

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

May 31, 2025
Date of Report (Date of earliest event reported)

TOPGOLF CALLAWAY BRANDS CORP.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction
of incorporation)

1-10962
(Commission
File Number)

95-3797580
(IRS Employer
Identification No.)

2180 RUTHERFORD ROAD, CARLSBAD, CALIFORNIA
(Address of principal executive offices)

92008-7328
(Zip Code)

(760) 931-1771
Registrant's telephone number, including area code

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	MODG	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.01 Completion of Acquisition or Disposition of Assets.

On May 31, 2025, pursuant to the terms and conditions of the previously disclosed Sale & Purchase Agreement, dated as of April 10, 2025 (the “Purchase Agreement”), by and between Topgolf Callaway Brands Corp. (the “Company”) and Anca Holdco GmbH & Co. KG, an indirect wholly-owned subsidiary of ANTA Sports Products Limited, the Company completed the sale of 100% of the outstanding equity interests of Callaway Germany Holdco GmbH, which owns various entities that operate the Jack Wolfskin business, for \$290 million in cash, net of cash sold and subject to net working capital and other customary adjustments (the “Sale”).

The foregoing description of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Purchase Agreement, which is filed as Exhibit 2.1 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission April 10, 2025, and is incorporated herein by reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

As previously disclosed, the Company and certain of its subsidiaries are party to a Fifth Amended and Restated Loan and Security Agreement, dated as of March 16, 2023 (as amended, the “ABL Credit Agreement”), with the lenders party thereto from time to time and Bank of America, N.A., as administrative agent and as security trustee, providing for senior secured asset-based revolving credit facilities (the “ABL Facility”) in an original aggregate principal amount of up to \$525 million. Concurrently with the Sale, pursuant to the terms and conditions of ABL Credit Agreement and the previously disclosed Third Amendment to Fifth Amended and Restated Loan and Security Agreement, dated as of April 9, 2025, by and among the Company, the other borrowers and obligors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and as security trustee, the Company (i) reallocated a portion of the revolving commitments under the ABL Facility, in an aggregate principal amount of \$20 million, from the German facility thereunder (the “German Facility”) to the U.S. facility thereunder and (ii) terminated the remainder of the German Facility.

Item 7.01 Regulation FD Disclosure.*

On June 2, 2025, the Company issued a press release captioned “Topgolf Callaway Brands Completes Sale of Jack Wolfskin to ANTA Sports.” A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.*

(b) *Pro forma financial information.*

Unaudited pro forma financial information of the Company to give effect to the transactions contemplated by the Purchase Agreement is included as Exhibit 99.2 filed herewith and is incorporated by reference into this Item 9.01(b).

(d) *Exhibits.*

Exhibit 99.1	Press Release, dated June 2, 2025 captioned “Topgolf Callaway Brands Completes Sale of Jack Wolfskin to ANTA Sports.”
Exhibit 99.2	Pro Forma Financial Information of Topgolf Callaway Brands Corp.
Exhibit 104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

* The information furnished under Item 7.01 on this Form 8-K (including Exhibit 99.1) shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any registration statement or other filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TOPGOLF CALLAWAY BRANDS CORP.

Date: June 4, 2025

By: /s/ Heather D. McAllister
Name: Heather D. McAllister
Title: Senior Vice President, General Counsel and Corporate Secretary

Topgolf Callaway Brands Completes Sale of Jack Wolfskin to ANTA Sports

CARLSBAD, Calif., June 2, 2025 /PRNewswire/ - Topgolf Callaway Brands Corp. (NYSE: MODG) (“Topgolf Callaway Brands” or the “Company”) is pleased to announce the successful completion of the sale of its Jack Wolfskin business to ANTA Sports for \$290 million, subject to certain customary closing adjustments.

The transaction, which closed effective May 31, 2025, represents a significant milestone for Topgolf Callaway Brands as it refocuses its strategic priorities on its core businesses and enhances the Company’s financial flexibility ahead of the planned separation of Topgolf from its core operations.

Chip Brewer, President and CEO of Topgolf Callaway Brands, stated, “We are excited to announce the successful completion of the sale of our Jack Wolfskin business to ANTA Sports. We believe that ANTA Sports will continue to uphold the integrity and reputation of the Jack Wolfskin brand, and we extend our gratitude to our Jack Wolfskin employees for their hard work and dedication in positioning the business for its next chapter.”

For more information about Topgolf Callaway Brands and its portfolio, please visit <https://www.topgolfcallawaybrands.com>.

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About Topgolf Callaway Brands Corp.

Topgolf Callaway Brands Corp. (NYSE: MODG) is an unrivaled tech-enabled Modern Golf and active lifestyle company delivering leading golf equipment, apparel, and entertainment, with a portfolio of global brands including Topgolf, Callaway Golf, TravisMathew, Odyssey and OGIO. “Modern Golf” is the dynamic and inclusive ecosystem that includes both on-course and off-course golf.

Forward-Looking Statements

Statements used in this press release that relate to future plans, events, financial results, performance, prospects, or growth opportunities, including statements relating to the Company’s liquidity and financial flexibility following the completion of the sale, the growth and positioning of the Company’s portfolio of brands, increased focus on the Company’s portfolio of leading brands, and statements of belief and any statement of assumptions underlying any of the foregoing, are forward-looking statements as defined under the Private Securities Litigation Reform Act of

1995. The words “believe,” “expect,” “estimate,” “could,” “would,” “should,” “intend,” “may,” “plan,” “seek,” “anticipate,” “project” and similar expressions, among others, generally identify forward-looking statements, which speak only as of the date the statements were made and are not guarantees of future performance. These statements are based upon current information and expectations. Accurately estimating the forward-looking statements is based upon various risks and unknowns, including our ability to successfully execute on planned and potential transactions, including our planned separation of Topgolf, and the potential to realize the expected benefits of such transactions on the expected timeframes or at all. Actual results may differ materially from those estimated or anticipated as a result of these risks and unknowns or other risks and uncertainties. For additional information concerning these and other risks and uncertainties that could affect these statements and the Company’s business, see the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 as well as other risks and uncertainties detailed from time to time in the Company’s reports on Forms 10-K, 10-Q and 8-K subsequently filed with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to republish revised forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

On May 31, 2025, Topgolf Callaway Brands Corp. (the “Company”) completed the previously announced sale of 100% of the outstanding equity interests of Callaway Germany Holdco GmbH, which owns various entities that operate the Jack Wolfskin business (“Jack Wolfskin”), to Anca Holdco GmbH & Co. KG (the “Purchaser”), an indirect wholly-owned subsidiary of ANTA Sports Products Limited, for \$290.0 million in cash, net of cash sold and subject to net working capital and other customary adjustments (the “Sale”), pursuant to the terms of a Sale & Purchase Agreement (the “Purchase Agreement”) dated April 10, 2025 by and between the Company and the Purchaser.

The unaudited pro forma condensed consolidated statements of operations for the three months ended March 31, 2025 and the year ended December 31, 2024 are presented to illustrate the Company’s results as if the Sale occurred on January 1, 2024, the beginning of the earliest period presented. The unaudited pro forma condensed consolidated balance sheet as of March 31, 2025 reflects the Company’s financial position as if the Sale had occurred on March 31, 2025. The unaudited pro forma condensed consolidated financial statements have been prepared in accordance with Article 11 of Regulation S-X, as amended, and are based upon management’s estimates utilizing the best available information and are subject to the assumptions and adjustments described below and in the accompanying notes to the unaudited pro forma condensed consolidated financial statements. They are not intended to be a complete representation of the Company’s financial position or results of operations had the Sale occurred as of the periods indicated. In addition, the unaudited pro forma condensed consolidated financial statements are provided for illustrative and informational purposes only and are not necessarily indicative of the Company’s future results of operations or financial condition had the Sale been completed on the date assumed. The unaudited pro forma condensed consolidated financial statements should be read in conjunction with the Company’s historical consolidated financial statements and accompanying notes included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 filed with the Securities and Exchange Commission on March 3, 2025, and the Company’s Quarterly Report on Form 10-Q for the three months ended March 31, 2025 filed with the Securities and Exchange Commission on May 12, 2025, as well as the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of such reports.

TOPGOLF CALLAWAY BRANDS CORP.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
As of March 31, 2025
(In millions)

	<u>As Reported</u>	<u>Jack Wolfskin Disposal (a)</u>	<u>Transaction Accounting Adjustments</u>	<u>Notes</u>	<u>Pro Forma</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 317.0	\$ (43.9)	\$ 339.5	(b)	\$ 612.6
Restricted cash	0.7	(0.7)			—
Accounts receivable, net of allowances	389.2	(17.0)			372.2
Inventories	729.2	(75.3)			653.9
Prepaid expenses	68.1	(5.2)			62.9
Other current assets	160.8	(17.5)	5.4	(c)	148.7
Total current assets	<u>1,665.0</u>	<u>(159.6)</u>	<u>344.9</u>		<u>1,850.3</u>
Property, plant and equipment, net	2,218.1	(11.4)			2,206.7
Operating lease right-of-use assets, net	1,333.2	(64.4)			1,268.8
Trade names and trademarks	1,312.5	(202.3)			1,110.2
Other intangible assets, net	67.5	(13.8)			53.7
Goodwill	620.7	(1.7)			619.0
Other assets, net	476.9	(13.3)			463.6
Total assets	<u>\$ 7,693.9</u>	<u>\$ (466.5)</u>	<u>\$ 344.9</u>		<u>\$ 7,572.3</u>
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Accounts payable and accrued expenses	\$ 444.4	\$ (195.9)	\$ 151.4	(c)(d)	\$ 399.9
Accrued employee compensation and benefits	114.8	(8.1)	0.3	(d)	107.0
Asset-based credit facilities	46.7	—			46.7
Operating lease liabilities, short-term	91.8	(15.6)			76.2
Construction advances	18.1	—			18.1
Deferred revenue	95.8	(1.3)			94.5
Other current liabilities	41.2	(5.8)			35.4
Total current liabilities	<u>852.8</u>	<u>(226.7)</u>	<u>151.7</u>		<u>777.8</u>
Long-term debt, net	1,455.4	—			1,455.4
Operating lease liabilities, long-term	1,372.7	(50.1)			1,322.6
Deemed landlord financing obligations	1,210.9	—			1,210.9
Deferred taxes, net	25.8	(23.6)			2.2
Other long-term liabilities	349.7	(2.1)			347.6
Shareholders' equity:					
Preferred stock	—	—			—
Common stock	1.9	—			1.9
Additional paid-in capital	3,022.1	(500.7)			2,521.4
Accumulated deficit	(498.1)	316.5	193.2	(e)	11.6
Accumulated other comprehensive (loss) income	(62.9)	20.2			(42.7)
Less: Common stock held in treasury, at cost	(36.4)	—			(36.4)
Total shareholders' equity	<u>2,426.6</u>	<u>(164.0)</u>	<u>193.2</u>		<u>2,455.8</u>
Total liabilities and shareholders' equity	<u>\$ 7,693.9</u>	<u>\$ (466.5)</u>	<u>\$ 344.9</u>		<u>\$ 7,572.3</u>

See accompanying notes to unaudited pro forma condensed consolidated financial statements.

TOPGOLF CALLAWAY BRANDS CORP.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
For the three months ended March 31, 2025
(In millions, except per share data)

	<u>As Reported</u>	<u>Jack Wolfskin Disposal (f)</u>	<u>Transaction Accounting Adjustments</u>	<u>Notes</u>	<u>Pro Forma</u>
Net revenues:					
Products	\$ 702.2	\$ (70.2)	\$ 0.7	(h)	\$ 632.7
Services	390.1	—	—		390.1
Total net revenues	<u>1,092.3</u>	<u>(70.2)</u>	<u>0.7</u>		<u>1,022.8</u>
Costs and expenses:					
Cost of products	385.7	(38.0)	1.1	(h)(i)	348.8
Cost of services, excluding depreciation and amortization	39.1	—	—		39.1
Other venue expense	321.2	—	—		321.2
Selling, general and administrative expense	257.9	(34.8)	—		223.1
Research and development expense	21.3	(1.4)	—		19.9
Venue pre-opening costs	0.6	—	—		0.6
Total costs and expenses	<u>1,025.8</u>	<u>(74.2)</u>	<u>1.1</u>		<u>952.7</u>
Income (loss) from operations	66.5	4.0	(0.4)		70.1
Interest expense, net	(58.0)	1.1	(1.0)	(h)	(57.9)
Other income (expense), net	3.1	1.1	(2.2)	(h)	2.0
Income (loss) before income taxes	11.6	6.2	(3.6)		14.2
Income tax provision (benefit)	9.5	1.0	(0.9)	(j)	9.6
Net income (loss)	<u>\$ 2.1</u>	<u>\$ 5.2</u>	<u>\$ (2.7)</u>		<u>\$ 4.6</u>
Earnings per common share:					
Basic	\$ 0.01				\$ 0.03
Diluted	\$ 0.01				\$ 0.03
Weighted-average common shares outstanding:					
Basic	183.4				183.4
Diluted	183.5				183.5

See accompanying notes to unaudited pro forma condensed consolidated financial statements.

TOPGOLF CALLAWAY BRANDS CORP.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
For the twelve months ended December 31, 2024
(In millions, except per share data)

	<u>As Reported</u>	<u>Jack Wolfskin Disposal (f)</u>	<u>Transaction Accounting Adjustments</u>	<u>Notes</u>	<u>Pro Forma</u>
Net revenues:					
Products	\$ 2,447.8	\$ (348.2)	\$ 1.6	(h)	\$ 2,101.2
Services	1,791.5	—	—		1,791.5
Total net revenues	<u>4,239.3</u>	<u>(348.2)</u>	<u>1.6</u>		<u>3,892.7</u>
Costs and expenses:					
Cost of products	1,401.7	(195.3)	3.4	(h)(i)	1,209.8
Cost of services, excluding depreciation and amortization	186.7	—	—		186.7
Other venue expense	1,303.5	—	—		1,303.5
Selling, general and administrative expense	1,045.7	(172.7)	(4.7)	(g)(i)	868.3
Research and development expense	92.1	(8.3)	—		83.8
Goodwill and intangible assets impairment	1,452.0	—	—		1,452.0
Venue pre-opening costs	14.8	—	—		14.8
Total costs and expenses	<u>5,496.5</u>	<u>(376.3)</u>	<u>(1.3)</u>		<u>5,118.9</u>
(Loss) income from operations	(1,257.2)	28.1	2.9		(1,226.2)
Interest expense, net	(231.2)	5.1	(4.3)	(h)	(230.4)
Other income (expense), net	15.2	14.4	(7.9)	(h)	21.7
(Loss) income before income taxes	(1,473.2)	47.6	(9.3)		(1,434.9)
Income tax (benefit) provision	(25.5)	1.5	(1.9)	(j)	(25.9)
Net (loss) income	<u>\$ (1,447.7)</u>	<u>\$ 46.1</u>	<u>\$ (7.4)</u>		<u>\$(1,409.0)</u>
Loss per common share:					
Basic	\$ (7.88)				\$ (7.67)
Diluted	\$ (7.88)				\$ (7.67)
Weighted-average common shares outstanding:					
Basic	183.7				183.7
Diluted	183.7				183.7

See accompanying notes to unaudited pro forma condensed consolidated financial statements.

TOPGOLF CALLAWAY BRANDS CORP.
NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Basis of Presentation

The preparation of the unaudited pro forma condensed consolidated financial information is based on financial statements prepared in accordance with accounting principles generally accepted in the United States of America. The unaudited pro forma condensed consolidated balance sheet as of March 31, 2025 and unaudited pro forma condensed consolidated statement of operations for the three months ended March 31, 2025 have been derived from the unaudited consolidated financial statements of the Company for the quarterly period then ended. The unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 2024 has been derived from the audited consolidated financial statements of the Company for the year then ended.

The pro forma adjustments reflected in the accompanying unaudited pro forma condensed consolidated financial information reflects estimates and assumptions that the Company's management believes to be reasonable. Actual results may differ from those estimates. Amounts in the Jack Wolfskin disposal column in the unaudited pro forma condensed consolidated financial statements were derived from the Company's underlying financial records for the periods presented. The transaction accounting adjustments reflect the impact of events that are directly attributable to the Sale, are factually supportable, and with respect to the condensed consolidated statements of operations, are expected to have a continuing impact on the Company.

Note 2. Pro Forma Adjustments

The unaudited pro forma condensed consolidated financial statements include the following pro forma adjustments:

Unaudited Pro Forma Condensed Consolidated Balance Sheet

- (a) Adjustments represent the elimination of assets and liabilities attributable to Jack Wolfskin.
- (b) Reflects an aggregate of \$339.5 million of estimated cash consideration (including cash sold and after taking into account certain net working capital and other customary adjustments made at closing) received from the Purchaser for the sale of the Jack Wolfskin business. No adjustment has been made to the sale proceeds to give effect to any potential post-closing net working capital adjustments under the terms of the Purchase Agreement.
- (c) Balance sheet adjustments primarily relating to the reversal of eliminations including \$150.1 million in accounts payable and accrued expenses associated with intercompany transactions with Jack Wolfskin.
- (d) Reflects the balance sheet adjustments related to non-recurring expenses described in note (g), including \$1.3 million in accounts payable and accrued expenses and \$0.3 million in accrued employee compensation and benefits.
- (e) Adjustments reflect the effect of adjustments described in notes (b) through (d) on shareholders' equity.

Unaudited Pro Forma Condensed Consolidated Statements of Operation

- (f) Adjustments reflect the elimination of revenues, costs and expenses, and the net loss of Jack Wolfskin.
- (g) Reflects adjustments for the following non-recurring expenses directly associated with the Sale:
 - Employee retention bonuses of \$0.3 million in selling, general and administrative expenses that the Company expects to incur within 12 months subsequent to the closing of the Sale.
 - An estimated \$1.3 million of legal and advisory fees in selling, general and administrative expenses incurred subsequent to March 31, 2025 and through the closing of the Sale. The Company's historical condensed consolidated statement of operations for the three months ended March 31, 2025 includes \$0.7 million of non-recurring legal and advisory fees.

(h) Income statement adjustments to reverse intercompany eliminations are as follows:

<i>(\$ in millions)</i>	Three months ended		Year ended
	March 31, 2025		December 31, 2024
Net revenues: products	\$	0.7	\$ 1.6
Cost of products	\$	0.7	\$ 1.6
Interest expense	\$	(1.0)	\$ (4.3)
Other income (expense)	\$	(2.2)	\$ (7.9)

(i) In connection with the Sale, the Company and the Purchaser entered into a transition services agreement whereby the Company and the Purchaser will each provide certain post-closing services to each other on a transitional basis for a period of six to 18 months following the closing of the Sale. The pro forma adjustments reflect costs that can be reasonably estimated as of the filing date.

Adjustments for the twelve months ended December 31, 2024 reflect the following:

- \$6.3 million in selling, general and administrative expense of cost recoveries associated with IT services.
- \$1.8 million in cost of products for warehousing and embroidery costs, net of cost recoveries associated with inventory sourcing services.

Adjustments for the three months ended March 31, 2025 reflect \$0.4 million in cost of products for warehousing costs.

(j) Adjustment reflects the estimated income tax impact of the pro forma transaction accounting adjustments at the applicable statutory income tax rates in effect within the respective tax jurisdictions during the periods presented. In addition, due to the effects of valuation allowances on certain deferred tax assets, the Company also considered and applied such impacts in addition to the statutory tax rates where appropriate.