



EXPERIENTIAL ENTERTAINMENT UPDATE

APRIL 2024

AN AFFILIATE OF



EXPERIENTIAL ENTERTAINMENT INDUSTRY UPDATE

THE EXPERIENTIAL ENTERTAINMENT INDUSTRY FINISHED STRONG IN 2023, PAVING THE WAY FOR FURTHER GROWTH IN 2024

LIVE ENTERTAINMENT

- **Live entertainment continued to benefit from increasing consumer demand for in-person experiences**
 - Consumers willing to spend on premium, live experiences such as live music and events
 - International leisure travel continues to experience a post-pandemic rebound
 - Select operators experienced record financial performance in 2023, with further strong growth expected in 2024

FAMILY ENTERTAINMENT

- **Family entertainment performed well in 2023, fueled by the demand for affordable leisure experiences**
 - Same store sales down compared to 2022 levels, but remain above 2019 levels
 - Demand for events remains elevated, led by strong corporate demand in current hybrid work environment
 - 2024 is off to a slow start due to poor weather conditions and tough comparable period, with flat-to-modest growth expected for the full year

CRUISE OPERATORS

- **Cruise operators had a record 2023 performance, with a robust level of bookings for 2024**
 - Remaining negative impact of COVID-19 has been fully phased out in 2023
 - Consumer demand and spending continue to increase, with operators reporting record guest levels
 - Outlook for 2024 is promising, with at least 50% of future expected business already booked across operators

THEME PARKS

- **Demand for theme parks remains strong, with attendance projected to surpass pre-pandemic levels in near-term**
 - Extreme weather conditions in H1 2023 severely impacted overall attendance levels
 - Despite attendance remaining below 2019 levels, consumers are spending more per visit, driven by improved in-park restaurants and attractions
 - 2024 per caps are anticipated to grow relative to 2023 levels, supported by the trend of increased season pass sales

STRONG PERFORMANCE ACROSS INDUSTRY SEGMENTS

LIVE ENTERTAINMENT CONTINUED TO BENEFIT FROM INCREASING CONSUMER DEMAND FOR IN-PERSON EXPERIENCES; FAMILY ENTERTAINMENT PERFORMED WELL IN 2023, FUELED BY THE DEMAND FOR AFFORDABLE LEISURE EXPERIENCES

LIVE ENTERTAINMENT



February 22, 2024

“The live music industry reached **new heights in 2023**, and **demand for live music continues to build**... we've seen **no slowdown on the consumer**... we're seeing **strong demand at all price points**” – *Q4 2023 Earnings Call and Press Release*



February 27, 2024

“TKO's strong results reflect **robust demand for our premium content and live events**... Based on the full year, both UFC and WWE achieved their **best financial performance ever**... In live events, we benefit from **continued strength of the experienced economy**” – *Q4 2023 Earnings Call*



February 8, 2024

“Pursuit set **new records for both revenue and EBITDA**... our **room revenue on the books for 2024 is ahead of this time last year**... The **favorable leisure travel trends and prioritization of discretionary spend on experiences**... set the backdrop for **strong growth ahead**” – *Q4 2023 Earnings Call*

FAMILY ENTERTAINMENT



February 5, 2024

“Our **revenues are up 65% from pre-pandemic levels**... **Event revenue increased by 30% year-over-year**. **Strong corporate demand** for employees to come together in a work-from home environment” – *Thomas Shannon, Chairman and CEO on FYQ2 2024 Earnings Call*



April 2, 2024

“**...strong financial results** for the final quarter of fiscal 2023 and the year as a whole... **grew adjusted EBITDA** and further **expanded our adjusted EBITDA margins**... **Fiscal '24 is set up to be a transformative year** for our company... once people are in the door, they're **still spending at the same levels**, they've always spent... we've seen **strength on the higher-end consumer**” – *FY 2023 Earnings Call*



February 13, 2024

“...delivered **1% same venue sales growth for the full year** on top of 7% growth in 2022... Topgolf alone is **adding 3 million to 4 million new unique visitors each year**, and we'll have **over 30 million unique visitors in 2024**” – *Oliver Brewer, President and CEO on Q4 2023 Earnings Call*

STRONG PERFORMANCE ACROSS INDUSTRY SEGMENTS (CONT.)

CRUISE OPERATORS HAD A RECORD 2023 PERFORMANCE, WITH A ROBUST LEVEL OF BOOKINGS FOR 2024; DEMAND FOR THEME PARKS REMAINS STRONG, WITH ATTENDANCE PROJECTED TO SURPASS PRE-PANDEMIC LEVELS IN NEAR-TERM

CRUISE OPERATORS



“...closed another quarter with **record revenues, record booking levels and record customer deposits**... consistently set **records in all 4 quarters this past year**... We now have nearly **2/3 of the business on the books for 2024**” – *Josh Weinstein, President and CEO on Q4 2023 Earnings Call*



“...putting the **pandemic definitively behind us**... The **record financial results** we delivered in 2023... we took nearly **30,000 guests more than ever**... already booked **over 87% of our full year projected ticket revenues for the year [2024]**” – *Q4 2023 Earnings Call*



“Net yields were **up 13.5% compared to 2019, more than 3.5x our January expectations**... attracted a **record number of both new and loyal guests** who are rebooking at **twice the rate we were seeing in 2019**... **2024 is in the strongest book position in the company's history**” – *Jason Liberty, President and CEO on Q4 2023 Earnings Call*

THEME PARKS



“**Consumer demand** for amusement park entertainment **remains strong** and is pacing to **soon surpass pre-pandemic attendance levels**” – *Richard Zimmerman, President and CEO on Q4 2023 Earnings Call*







“Our guests on average, are **spending over 40% more per visit than they were before the pandemic**... progress continues with **2024 passes**, which through generally are **up double digit over 2023**” – *Selim Bassoul, President and CEO on Q4 2023 Earnings Call*






“For the full year, we **delivered near-record results**... attendance levels for fiscal 2023 were **still below levels achieved in 2019**... confident will **eventually recover to and surpass pre-COVID levels**” – *Marc Swanson, CEO on Q4 2023 Earnings Call*

FAMILY ENTERTAINMENT SAME STORE SALES AND THEME PARKS REVENUE GROWTH

FAMILY ENTERTAINMENT EXPERIENCED A DECLINE IN YOY SAME STORE SALES AS THE YEAR PROGRESSED; THEME PARKS REVENUE IN LINE WITH CY 2022 AND OUTPACING CY 2019

	SAME STORE SALES				
	CY 2023 vs. CY 2022				
	CY Q1	CY Q2	CY Q3	CY Q4	Full Year
Family Entertainment					
	15%	(3%)	(5%)	0%	NA
 (a)	(4%)	(6%)	(8%)	(7%)	(6%)
 (b)	NA	(0%)	1%	2%	NA
 (c)	11%	1%	(3%)	(3%)	1%
Family Entertainment Average	7%	(2%)	(4%)	(2%)	(3%)

	REVENUE	
	CY 2023 vs.	
	CY 2019	CY 2022
Theme Parks		
	22%	(1%)
	(4%)	5%
	23%	(0%)
Theme Parks Average	14%	1%

Source: Financial reports, earning releases, investor presentations and publicly available information.

a) Calendar year represents 12 months ending in January.

b) Figures are exclusive to Round 1 USA segment.

c) Figures are exclusive to the Topgolf business segment of Topgolf Callaway Brand.

SITE-BASED ENTERTAINMENT LOCATIONS (2019 VS. TODAY)

THERE HAS BEEN SIGNIFICANT GROWTH IN THE SITE-BASED ENTERTAINMENT INDUSTRY WITH THE OPERATORS BELOW INCREASING BY NEARLY 600 LOCATIONS SINCE THE START OF 2019

Arcade / Bowling

	Beginning of 2019	Current
CHUCK E. CHEESE	641	489
DAVE & BUSTER'S / MAINEVENT	163	205
PINS	3	14
PINSTRIPES	12	20
REC ROOM	5	12
ROUND USA	39	55
TILT Studios	14	23
Total (Ex. CEC)	236	329
Total	877	818

Escape / Challenge Rooms

	Beginning of 2019	Current
ACTIVATE	--	27
BEAT THE BOMB	1	6
GAME SHOW BATTLE ROOMS	1	11
IMMERSIVE GAMEBOX	--	17
LEVEL99	--	3
RED DOOR ESCAPE ROOM	5	16
THE ESCAPE GAME	10	41
Total	16	121

Competitive Socializing

Mini Golf			Other		
	Beginning of 2019	Current		Beginning of 2019	Current
HOLEY MOLEY	--	4	CHICKEN N PICKLE	2	16
POPSTROKE	--	25	ELECTRIC SHUFFLE	--	3
puttery	--	10	FIVE IRON GOLF	2	25
Puttshack	--	22	FLIGHT CLUB	1	8
Swingers	--	3	TOPGOLF	47	90
Total	--	64	Total	52	142

Trampoline / Adventure Park

	Beginning of 2019	Current
GET AIR	68	75
KIDS EMPIRE	2	69
SLICK CITY ACTION PARK	--	10
Urban Air ADVENTURE PARK	62	227
Total	132	381

Karting / Thrill

	Beginning of 2019	Current
ANDRETTI INDOOR KARTING & GAMES	4	9
iFLY	32	42
K1 SPEED	34	71
Total	70	122

Immersive Experiences

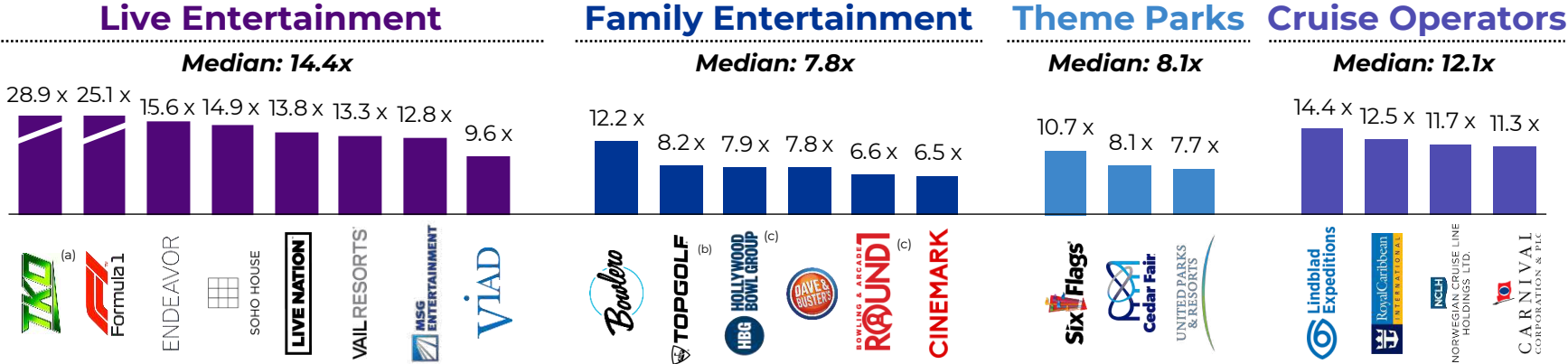
	Beginning of 2019	Current
illuminarium	--	4
MUSEUM OF ICE CREAM	1	5
MUSEUM OF ILLUSIONS	2	24
Total	3	39

Virtual Reality

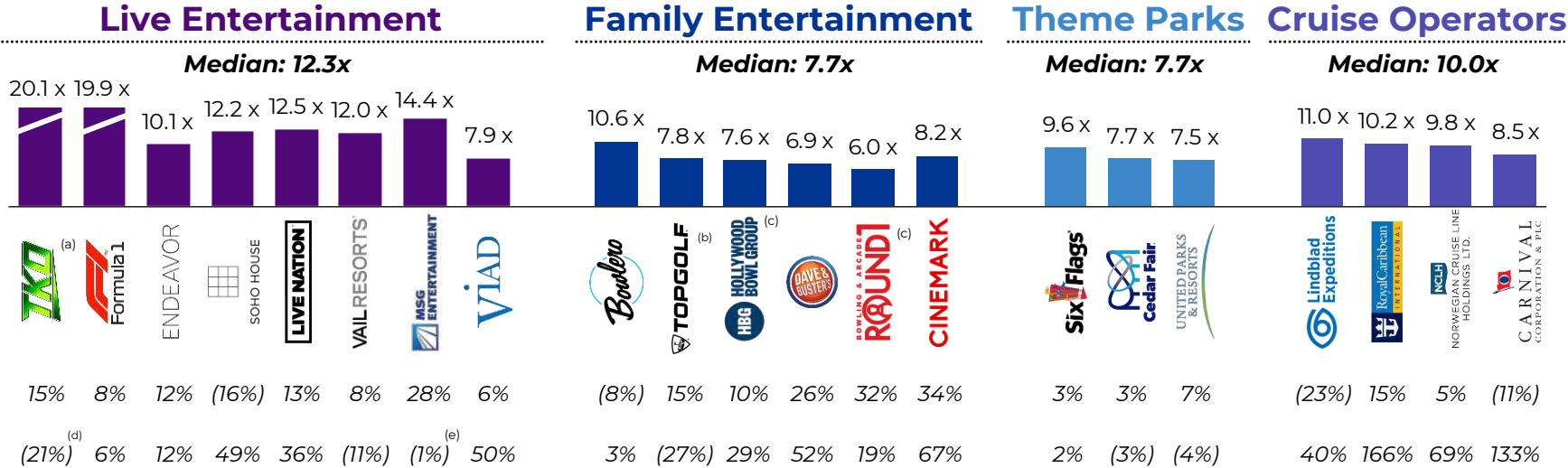
	Beginning of 2019	Current
SANDBOX ^{VR}	3	36
ZERO LATENCY	8	25
Total	11	61

EXPERIENTIAL ENTERTAINMENT TRADING MULTIPLES

EV / EBITDA MULTIPLES (CY 2023)



EV / EBITDA MULTIPLES (CY 2024)



Change in Share Price

	TKO	Formula 1	ENDEAVOR	SOHO HOUSE	LIVE NATION	VAIL RESORTS	MSG ENTERTAINMENT	VIAD	Boomerang	TOPGOLF	HBBG HOLLYWOOD BOWL GROUP	DAVE & BUSTERS	ROUND1	CINEMARK	Six Flags	Cedar Fair	UNITED PARKS & RESORTS	Lindblad Expeditions	Royal Caribbean INTERNATIONAL	NCLH NORWEGIAN CRUISE LINE HOLDINGS LTD.	CARNIVAL CORPORATION & PLC
YTD 2024	15%	8%	12%	(16%)	13%	8%	28%	6%	(8%)	15%	10%	26%	32%	34%	3%	3%	7%	(23%)	15%	5%	(11%)
CY 2023	(21%) ^(d)	6%	12%	49%	36%	(11%)	(1%) ^(e)	50%	3%	(27%)	29%	52%	19%	67%	2%	(3%)	(4%)	40%	166%	69%	133%

Source: Public filings and Capital IQ as of April 3, 2024.
 a) Enterprise value calculated as market capitalization + non-controlling interest + long-term debt + current portion of long-term debt + convertible debt - cash.
 b) Assumes constant annual EBITDA adjustment.
 c) Represents EBITDA pre-IFRS-16. Assumes constant annual EBITDA adjustment.
 d) TKO Group did not publicly trade until September 12, 2023.
 e) MSG Entertainment did not publicly trade until April 17, 2023.

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