBITDA MARGIN IMPROVEMENT FROM 26% TO 41%



Acquired AMF for **$310M** in 2013. Bowlero put up **$20M** of equity with the rest funded by debt

8-10x EBITDA
Less Original Deal Debt
Implies Value Created of

$1.3-$1.5BN

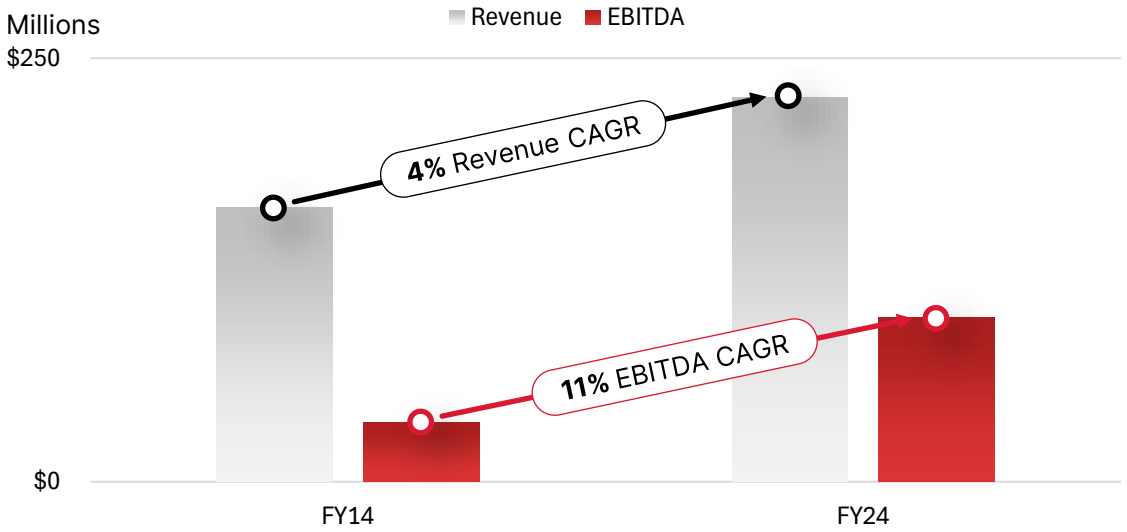
70x+ MOIC over 11 Years

CONSISTENT VALUE CREATION THROUGH ACQUISITIONS

- ↗ Bowlero acquired 85 Brunswick locations from Brunswick in 2014 for $260M. In the same year entered **Sale-Leaseback for $200M, reducing the purchase price to $60M**
- ↗ **Successful cost rationalization** played a key role in the turnaround

- ↗ Grew revenue **4% Revenue CAGR over 10 years** despite closing 14% of centers
- ↗ 5% Revenue CAGR when adjusting for closed centers with AUV going from $1.9 to $3.1M over the period or a 63% increase

4-WALL EBITDA MARGIN IMPROVEMENT FROM 22% TO 43%



Acquired Brunswick for **$260M** in 2014 and immediately entered into Sale Leaseback Transaction

Reducing purchase price to **$60M**

8-10x EBITDA Multiple Implies Enterprise Value of

$800M-$1.0BN

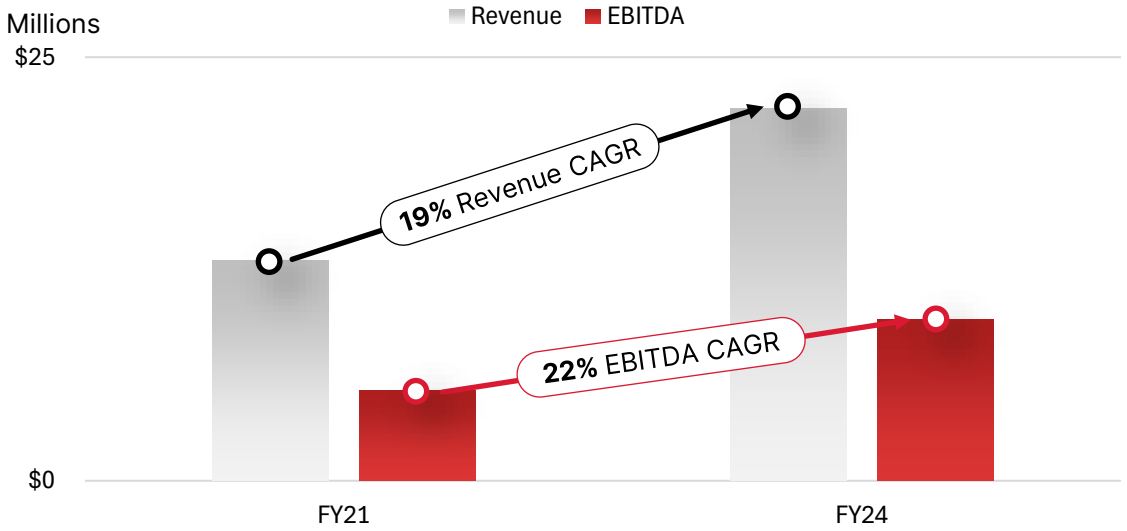
15x MOIC over 10 Years

CONSISTENT VALUE CREATION THROUGH ACQUISITIONS

- ↗ Bowlero acquired Bowl America with 17 locations in 2021 for $44 million. **Sold off 6 underperforming locations for $25M** for net purchase price of $19M
- ↗ Entered into **Sale-Leaseback with Vici in 2023 for $63M** for the Bowl America Properties

- ↗ Grew revenue **19% Revenue CAGR over first 3 years** despite selling 35% of centers
- ↗ Incremental upside expected as we continue to invest in growth in these centers

4-WALL EBITDA MARGIN IMPROVEMENT FROM 41% TO 43%



Acquired Bowl America in 2021 for

NET $19M

Sale Leaseback in 2023 for

$63M

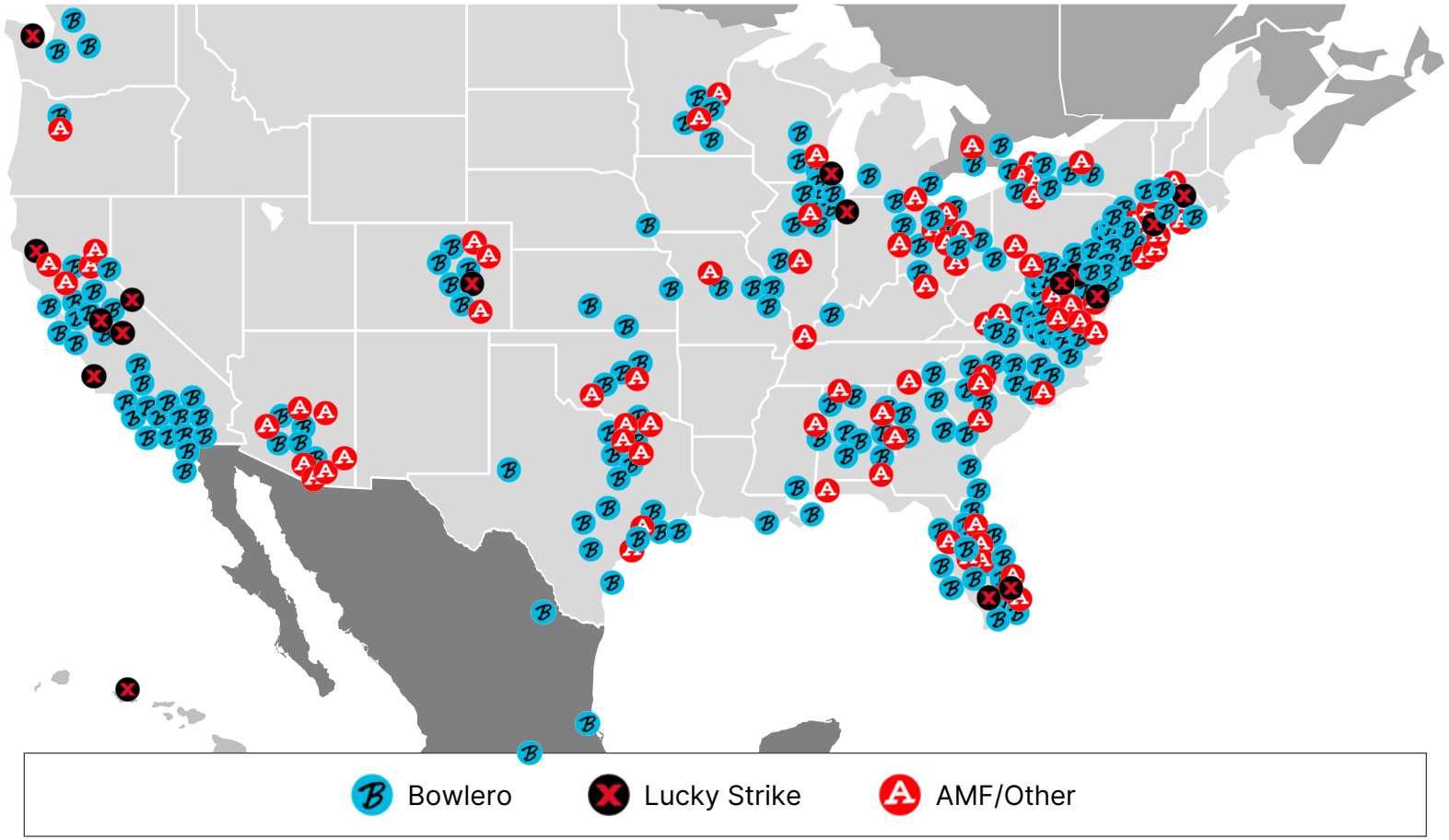
8-10x EBITDA Multiple and Recent Sale Leaseback Implies Value of

$160M+

and more upside expected

Basis Taken off Table in 3-Years Supercharging Returns

GROWING PORTFOLIO IN DIVERSIFIED AND ATTRACTIVE MARKETS

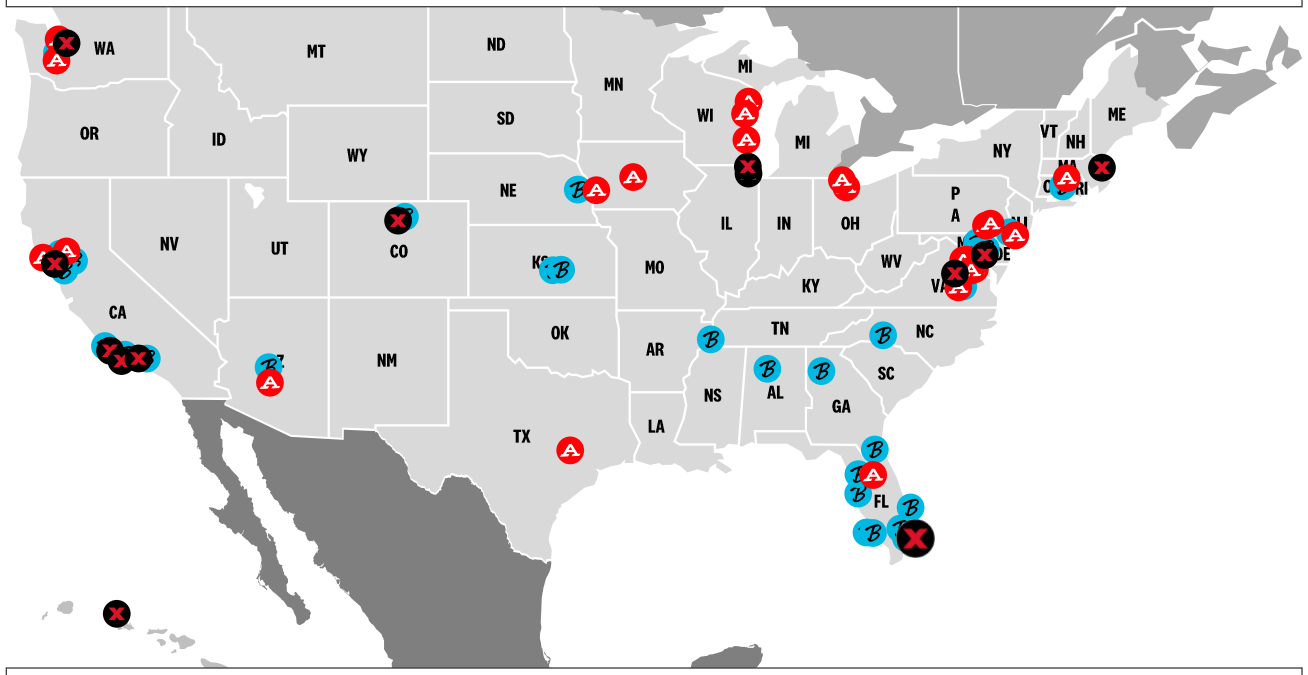


- **354** operating locations as of June 30, 2024
- Well positioned **in highly attractive** markets across North America
- **Robust acquisition pipeline** supports unit growth
- **Three core brands**

Bowlero LUCKY STRIKE AMF

ACQUISITIONS AND NEW BUILDS ADD TO LONG-TERM GROWTH

ADDED 80+ LOCATIONS TO OUR FOOTPRINT THROUGH ACQUISITIONS AND NEW BUILDS 2018-2024



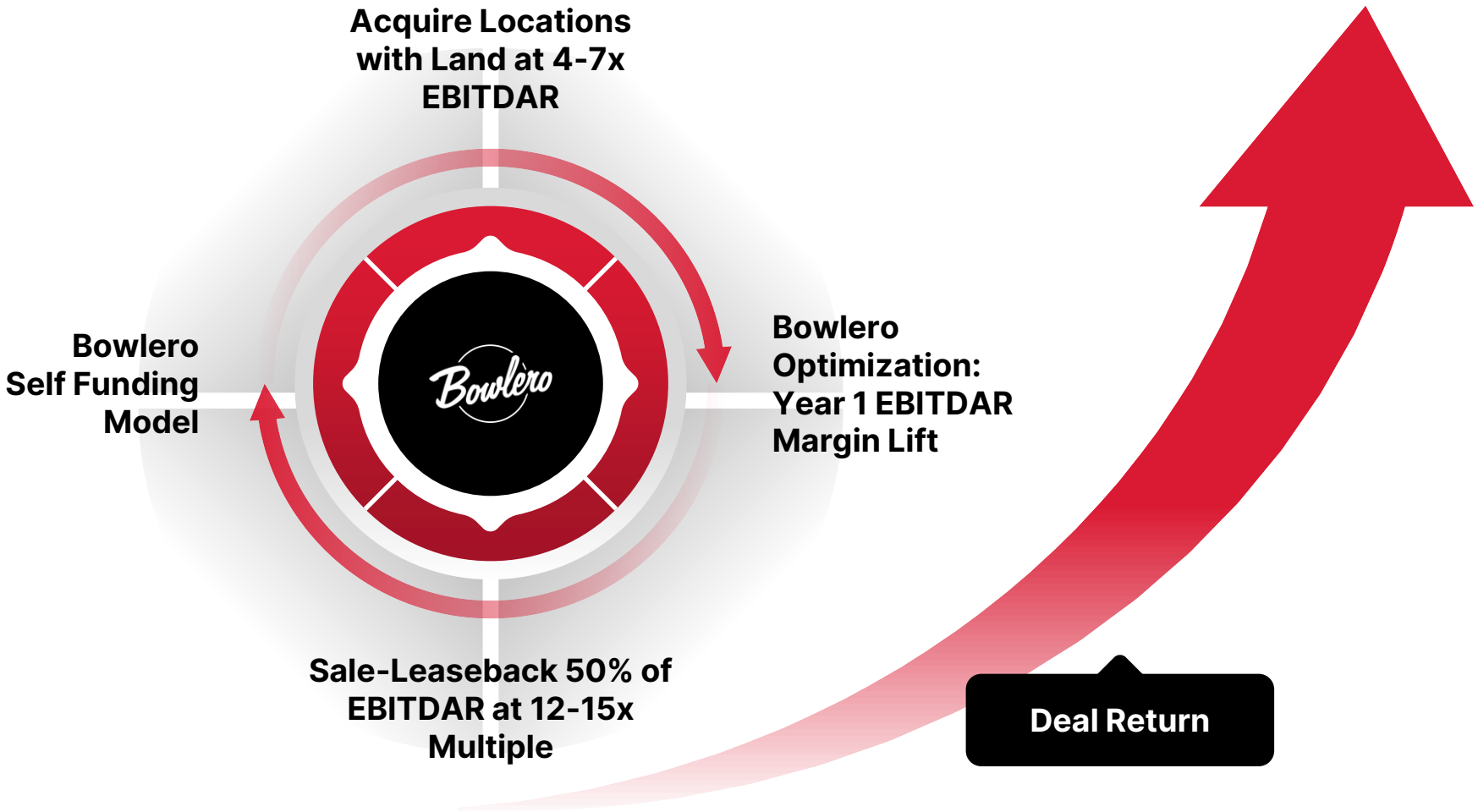
2018-2024 Location Additions

($M)	# OF LOCATIONS	CASH INVESTED[1]	EBITDA[2]	MULTIPLE
Acquisitions	41	$299M	~$60M	4.9x
Chain Acquisitions	28	$134M	~$40M	3.4x
New Builds	12	$90M	~$40M	2.3x
TOTAL	**81**	**$523M**	**$140M**	**3.7x**

Note: $ in millions
(1) Excludes sale-leaseback proceeds.
(2) Illustrative. Annualized EBITDA for acquisitions completed in FY24.

PROVEN SELF FUNDING MODEL WITH SALE-LEASEBACKS

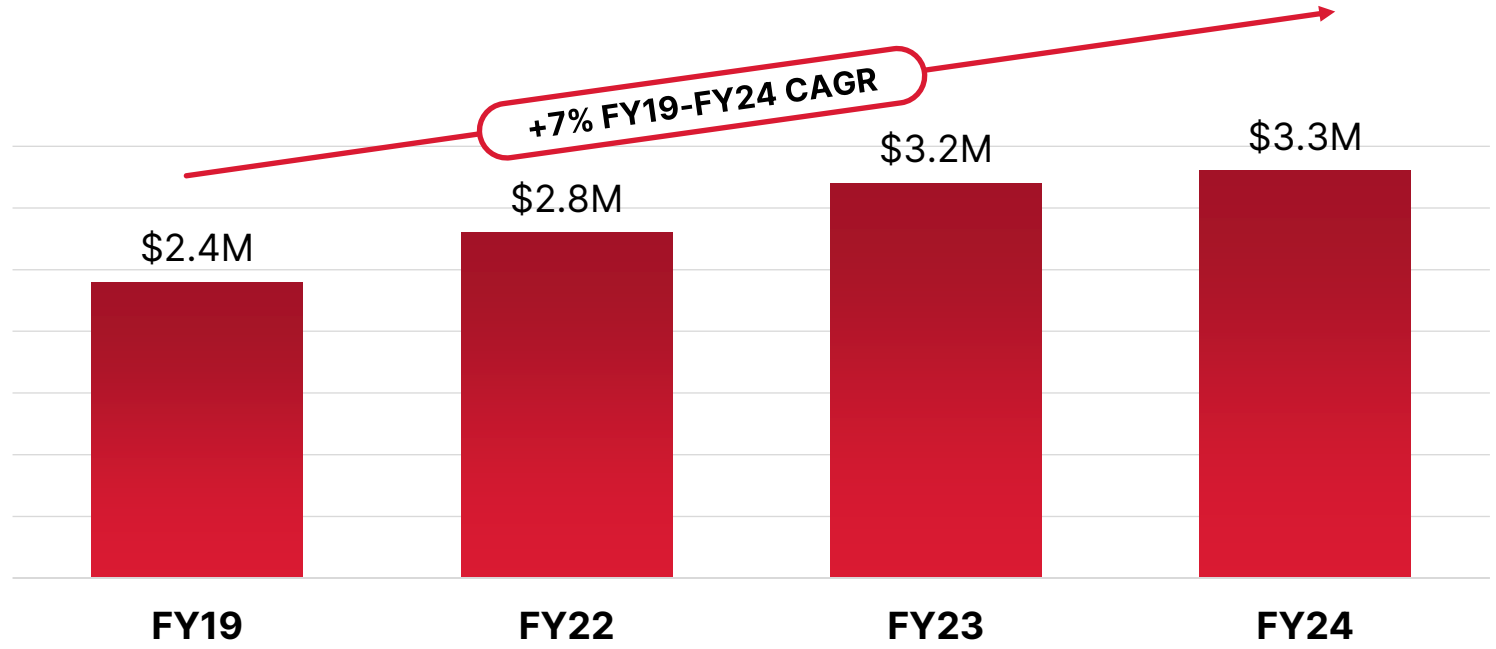
- ↗ We continue to add to our unencumbered land portfolio
- ↗ Sale-Leasebacks are a proven funding mechanism for acquisitions in the location-based entertainment industry to drive longer-term superior returns



(1) Illustrative example for most recent acquisition.

GROWING WALLET SHARE WITH STRONG INCREMENTALS

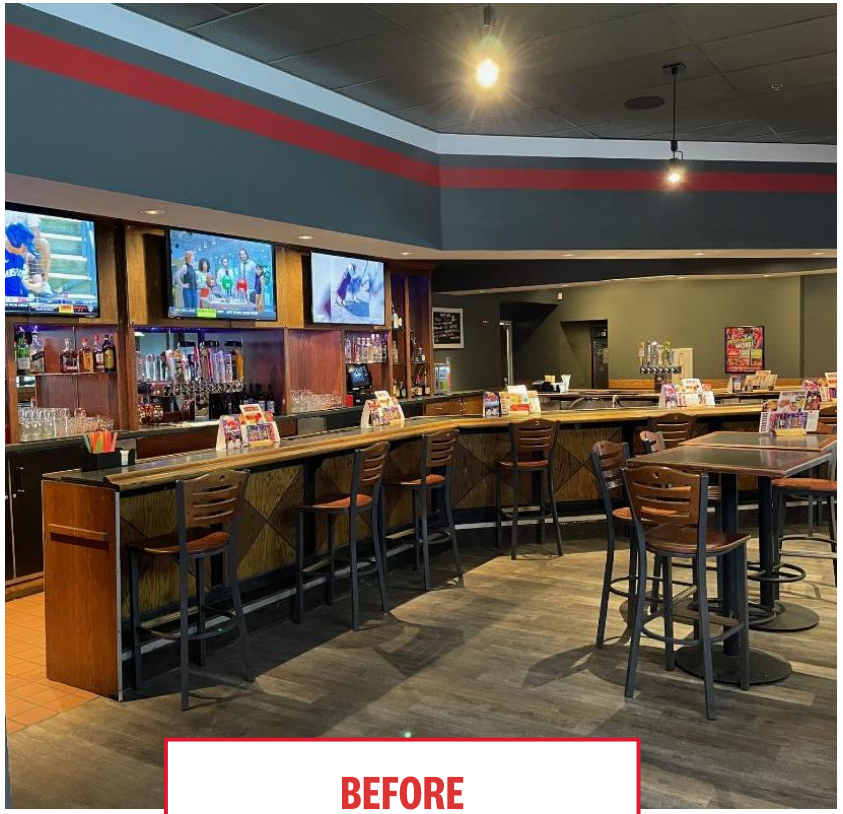
AVERAGE UNIT VOLUMES HAVE RESET TO A HIGHER BASE AND CONTINUE TO EXPAND



Average Unit Volumes have reset to a new base driven by higher Average Revenue Per Customer

CONVERSIONS ARE MULTI-PHASED PATHS TO AN UPSCALE, EXPERIENTIAL LOCATION | PRE-RENOVATION – ILLUSTRATIVE





BEFORE

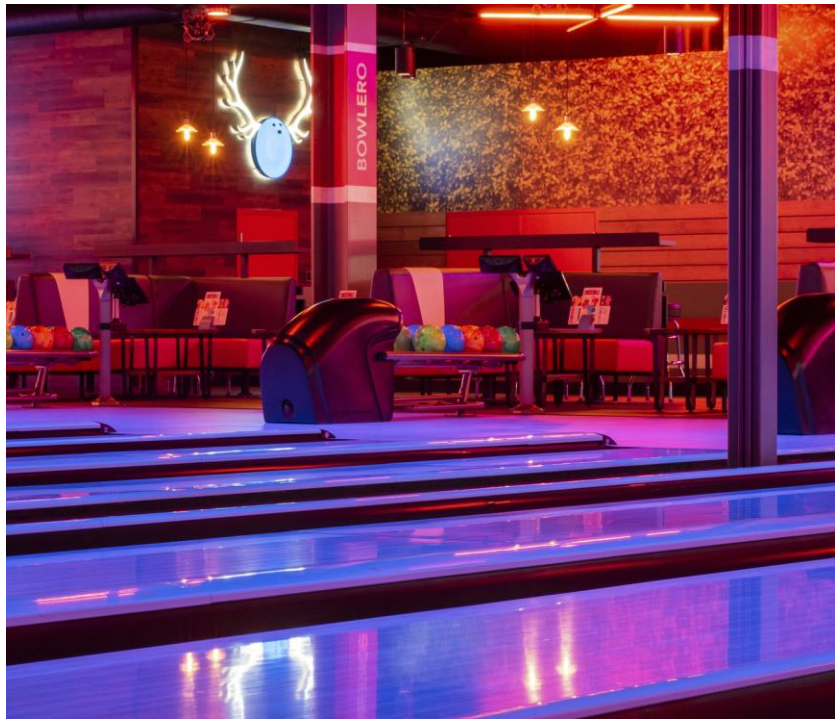


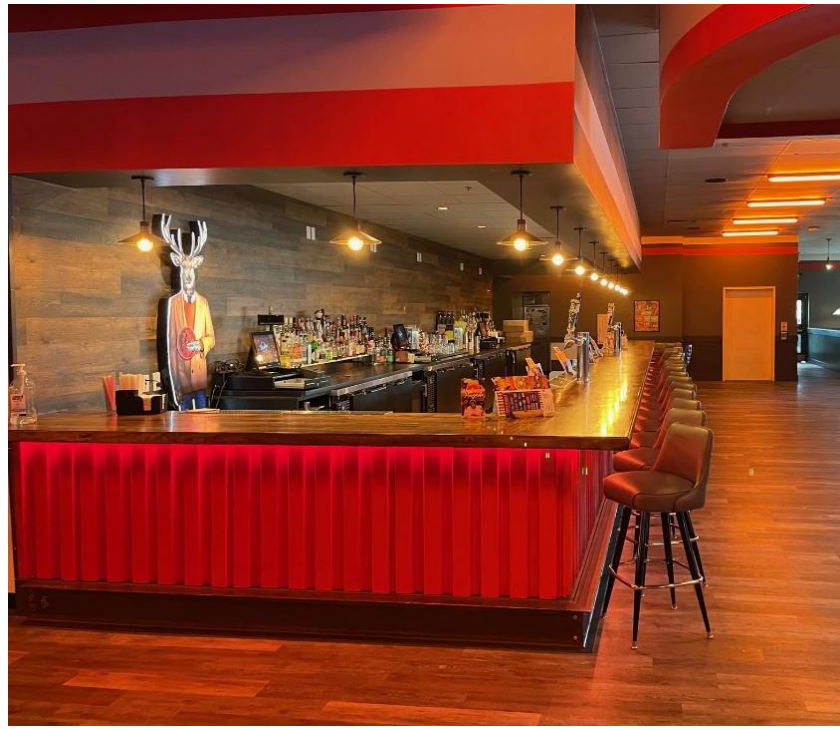
RENOVATION FOCUS POINTS

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

CONVERSIONS ARE MULTI-PHASED PATHS TO AN UPSCALE, EXPERIENTIAL LOCATION | POST-RENOVATION – ILLUSTRATIVE







AFTER

REBRANDING – Rebrand name, including signage
TRANSITION TO UPSCALE – Kitchen/bar replacement, front desk, changes to layout (e.g., lane additions)

ILLUSTRATIVE EXAMPLE OF A NEW BUILD

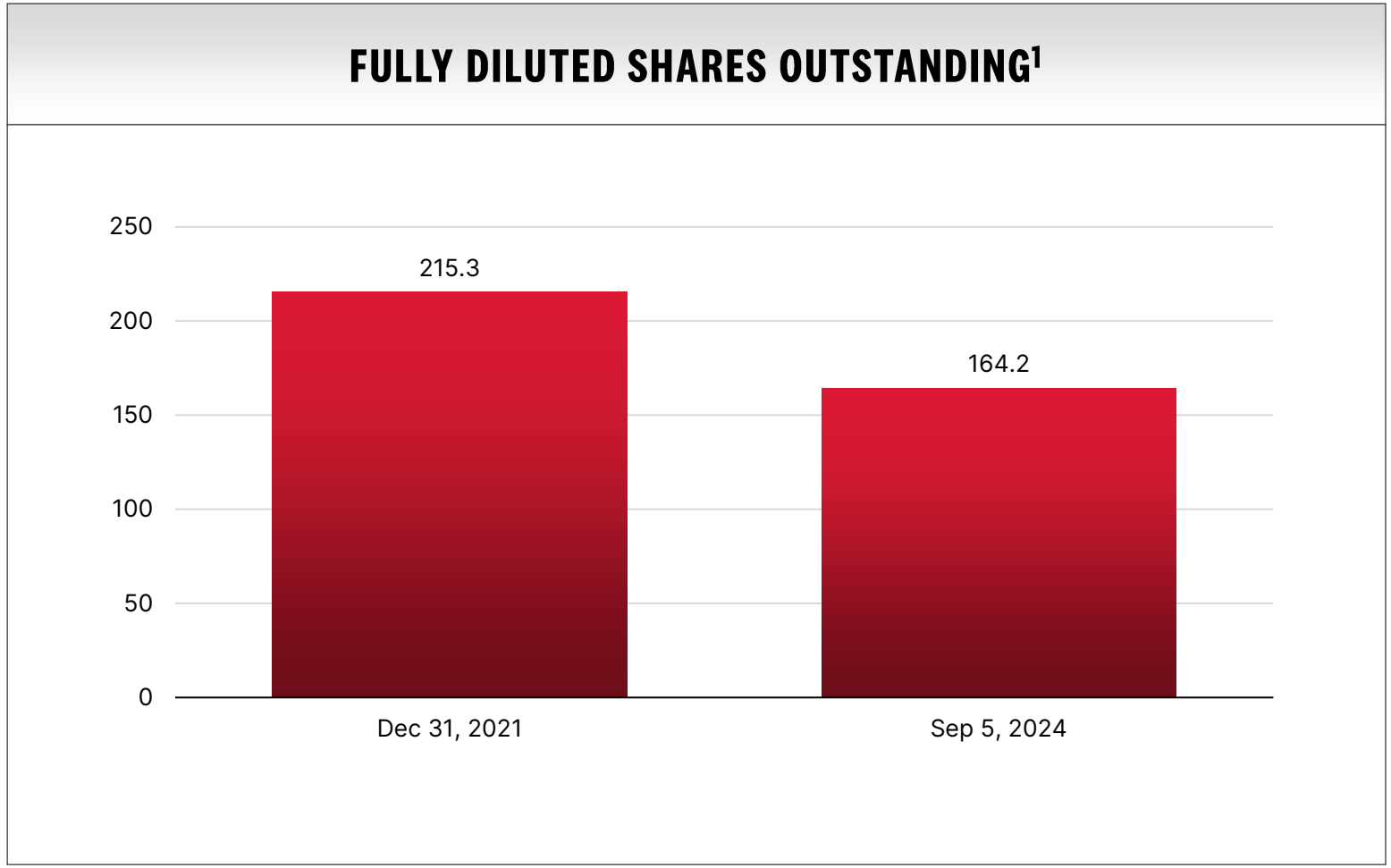
BOWLERO DANIA BEACH





FULLY DILUTED SHARE COUNT

Since going public, the fully diluted share count has been reduced by ~50 million shares or 20%+



(1) Excludes 11.1M earnout shares priced at $17.50. Assumes stock price of $10.79 as of September 5, 2024 for dilution from stock options.

NON-GAAP RECONCILIATIONS

	FY23 vs. FY24		FY23 - FY24							
	FY 23	FY 24	1Q FY23	2Q FY23	3Q FY23	4Q FY23	1Q FY24	2Q FY24	3Q FY24	4Q FY24
(in thousands)	07/02/23	6/30/2024	10/02/22	01/01/23	04/02/23	07/02/23	10/01/23	12/31/23	3/31/2024	6/30/2024
Total Revenue - Reported	$1,058,790	$1,154,614	$230,260	$273,385	$315,725	$239,420	$227,405	$305,671	$337,670	$283,868
less: Service Fee Revenue	-21,064	-5,462	-4,975	-5,349	-6,652	-4,088	-1,621	-1,633	-1,270	-939
Revenue excluding Service Fee Revenue	$1,037,726	$1,149,152	$225,285	$268,036	$309,073	$235,332	$225,784	$304,038	$336,400	$282,929
less: Non-Location Related (including Closed Locations)	-25,351	-20,520	-5,245	-5,148	-6,315	-7,490	-7,354	-3,020	-4,096	-4,859
Total Location Revenue	$1,012,375	$1,128,632	$220,040	$262,888	$302,758	$227,842	$218,430	$301,018	$332,304	$278,070
less: Acquired Revenue	-26,438	-142,774	-347	-3,306	-428	-1,094	-10,784	-40,840	-36,194	-35,598
Same Store Revenue	$985,937	$985,858	$219,693	$259,582	$302,330	$226,748	$207,646	$260,178	$296,110	$242,472
% Year-over-year Change										
Total Revenue – Reported		9.1%					-1.2%	11.8%	7.0%	18.6%
Total Revenue excluding Service Fee Revenue		10.7%					0.2%	13.4%	8.8%	20.2%
Total Location Revenue		11.5%					-0.7%	14.5%	9.8%	22.0%
Same Store Revenue		0%					-5.5%	0.2%	-2.1%	6.9%
Comp Location Count for Same Store Revenue[(1)]	311	311	312	315	322	323	312	315	322	323

Note: The comparable location base changes from period to period as a result of fluctuations in the location population through acquisitions, new builds and closed centers. Revenue will be reflected in Same-Store Revenue after four full quarters of ownership of a location.
(1) Revenues from 311 locations are included in the fiscal year same-store comparable location base for the comparison in the above table. In our previously filed 10-K for the year ended July 2, 2023, revenues from 288 locations were included in the same-store revenue. Revenues from 323 locations are included in the 4th quarter same-store comparable location base for the comparison in the above table.

NON-GAAP RECONCILIATIONS

ADJUSTED LOCATION METRICS

(in millions)	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	Q2 FY24 12/31/23	Q3 FY24 3/31/24	Q4 FY24 6/30/24
Consolidated								
Revenue								
Retail	$166	$170	$216	$162	$152	$180	$220	$189
Event	41	69	60	48	46	90	76	66
League & tournaments	19	29	34	22	22	33	37	24
Total Location Revenue [1]	$226	$268	$310	$232	$220	$303	$333	$279
Less: Service Fee Revenue	-5	-5	-7	-4	-2	-2	-1	-1
Adjusted Total Location Revenue (excl. Service Fee Revenue) [1]	$221	$263	$303	$228	$218	$301	$332	$278
Adjusted EBITDA	$65	$97	$128	$64	$52	$103	$123	$83
Non-Operating Location SG&A Expense	25	26	28	26	28	27	28	26
Media & Other (Income) loss	—	-1	-1	1	1	3	1	2
Adjusted Location EBITDA	$90	$122	$155	$91	$81	$133	$152	$111
% Adj. Location EBITDA margin [2]	*41%*	*46%*	*51%*	*40%*	*37%*	*44%*	*46%*	*40%*
Gross profit	$65	$94	$126	$57	$44	$91	$111	$67
Depreciation attributable to Locations	24	28	27	26	28	32	34	33
Indirect Cost of Sales attributable to Locations [3]	55	59	58	57	62	71	74	74
Gross Loss (Profit) attributable to Closed Locations, Media & Other Income	2	1	1	3	5	5	4	6
Adjusted Location Gross Profit	$146	$182	$212	$143	$139	$199	$223	$180
% Adj. Location Gross profit margin [2]	*66%*	*69%*	*70%*	*63%*	*64%*	*66%*	*67%*	*65%*
Locations included in Location Revenue	317	324	327	328	330	349	350	352

(1) Total Location 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 Location Revenue (excl. Service Revenue)
(3) Includes adjustments for 842 adoption impacts for other periods due to retrospective adoption in Q4 FY23.

NON-GAAP RECONCILIATIONS

ADJUSTED EBITDA RECONCILIATION

	Fiscal Year Ended		Three Months Ended	
(in thousands)	June 30, 2024	July 2, 2023	June 30, 2024	July 2, 2023
Consolidated				
Revenues	$1,154,614	$1,058,790	$283,868	$239,420
Net (loss) income - GAAP	-83,581	82,048	-62,177	146,220
Net (loss) income margin	-7.2%	7.7%	-21.9%	61.1%
Adjustments:				
Interest expense	185,181	112,160	48,860	32,095
Income tax benefit	-27,972	-84,243	-30,039	-85,528
Depreciation and amortization	147,362	115,680	41,064	30,665
Impairment and other charges	61,340	1,601	60,931	1,028
Share-based compensation	13,775	15,742	4,032	3,851
Closed location EBITDA [(1)]	9,006	3,319	2,228	1,692
Foreign currency exchange loss (gain)	378	-53	59	-128
Asset disposition loss (gain)	1,222	-2,240	571	-70
Transactional and other advisory costs [(2)]	21,303	23,635	4,157	6,804
Changes in the value of earnouts [(3)]	25,456	85,352	10,915	-73,406
Other, net [(4)]	8,027	1,343	2,830	1,270
Adjusted EBITDA	$361,497	$354,344	$83,431	$64,493
Adjusted EBITDA Margin	31.3%	33.5%	29.4%	26.9%

(1) The closed location adjustment is to remove EBITDA for closed locations. Closed locations are those locations that are closed for a variety of reasons, including permanent closure, newly acquired or built locations prior to opening, locations closed for renovation or rebranding and conversion. If a location is not open on the last day of the reporting period, it will be considered closed for that reporting period. If the location is closed on the first day of the reporting period for permanent closure, the location 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. Certain prior year amounts have been reclassified to conform to current year presentation.

(3) The adjustment for changes in the value of earnouts is to remove the impact of the revaluation of the 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, (ii) costs incurred that have been expensed associated with obtaining an equity method investment in a subsidiary of VICI, (iii) severance expense, and (iv) other individually de minimis expenses. Certain prior year amounts have been reclassified to conform to current year presentation.

GAAP RENT TO CASH RENT FY-24 & FY-23 WALK

Item	Amounts *(in millions)* FY-24	FY-23	Form 10-K Location
Reduction of operating lease right of use assets (amortization)	34.8	30.8	Consolidated Statement of Cash Flows (Operating activities)
Change in operating lease liabilities (payments less interest)	(26.2)	(19.9)	Consolidated Statement of Cash Flows (Operating activities)
Lease incentive receipts (operating cash flows from landlord contributions)	(2.4)	(0.5)	Note 6 - Leases – disclosed in the other supplemental cash flow information related to leases table (this item nets down the change in operating lease liabilities per the Consolidated Statement of Cash Flow)
Non-Cash GAAP Rent	**6.2**	**10.4**	
Total Operating Lease Costs	84.1	70.6	Note 6 - Leases – disclosed in the components of the net lease cost table (represents cash and non-cash GAAP rent)
Cash GAAP Rent	**77.9**	**60.2**	
Total cash paid for finance lease liabilities	51.4	37.4	Note 6 - Leases – disclosed in the cash paid for amounts included in the measurement of lease liabilities table
Total cash paid for financing obligations	22.7	0.2	Note 6 - Leases – disclosed in the cash paid for amounts included in the measurement of lease liabilities table
Capitalized Cash Rent	**74.1**	**37.6**	All but $6.3M and $0.9M, respectively, is included in interest expense, see Consolidated Statement of Cash Flows (financing activities) related to principal portion and Note 6 - Leases – disclosed in cash paid for amounts included in the measurement of lease liabilities table
Total Cash Rent	**152.0**	**97.8**	
Total cash paid related to deferred repayments	(13.4)	(6.7)	Note 6 - Leases – disclosed in the paragraph below the cash paid for amounts included in the measurement of lease liabilities table
Total Adjusted Cash Rent	**138.6**	**91.1**	