

DRIVE SHACK INC.

EARNINGS PRESENTATION – THIRD QUARTER 2021



Cautionary Note on Forward-Looking Statements

This disclaimer applies to this document and the verbal or written comments of any person presenting it. This document, taken together with any such verbal or written comments, is referred to herein as the “Presentation.”

This presentation contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to known and unknown risks, uncertainties and other important factors that may cause actual results to be materially different.

All statements other than statements of historical fact included in this presentation are forward-looking statements, including, but not limited to, timing of new venue openings, expected financial outlook for fiscal 2021 and 2022, expected operating performance, time of construction start dates and milestones, expected sales and trends in Drive Shack Inc.'s (the "Company's") operations including statements relating to the effects of COVID-19 and our ability to achieve our growth plans and goals.

Forward-looking statements discuss the Company's current expectations and projections relating to its financial position, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "aim," "anticipate," "believe," "estimate," "expect," "forecast," "outlook," "potential," "project," "projection," "plan," "intend," "target," "seek," "may," "could," "would," "will," "should," "can," "can have," "likely," the negatives thereof and other similar expressions.

Without limiting the generality of the foregoing, targeted returns and growth, including with respect to the number and timing of new venue openings, are forward-looking statements, represent management's view and are estimated based on current and projected future operating performance of our locations, comparable companies in our industry and a variety of other assumptions, many of which are beyond our control, that could prove incorrect. As a result, actual results may vary materially with changes in our liquidity or ability to obtain financing, changes in market conditions and additional factors described in our reports filed with the Securities and Exchange Commission ("SEC"), which we encourage you to review. We undertake no obligation to update these estimates.

For a discussion of some of the risks and important factors that could cause actual results to differ materially from such forward-looking statements, see the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's periodic reports filed with the SEC, which are available on the Company's website ([www.http://ir.driveshack.com](http://ir.driveshack.com)). Forward-looking statements speak only as of November 8, 2021. We expressly disclaim any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

This Presentation includes forward-looking financial measures that are not recognized under generally accepted accounting principles ("GAAP"), including Adjusted EBITDA and Venue EBITDA. This non-GAAP financial information does not speak to historical financial results and is an estimate of what could occur in the future and is not an alternative to financial information prepared in accordance with GAAP, which is included in the Company's filings with the SEC. The Company has not reconciled its EBITDA expectations set forth in this presentation, as items that impact such expectations are out of the Company's control and/or cannot be reasonably predicted. Accordingly, a reconciliation is not available without unreasonable effort.

About Drive Shack Inc.

Drive Shack Inc. is a leading owner and operator of golf-related leisure and entertainment businesses focused on **bringing people together through competitive socializing**. Today, our portfolio consists of American Golf, Drive Shack and Puttery.

Our Mission

To become the largest **venue-based competitive socializing** and **entertainment** platform in the country.

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Q3 was a Historical Quarter for Drive Shack Inc.

Debuted first Puttery venue; Proof of concept, along with revenue growth in core businesses, creates significant opportunities for our future

Earnings

- **\$76.4M** total revenue in Q3-21, the **highest quarterly revenue** since Q3-18
- Operating loss of (\$5.9) million in Q3-21 vs. (\$6.0) million in Q3-20
- Total company **Adj. EBITDA⁽¹⁾ of \$3.3M**, our 5th consecutive quarter of positive Adj. EBITDA⁽¹⁾

Puttery

- **First Puttery** debuted at The Colony, TX on 9/3; **Charlotte** expected to **open December 2021**
- Expect total **Puttery revenue of ~\$3.5M** and total **venue EBITDA of ~\$1M** for FY21
- DC, Miami and Houston remain in development and are expected to open in 2022

Development

- **\$64M** in unrestricted **cash on hand** as of 9/30/21
- **Ample liquidity** to fund future development of **first 7 Puttery venues**
 - Includes The Colony, Charlotte, DC, Miami and Houston
- Plan to **access debt capital market early 2022** to secure capital for additional Puttery venues

1) Venue EBITDA and Adjusted EBITDA are Non-GAAP financial metrics. See Adjusted EBITDA and Venue EBITDA Non-GAAP Reconciliations on pages 25 and 26.

Based on management's current views and estimates. See "Disclaimers" at the beginning of this Presentation for more information on forward-looking statements.

Our Transformation...How We Got Here

We've transformed from a traditional golf business into an entertainment operating company

Traditional Golf Roots: AGC

American Golf Corp.

As a traditional golf company, we **own, lease and manage 56 courses**

- Sold majority of owned course portfolio, continue to lease and manage courses

Transformed
**Traditional
Golf Business**
into an
**Entertainment
Operating
Company**

Entertainment Golf: Drive Shack

Opened **first Drive Shack in Orlando** – April 2018

- Used as beta site to test enhancements for next generation of venues

Opened **3 Gen 2.0 venues** across 2H 2019

- Raleigh, Richmond and West Palm Beach

Plan to open Manhattan/Randall's Island in 2023

Entertainment Golf: Puttery

Developed new entertainment golf experience – indoor, tech-enabled putting within an immersive experience

Opened **first Puttery in The Colony, Texas** – September 2021

Plan to open a total of 50 venues by the end of 2024

Delivered highest total company revenue in three years

Projecting Total Revenue Growth of ~\$40M in FY 2022 vs. FY2021 as New Puttery Venues Open

Q3-21 Total Revenue was \$76M, the **highest** quarterly revenue in three years

Our courses and venues have largely **returned to pre-COVID levels**, with event demand on the rise

FY22 Total Revenue goal of **\$320M** on track, with growth accelerating as **new Puttery venues open**

Goal of **15 Puttery venues operational** by end of FY22

Total Course/Venue Revenue⁽¹⁾(\$M)

	2020					2021					2022
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	FY
AGC	\$51	\$30	\$60	\$53	\$195	\$53	\$62	\$65	\$52	\$232	\$230
Drive Shack	\$10	\$2	\$6	\$7	\$25	\$8	\$12	\$11	\$14	\$44	\$45
Puttery	-	-	-	-	\$0	-	-	\$1	\$3	\$4	\$45
Total	\$61	\$32	\$67	\$60	\$220	\$61	\$74	\$76	\$68	\$280	\$320

Historical
Illustrative Future Goal

Based on management's current views and estimates. See "Disclaimers" at the beginning of this Presentation for more information on forward-looking statements.

Significant course/venue contribution goals in 2022 and 2023

Expect to access the debt capital market in early 2022 and in 2023 to fund development of future Puttery venues

FY22 Total Course/Venue EBITDA goal of \$33M, with 15 Puttery venues open by the end of the year

Plan to aggressively develop and open new Puttery venues in next 2-3 years; significant earnings growth trajectory

Total Course/Venue run-rate EBITDA goal of \$59M in FY22 and \$106M in FY23

Plan to access the debt capital market in early 2022 and again in 2023

Illustrative Total Course/Venue EBITDA⁽¹⁾(\$M)

	2020					2021					2022	FY 2022	FY 2023
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	FY	Run-Rate	Run-Rate
AGC	\$0	\$3	\$1	\$0	\$4	\$0	\$0	\$0	\$3	\$3	\$6	\$6	\$7
Drive Shack	\$0	(\$1)	\$1	\$2	\$2	\$2	\$5	\$3	\$4	\$13	\$13	\$13	\$21
Puttery	-	-	-	-	-	-	-	\$0	\$1	\$1	\$14	\$40	\$78
Total	\$0	\$2	\$2	\$2	\$6	\$2	\$5	\$3	\$8	\$17	\$33	\$59	\$106

Historical

Illustrative Future Goal

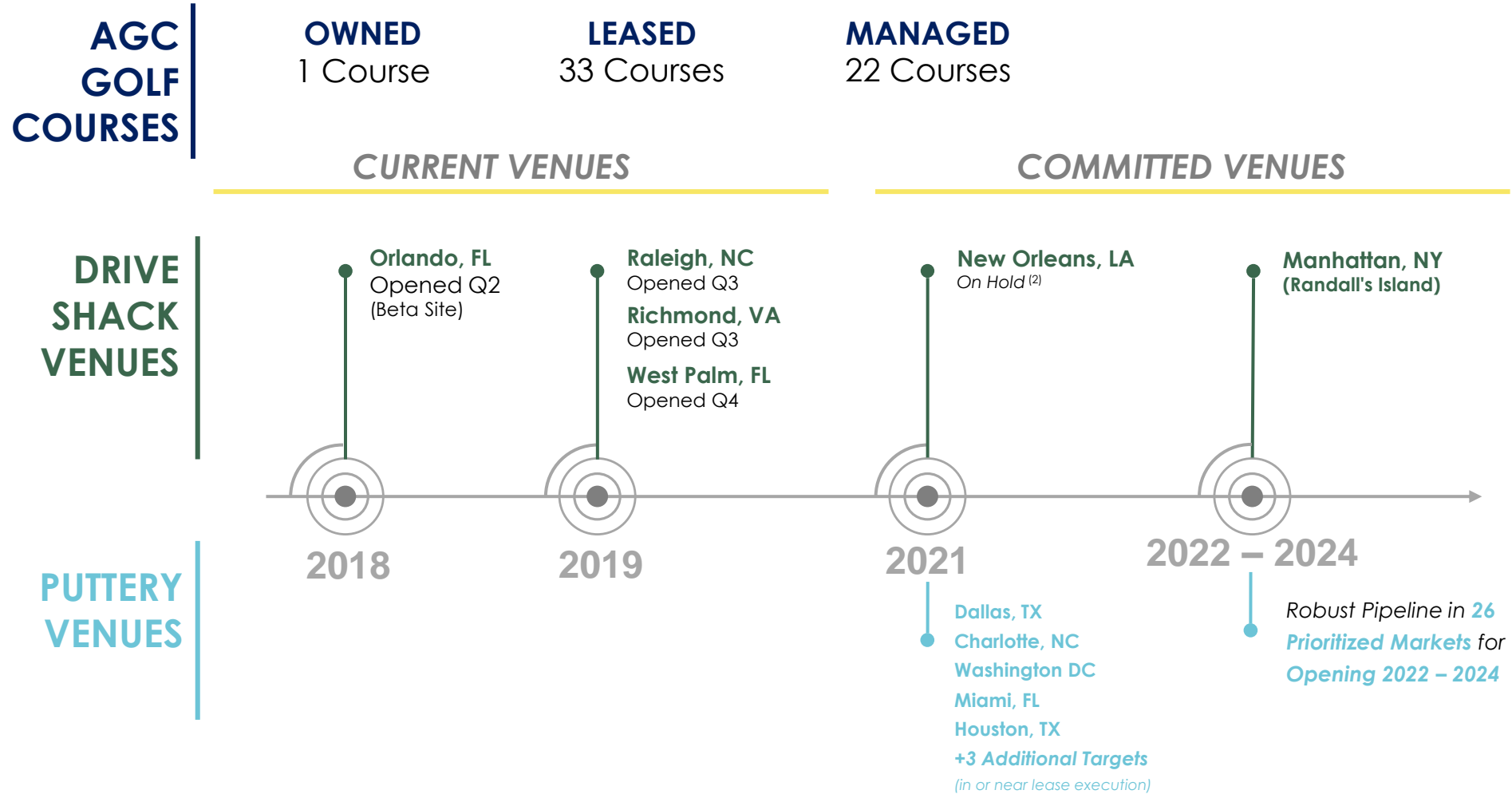
Secure Debt

2022
Q1

2023
Q1 & Q3

Based on management's current views and estimates. See "Disclaimers" at the beginning of this Presentation for more information on forward-looking statements.

Our Portfolio of Courses and Venues⁽¹⁾



1) As of 9/30/2021.

2) Drive Shack is committed to leases in New Orleans and Randall's Island. New Orleans development remains "on hold" and Randall's Island is expected to open by the end of 2023.

Based on management's current views and estimates. See "Disclaimers" at the beginning of this Presentation for more information on forward-looking statements.

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What is Puttery?

Puttery is an adult-focused, modern spin on putting, re-defining the game and creating an immersive experience and innovative technology focused on competitive socializing.

With a high-energy atmosphere that combines plentiful curated culinary offerings and inventive craft cocktails centered around a lively bar area with great music, guests can relax and enjoy their evening before, during and after their tee time.

The Puttery Experience



The Colony Debuted to Strong Demand; Momentum Continues

Opened September 3rd; Guest response has been incredibly positive

Data insights include:

60%+ of walk-in guests plan their visit in advance
(via online reservations)

Event revenue outperformed expectations;
strong leads into Q4-21

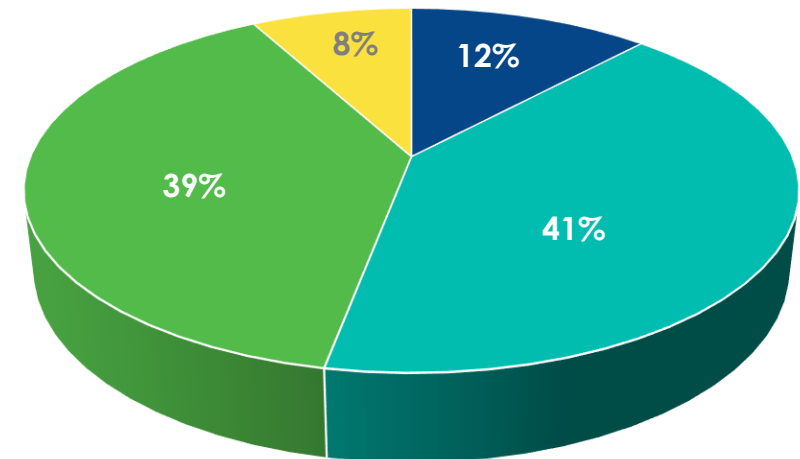
Average guest **duration** is **~2 hours**

Guests traveling up to **40 miles** away

Highest traffic day/time is **Saturday, late evening**

Delivered \$0.8M in total revenue

Puttery Revenue Mix
(September 2021)



■ Food ■ Alcohol ■ Gameplay ■ Events

Attractive Unit Economics

Puttery presents the best path forward for **near-term growth**; it's an adjacency to our current business and gives us the ability to grow quickly with less capital risk

Illustrative Venue-Level Economics⁽¹⁾

\$M	DS Venues <i>72 to 90+ Bays</i>	Puttery Venues <i>Indoor Putting</i>
Size (sq. ft.)	50K - 60K+	15K - 20K
Development Time	18 - 24 mo.	6 - 9 mo.
Development Cost ⁽²⁾	\$25 - \$40	\$7 - \$11
Total Revenue	\$15 - \$25	\$7 - \$11
Venue EBITDA	\$4 - \$6	\$2 - \$3
Development Yields	10 - 20%	25 - 40%

As we continue to open Puttery venues, yields may be even higher

- Plan to build 50 **Puttery** venues and **DS Manhattan** by the end of 2024
- **Puttery** venue **EBITDA** is expected to be **\$2 to \$3** million
- **Drive Shack** venue **EBITDA** is expected to be **\$4 to \$6** million

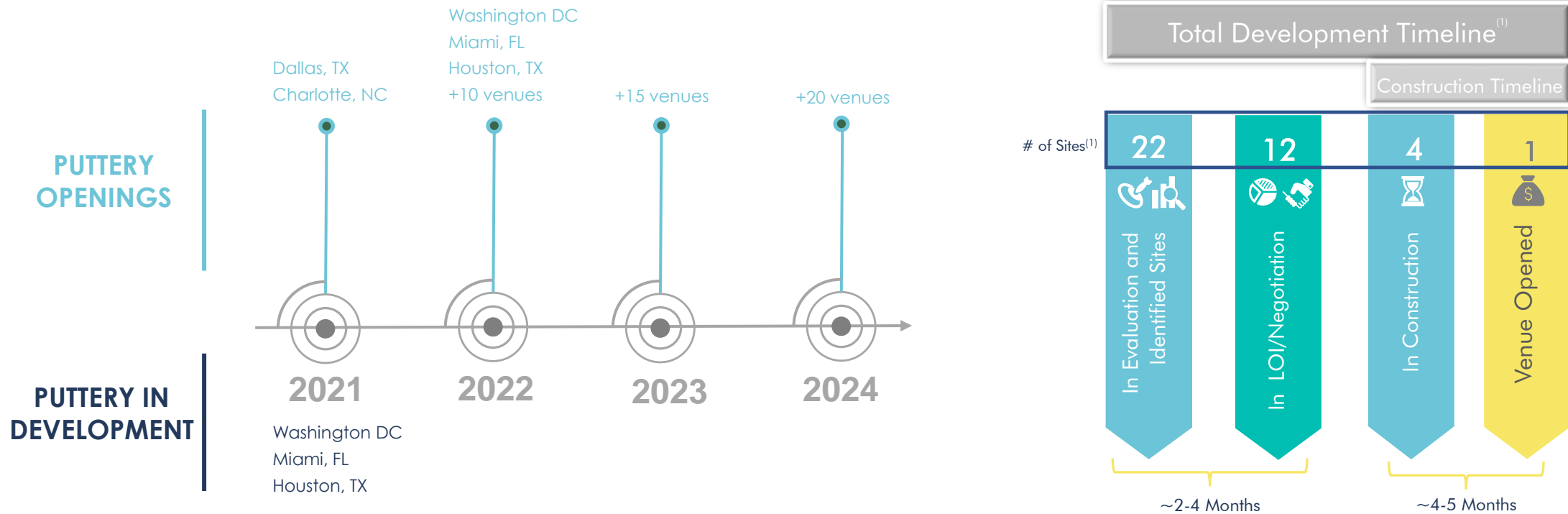
1) Represents illustrative economics of Puttery and Drive Shack venues, including Total Revenue and Venue EBITDA, without restrictions or impact due to COVID-19. There is no assurance illustrative targets will be met following the abatement of COVID-19.

2) Development cost target is inclusive of all construction costs, soft costs, and pre-opening expenses..

Based on management's current views and estimates. See "Disclaimers" at the beginning of this Presentation for more information on forward-looking statements.

We have a portfolio of high-quality locations with growing pipeline

Believe current market allows for numerous Puttery locations across the U.S; we have an active and expanding pipeline with continually increasing leads



1) As of 10/31/2021.

Based on management's current views and estimates. See "Disclaimers" at the beginning of this Presentation for more information on forward-looking statements.

DS Venues Deliver Strong Results; Walk-In Revenue and Venue EBITDA Up vs. Q3-20⁽¹⁾

Q3-21 venue EBITDA⁽¹⁾ was **\$3.0M** vs. \$1.1M a year ago

Q3-21 total revenue was **\$10.5M**, with walk-in revenue up 42% vs. Q3-20

Our venues have largely **returned to pre-COVID levels**, with event demand on the rise

DS Venue Revenue and EBITDA⁽¹⁾ (\$M)

	2019	2020					2021		
	Q4	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Revenue	\$12.9	\$10.1	\$1.8	\$6.2	\$7.2	\$25.2	\$8.2	\$11.6	\$10.5
Venue EBITDA ⁽¹⁾	\$1.4	\$0.3	(\$1.1)	\$1.1	\$1.7	\$2.0	\$2.0	\$4.6	\$3.0

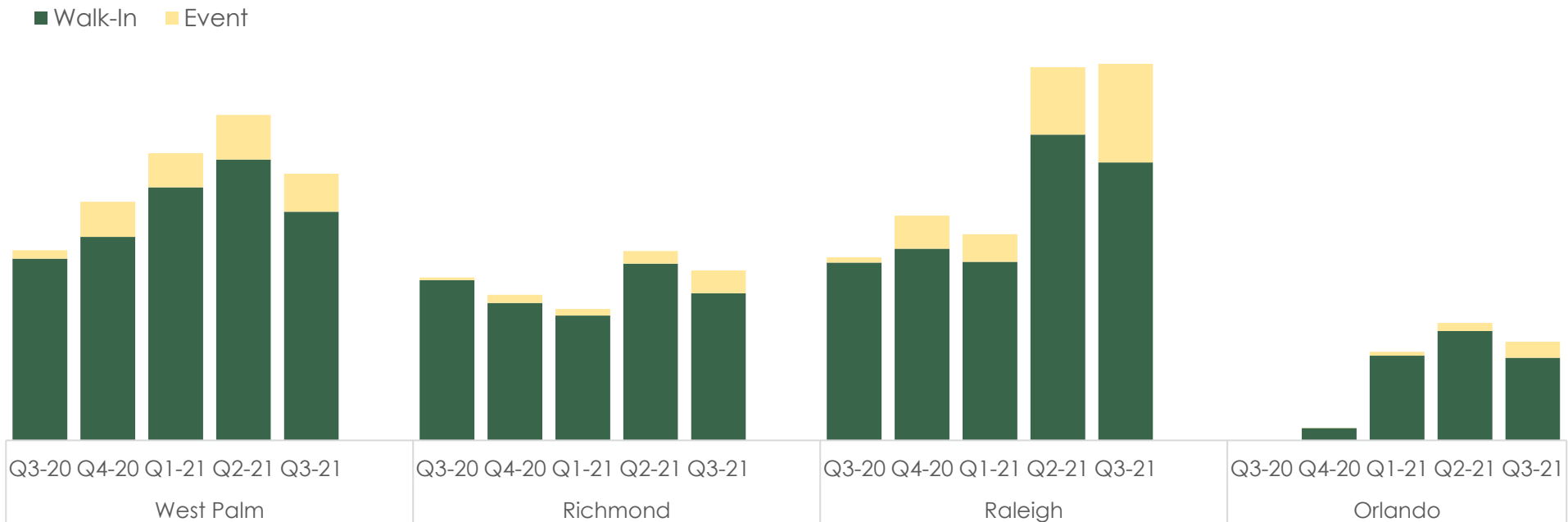
1) Venue EBITDA is a Non-GAAP financial metrics. See Adjusted EBITDA and Venue EBITDA Non-GAAP Reconciliations on page 25 and Non-GAAP Reconciliation to Venue EBITDA from Operating Income for Entertainment Golf on page 26.

DS Delivering Strong Performance; Event Demand Returning

Q3-21 Total Revenue of \$10.5M – Walk-in Revenue of \$8.5M | Events Revenue of \$2.0M

- Total venue Q3-21 walk-in revenue was over 25% higher, or ~\$1.5M, than Q3-20 (excluding Orlando)
- Our event business continues to build, with Q3-21 event revenue over 30% higher, or ~\$0.5M, than Q2-21

Drive Shack Venues: Revenue by Quarter (Q3-20 through Q3-21)



Reimagining Gaming Technology

Updating DS gaming packages to improve:

- Graphics
- Performance
- Accuracy

Utilizing Trackman technology across games

- Superior tech vs. the competition

Enhances gaming experience and sets foundation for quarterly games refresh

- Holiday themes (i.e., pumpkins, snowmen)

Improved Gaming Package Graphics

Current Graphics – Darts



New, Enhanced Graphics – Darts



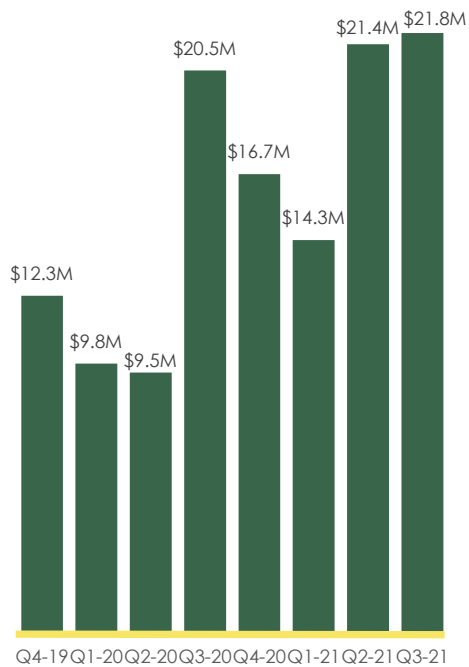
Traditional Golf Remains Strong vs. Pre-COVID Levels⁽¹⁾

- American Golf continues to deliver strong results vs. pre-COVID levels
- Construction and wildfires impacted three public courses, contributing to approx. half of the decline in daily fee rounds vs. Q3-20
- Q3-21 decline in total private rounds vs. Q3-20 due to planned private club renovation

Public Courses

+7%

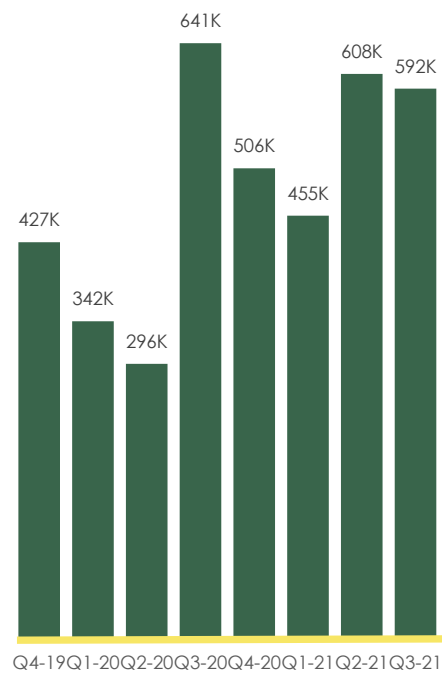
Revenue from green & cart fees vs. Q3 2020



Revenue from green/cart fees

-8%

Daily fee rounds vs. Q3 2020

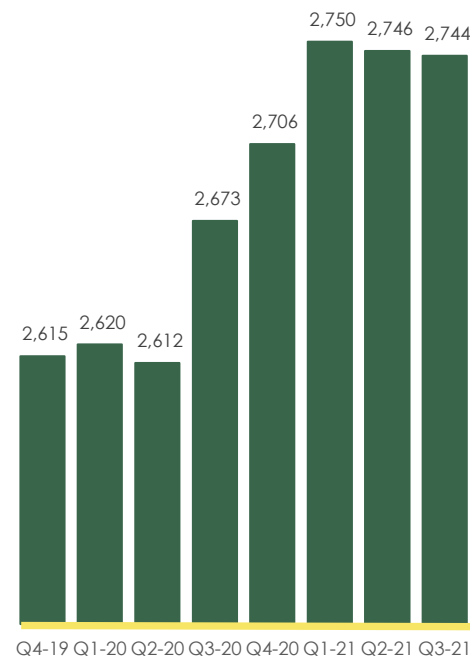


Daily Fee Rounds

Private Courses

at 99%

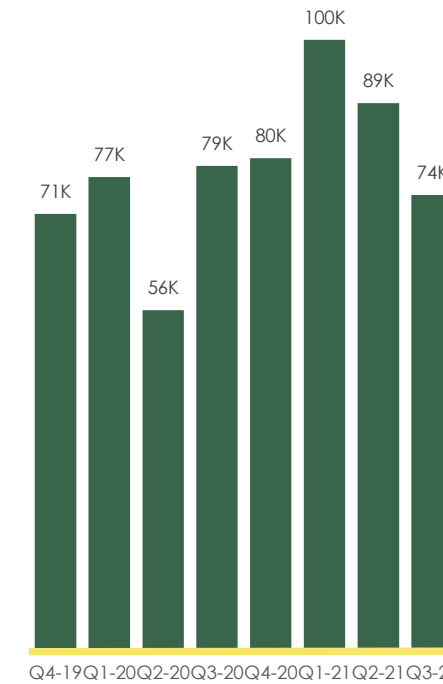
of Member level max capacity



Full Golf Member Levels vs. Max Avail

-6%

Total rounds vs. Q3 2020



Total rounds

■ Current Golf Member Levels

1) Comparisons are based on our 30 public and 4 private owned and leased properties as of 9/30/2021.

Driving Event Revenue

AGC, DS & Puttery

Restructured sales and events team to facilitate increased event demand

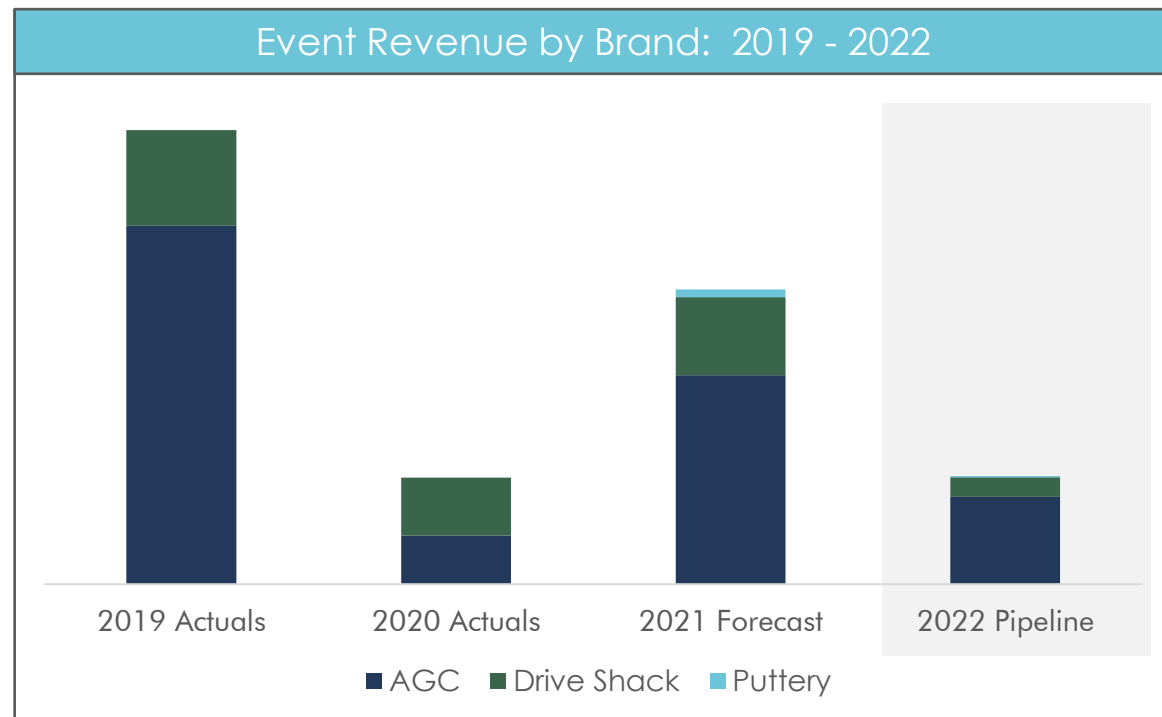
Hired Head of National Sales corporate position (August 2021); reinstated sales/event managers in each venue

Restructure enhances direct and timely engagement with guests and businesses

Event Demand is on the Rise

We have an *active and growing pipeline* across all three brands

- Multiple leads in the 2021 pipeline for November and December
- **2022 pipeline** currently **exceeding 2020 total event revenue**
- Expect 2022 event revenue to significantly increase vs. 2021 levels



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Financial Results

Financial Performance

Continue to drive positive total company Adjusted EBITDA⁽¹⁾; Delivered \$3.3M in Q3-2021

Total Company Results	Q3 2020	Q2 2021	Q3 2021	Q3-21 vs Q3-20 Change
Revenue	\$66.5	\$73.9	\$76.4	\$9.9
AGC Revenue	\$60.3	\$62.3	\$65.1	\$4.8
DS Revenue	\$6.2	\$11.6	\$10.5	\$4.3
Puttery Revenue	-	-	\$0.8	\$0.8
Total Operating Costs	\$72.5	\$72.8	\$82.3	\$9.8
Operating Income (Loss)	(\$6.0)	\$1.1	(\$5.9)	\$0.1
Net Loss	(\$9.4)	(\$2.0)	(\$8.9)	\$0.6
Net Loss Applicable to Common Stock, per share ⁽²⁾	(\$0.16)	(\$0.04)	(\$0.11)	\$0.05
Adjusted EBITDA ⁽¹⁾	\$3.3	\$7.7	\$3.3	(\$0.1)
Total Debt and Preferred Stock ⁽³⁾	\$112.8	\$112.8	\$112.8	-
Unrestricted Cash on Hand	\$13.3	\$81.4	\$63.9	\$50.6

Q3-21 Operating Results Highlights

- **DS** venues delivered strong operating results, with **\$3.0M venue EBITDA⁽¹⁾** vs. \$1.1M in Q3-20
- Debuted **first Puttery venue** in September 2021
- Total Q3-21 operating costs of \$82.3M includes \$9.8M of development and non-cash items
- Q3-21 adjusted EBITDA⁽¹⁾ of \$3.3M; our **5th consecutive quarter of positive Adj. EBITDA**
- Unrestricted cash of \$64M at end of Q3-21, **ample liquidity to fund first 7 Puttery venues**

1) Adj. EBITDA and Venue EBITDA are Non-GAAP financial metrics. See Adjusted EBITDA and Venue EBITDA Non-GAAP Reconciliations on page 25 and Non-GAAP Reconciliation to Venue EBITDA from Operating Income for Entertainment Golf on page 26.

2) Amounts shown are for both Basic and Diluted per share results for all periods presented.

3) Total debt includes Jr. Subordinated Notes and Preferred Stock

Based on management's current views and estimates. See "Disclaimers" at the beginning of this Presentation for more information on forward-looking statements.

2021 Summary Financial Results (Q3 and YTD-Q3)

\$ in millions, except per share data	Three Months Ended Sept. 30,		\$ Variance	% Variance
	2021	2020		
American Golf Revenue	\$65.1	\$60.3	\$4.8	8%
Drive Shack Revenue	\$10.5	\$6.2	\$4.3	70%
Puttery Revenue	\$0.8	-	\$0.8	n/a
Total Company Revenue	\$76.4	\$66.5	\$9.9	15%
Operating Income (Loss)	(\$5.9)	(\$6.0)	\$0.1	1%
Net Loss	(\$8.9)	(\$9.4)	\$0.5	6%
Loss applicable to common shareholders	(\$10.2)	(\$10.8)	\$0.6	5%
Adjusted EBITDA⁽¹⁾	\$3.3	\$3.3	(\$0.1)	(3%)
Loss Applicable to Common Stock, per share ⁽²⁾	(\$0.11)	(\$0.16)	\$0.05	31%

\$ in millions, except per share data	Nine Months Ended Sept. 30,		\$ Variance	% Variance
	2021	2020		
American Golf Revenue	\$180.2	\$141.6	\$38.6	27%
Drive Shack Revenue	\$30.3	\$18.1	\$12.2	68%
Puttery Revenue	\$0.8	\$0.0	\$0.8	n/a
Total Company Revenue	\$211.3	\$159.7	\$51.6	32%
Operating Loss	(\$12.7)	(\$33.0)	\$20.2	61%
Net Loss	(\$21.7)	(\$66.3)	\$44.6	67%
Loss applicable to common shareholders	(\$25.9)	(\$70.5)	\$44.6	63%
Adjusted EBITDA⁽¹⁾	\$13.8	(\$8.4)	\$22.2	264%
Loss Applicable to Common Stock, per share ⁽²⁾	(\$0.29)	(\$1.05)	\$0.76	72%

1) Adjusted EBITDA is a Non-GAAP financial metric. See Adjusted EBITDA Non-GAAP Reconciliation on page 25.

2) Amounts shown are for both Basic and Diluted per share results for the periods ended September 30, 2021 and September 30, 2020.

Consolidated Statements of Operations (unaudited)

CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

(dollars in thousands, except share data)

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2021	2020	2021	2020
Revenues				
Golf operations	\$62,257	\$58,766	\$177,170	\$137,066
Sales of food and beverages	14,109	7,699	34,167	22,634
Total revenues	<u>76,366</u>	<u>66,465</u>	<u>211,337</u>	<u>159,700</u>
Operating costs				
Operating expenses	60,729	54,993	165,234	142,584
Cost of sales – food and beverages	3,696	2,170	8,951	6,654
General and administrative expense	9,685	7,916	25,697	24,102
Depreciation and amortization	5,823	6,853	17,852	20,329
Pre-opening costs	2,030	227	3,375	1,049
(Gain) Loss on lease terms/impairment	324	302	2,972	(2,031)
Total operating costs	<u>82,287</u>	<u>72,461</u>	<u>224,081</u>	<u>192,687</u>
Operating income (loss)	<u>(5,921)</u>	<u>(5,996)</u>	<u>(12,744)</u>	<u>(32,987)</u>
Other income (expenses)				
Interest and investment income	190	135	502	400
Interest expense, net	(2,626)	(2,896)	(7,964)	(8,232)
Other income (loss)	107	(157)	29	(24,212)
Total other income (expenses)	<u>(2,329)</u>	<u>(2,918)</u>	<u>(7,433)</u>	<u>(32,044)</u>
Loss before income tax	<u>(8,250)</u>	<u>(8,914)</u>	<u>(20,177)</u>	<u>(65,031)</u>
Income tax expense	616	498	1,562	1,269
Net loss	<u>(8,866)</u>	<u>(9,412)</u>	<u>(21,739)</u>	<u>(66,300)</u>
Less: net loss attributable to noncontrolling interest`	<u>(15)</u>	<u>-</u>	<u>(15)</u>	<u>-</u>
Net loss attributable to the company	<u>(8,851)</u>	<u>(9,412)</u>	<u>(21,724)</u>	<u>(66,300)</u>
Preferred dividends	<u>(1,395)</u>	<u>(1,395)</u>	<u>(4,185)</u>	<u>(4,185)</u>
Loss Applicable to Common Stockholders	<u>(\$10,246)</u>	<u>(\$10,807)</u>	<u>(\$25,909)</u>	<u>(\$70,485)</u>
Weighted Average per Share - Basic	<u>(\$0.11)</u>	<u>(\$0.16)</u>	<u>(\$0.29)</u>	<u>(\$1.05)</u>
Weighted Average per Share - Diluted	<u>(\$0.11)</u>	<u>(\$0.16)</u>	<u>(\$0.29)</u>	<u>(\$1.05)</u>

Consolidated Balance Sheets (Condensed)

CONSOLIDATED BALANCE SHEETS

(dollars in thousands, except share data)

	<i>(unaudited)</i>	
	<u>September 30, 2021</u>	<u>December 31, 2020</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$63,867	\$47,786
Restricted cash	3,442	2,252
Accounts receivable, net	4,084	4,446
Real estate securities, available-for-sale	3,414	3,223
Other current assets	28,605	14,410
Total Current Assets	<u>103,412</u>	<u>72,117</u>
Restricted cash, noncurrent	709	795
Property and equipment, net of acc. depreciation	174,616	169,425
Operating lease right-of-use assets	186,220	192,828
Intangibles, net of accumulated amortization	13,767	15,124
Other assets	5,752	6,765
Total Assets	<u>\$484,476</u>	<u>\$457,054</u>
Liabilities		
Current Liabilities:		
Obligations under finance leases	\$5,638	\$6,470
Membership deposit liabilities	17,978	14,692
Accounts payable and accrued expenses	33,812	29,596
Deferred revenue	13,086	23,010
Other current liabilities	20,744	28,217
Total Current Liabilities	<u>91,258</u>	<u>101,985</u>
Credit facilities & obligations under finance leases - noncurrent	9,997	12,751
Operating lease liabilities - noncurrent	174,776	167,837
Junior subordinated notes payable	51,177	51,182
Membership deposit liabilities, noncurrent	102,521	99,862
Deferred revenue, noncurrent	10,555	9,953
Other liabilities	3,377	3,447
Total Liabilities	<u>443,661</u>	<u>447,017</u>
Stockholders' Equity		
Preferred Stock	61,583	61,583
Common Equity	(21,794)	(51,546)
Total Equity of the Company	<u>39,789</u>	<u>10,037</u>
Noncontrolling interest	1,026	-
Total Equity	<u>40,815</u>	<u>10,037</u>
Total Liabilities & Stockholders' Equity	<u>\$484,476</u>	<u>\$457,054</u>

Adjusted EBITDA and Venue EBITDA Non-GAAP Reconciliations

Adjusted EBITDA and Venue EBITDA Non-GAAP Reconciliations

(dollars in thousands)

	Net Income (Loss)	Adjustments to Operating Income			Operating Income (Loss)	Adjustments to Adjusted EBITDA				Adjusted EBITDA	Add Back Core SG&A ⁽²⁾	Venue EBITDA
		Income Tax Expense	Other (Income) Loss, net	Net Interest Expense		Deprec. & Amort.	(Gain) Loss on Lease Terminations & Impairment	Pre-opening Costs	Other Items ⁽¹⁾			
Q3 2021												
Total Company	(\$8,866)	\$616	\$107	(\$2,436)	(\$5,921)	\$5,823	\$324	\$2,030	\$998	\$3,254	\$8,684	\$11,937
Drive Shack	(\$6,177)	\$0	2.5	(\$95)	(\$6,084)	\$3,039	\$0	\$2,030	\$508	(\$506)	\$3,645	\$3,138
AGC	869	0	61	(2,200)	3,007	2,851	324	0	27	6,209	2,601	8,810
Corporate	(3,558)	616	44	(141)	(2,844)	(66)	0	(0)	462	(2,449)	2,438	(11)
Q3 2020												
Total Company	(\$9,412)	\$498	(\$157)	(\$2,761)	(\$5,996)	\$6,853	\$302	\$227	\$1,954	\$3,340	\$5,961	\$9,302
Drive Shack	(\$4,981)	\$1	-	(\$93)	(\$4,886)	\$2,991	\$16	\$227	\$1,115	(\$537)	\$1,630	\$1,093
AGC	(1,360)	0	(215)	(2,428)	1,283	3,789	286	0	452	5,810	2,399	8,209
Corporate	(3,071)	497	58	(240)	(2,393)	73	0	0	387	(1,933)	1,933	0
Q3 2021 (YTD)												
Total Company	(\$21,739)	\$1,562	\$29	(\$7,462)	(\$12,744)	\$17,852	\$2,972	\$3,375	\$2,249	\$13,704	\$23,448	\$37,152
Drive Shack	(\$11,842)	\$0	3	(\$254)	(\$11,591)	\$8,942	\$22	\$3,374	\$1,033	\$1,780	\$7,963	\$9,743
AGC	4,232	0	(115)	(6,756)	11,103	8,854	(237)	0	70	19,790	7,630	27,420
Corporate	(14,129)	1,562	141	(452)	(12,256)	56	3,187	1	1,146	(7,866)	7,855	(11)
Q3 2020 (YTD)												
Total Company	(\$66,300)	\$1,269	(\$24,212)	(\$7,832)	(\$32,987)	\$20,329	(\$2,031)	\$1,049	\$5,232	(\$8,408)	\$18,870	\$10,462
Drive Shack	(\$18,222)	\$1	-	(\$300)	(\$17,921)	\$9,012	\$16	\$1,049	\$2,279	(\$5,565)	\$5,861	\$296
AGC	(14,167)	0	(381)	(6,612)	(7,174)	11,100	(2,047)	0	860	2,739	7,429	10,168
Corporate	(33,911)	1,268	(23,831)	(920)	(7,892)	217	0	0	2,093	(5,582)	5,581	(1)

(1) For the three months ended September 30, 2021 and 2020, other items include (i) corporate severance of \$50 and \$440, respectively; (ii) transactional G&A of \$461 and \$1,101, respectively; and (iii) stock-based compensation of \$487 and \$413, respectively. For the nine months ended September 30, 2021 and 2020, other items include (i) corporate severance of \$180 and \$1,132, respectively; (ii) transactional G&A of \$833 and \$3,114, respectively; and (iii) stock-based compensation of \$1,237 and \$986, respectively.

(2) Core SG&A represents Total G&A less transactional G&A, employee stock-based compensation, and severance

Non-GAAP Reconciliation to Venue EBITDA from Operating Income for Entertainment Golf

Non-GAAP Reconciliation to Venue EBITDA from Operating Income for Entertainment Golf ("EG")

(dollars in thousands)

	Qtr3-21	Qtr2-21	Qtr1-21	Qtr4-20	Qtr3-20	Qtr2-20	Qtr1-20	Qtr4-19
Non-GAAP Reconciliation to Venue EBITDA for EG								
Operating Income (Loss) for EG	(6,083)	(1,592)	(3,915)	(2,182)	(4,886)	(6,595)	(6,440)	(16,264)
Depreciation and amortization for EG	3,039	2,952	2,952	2,948	2,991	3,001	3,020	2,816
(Gain) Loss on lease termination & impairment for EG	0	0	22	(1,977)	16	0	0	8,927
Pre-opening costs for EG	2,030	788	556	280	227	270	552	1,811
Total general & administration expenses for EG	4,153	2,451	2,390	2,615	2,745	2,191	3,203	4,128
Venue EBITDA for Entertainment Golf	\$3,139	\$4,599	\$2,004	\$1,685	\$1,094	(\$1,133)	\$335	\$1,418

1. Executive Summary
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- 4. Appendix**



STRATEGIC PARTNERSHIP WITH RORY MCILROY



Executed agreement with Rory McIlroy and his partner group, Symphony Ventures

Rory and team investing in future of Puttery

Transaction details:

- Symphony Ventures to invest at least \$10M through 2023
- Acquires 10% equity ownership in each Puttery opened through 2023
(until \$10M commitment met)
- Purchase price equal to 10% of each Puttery's net cost-to-build
- Symphony may invest on proposed terms through 2023
(once \$10M commitment met)
- Option to upsize ownership to 20% within first year of initial investment
- Symphony receives quarterly pro-rata cash distribution of each venue's net cash flows
- In 2024, Symphony has option to convert all or a portion of their interests into common equity of Drive Shack Inc.