



Q1 2024 Earnings

Conference Call

APRIL 25, 2024

Forward-Looking Statements

Certain statements in this presentation are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on current expectations, estimates, and projections about Brunswick's business and by their nature address matters that are, to different degrees, uncertain. Words such as "may," "could," "should," "expect," "anticipate," "project," "position," "intend," "target," "plan," "seek," "estimate," "believe," "predict," "outlook," and similar expressions are intended to identify forward-looking statements. Forward-looking statements are not guarantees of future performance and involve certain risks and uncertainties that may cause actual results to differ materially from expectations as of the date of this presentation. These risks include, but are not limited to: the effect of adverse general economic conditions, including rising interest rates, and the amount of disposable income consumers have available for discretionary spending; changes in currency exchange rates; fiscal and monetary policy changes; adverse capital market conditions; competitive pricing pressures; higher energy and fuel costs; managing our manufacturing footprint and operations; loss of key customers; international business risks, geopolitical tensions or conflicts, sanctions, embargoes, or other regulations; actual or anticipated increases in costs, disruptions of supply, or defects in raw materials, parts, or components we purchase from third parties; supplier manufacturing constraints, increased demand for shipping carriers, and transportation disruptions; adverse weather conditions, climate change events and other catastrophic event risks; our ability to develop new and innovative products and services at a competitive price; our ability to meet demand in a rapidly changing environment; absorbing fixed costs in production; public health emergencies or pandemics, such as the coronavirus (COVID-19) pandemic; risks associated with joint ventures that do not operate solely for our benefit; our ability to successfully implement our strategic plan and growth initiatives; attracting and retaining skilled labor, implementing succession plans for key leadership, and executing organizational and leadership changes; our ability to integrate acquisitions and the risk for associated disruption to our business; our ability to identify, complete, and integrate targeted acquisitions; the risk that restructuring or strategic divestitures will not provide business benefits; maintaining effective distribution; dealers and customers being able to access adequate financing; inventory reductions by dealers, retailers, or independent boat builders; requirements for us to repurchase inventory; risks related to the Freedom Boat Club franchise business model; outages, breaches, or other cybersecurity events regarding our technology systems, which have affected and could further affect manufacturing and business operations and could result in lost or stolen information and associated remediation costs; our ability to protect our brands and intellectual property; changes to trade policy and tariffs; an impairment to the value of goodwill and other assets; product liability, warranty, and other claims risks; legal, environmental, and other regulatory compliance, including increased costs, fines, and reputational risks; changes in income tax legislation or enforcement; managing our share repurchases; and risks associated with certain divisive shareholder activist actions.

Additional risk factors are included in the Company's Annual Report on Form 10-K for 2023. Forward-looking statements speak only as of the date on which they are made, and Brunswick does not undertake any obligation to update them to reflect events or circumstances after the date of this presentation.

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Use of Non-GAAP Financial Information and Constant Currency Reporting

In this presentation, Brunswick uses certain non-GAAP financial measures, which are numerical measures of a registrant's historical or future financial performance, financial position or cash flows that exclude amounts, or are subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statements of operations, balance sheets or statements of cash flows of the registrant; or include amounts, or are subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented.

Brunswick has used certain non-GAAP financial measures that are included in this presentation for several years, both in presenting its results to shareholders and the investment community and in its internal evaluation and management of its businesses. Brunswick's management believes that these measures and the information they provide are useful to investors because they permit investors to view Brunswick's performance using the same tools that Brunswick uses and to better evaluate Brunswick's ongoing business performance. In addition, in order to better align Brunswick's reported results with the internal metrics used by the Company's management to evaluate business performance as well as to provide better comparisons to prior periods and peer data, non-GAAP measures exclude the impact of purchase accounting amortization related to acquisitions, among other adjustments.

For additional information and reconciliations of GAAP to non-GAAP measures, please see Brunswick's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 25, 2024, which is available at www.brunswick.com, and the Appendix to this presentation.

Brunswick does not provide forward-looking guidance for certain financial measures on a GAAP basis because it is unable to predict certain items contained in the GAAP measures without unreasonable efforts. These items may include restructuring, exit and impairment costs, special tax items, acquisition-related costs and certain other unusual adjustments.

For purposes of comparison, 2024 net sales growth is also shown using 2023 exchange rates for the comparative period to enhance the visibility of the underlying business trends, excluding the impact of translation arising from foreign currency exchange rate fluctuations. We refer to this as "constant currency" reporting.

01

Business Overview – Dave Foulkes, CEO



First Quarter Performance in-line with Expectations

Q1 2024



\$1.4B

Net Sales
(-21.7% vs. 2023)



\$1.35

Adjusted¹ EPS
(-47.5% vs. 2023)



+200bps

Mercury U.S. Outboard
Market Share vs. 2023



\$64M

Share Repurchases



\$400M

Debt Issuance
(+160bps above 5-year treasury)



36.1

U.S. Boat Unit
Weeks on Hand

Segments continue to adapt with solid start to the year



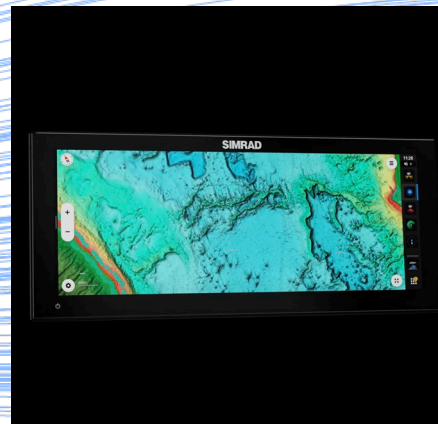
Propulsion

- Gained 200bps U.S. outboard retail market share in Q1 2024 vs. Q1 2023, and +330bps for outboards 150hp and greater
- OEM customers metering production and Q1 orders while monitoring early season consumer behavior



Engine Parts & Accessories

- Q1 2024 Products sales down slightly vs. strong prior year
- Q1 2024 overall sales improved sequentially compared with Q4 2023



Navico Group

- OEMs moderating orders to control current model year pipeline levels
- Strong new product reception and momentum, including for recently launched Simrad NSX Ultrawide and Lowrance Eagle products
- Operating expense actions continuing to show benefit



Boat¹

- Q1 U.S. SSI main powerboat retail down 10% vs. prior year
- Internal retail trends support initial forecast of flat to prior year
- Freedom Boat Club reached 413 locations with same club sales above prior year

External, Customer and Consumer Conditions



External Landscape

- Stable US economic indicators with improving GDP estimates, abating inflation, and steady employment
- Delay of anticipated 2024 Fed interest rate reductions a potential headwind
- Marine industry continuing to lobby against proposed NOAA East Coast vessel speed regulation

BRUNSWICK



Dealer & Consumer Health

- Dealer sentiment generally improving but wholesale order patterns restrained ahead of prime selling season and new model-year
- Discounts and promotions in place supporting demand and sales
- Boating participation strong, increasing sequentially through the quarter and above Q4'23



OEM Environment

- Marine OEMs continue to moderate production to align with demand levels
- RV wholesale orders showing slight improvement

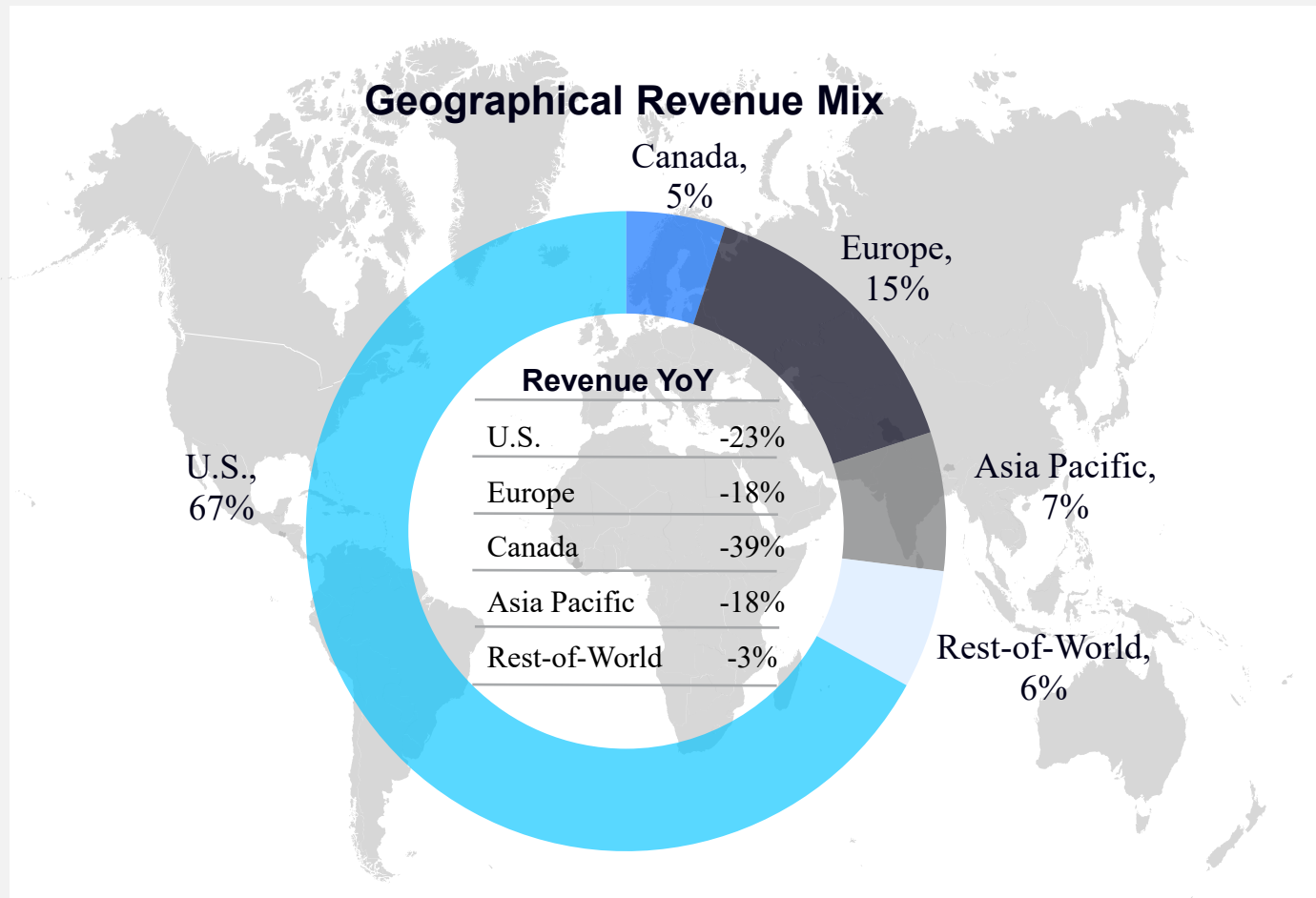


Boat Shows

- Boat show unit and revenue performance up year-over-year
- Solid boat show performance an encouraging indicator of consumer interest going into the selling season

Q1 2024 Revenue Mix¹ & Growth Rates

Q1'24 global sales declined 22 percent on a constant currency basis, excluding acquisitions



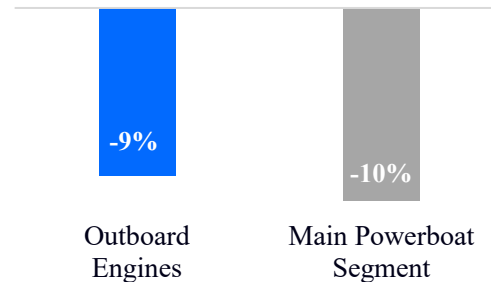
U.S. Industry Retail and Pipeline Trends

Ending Q1 2024

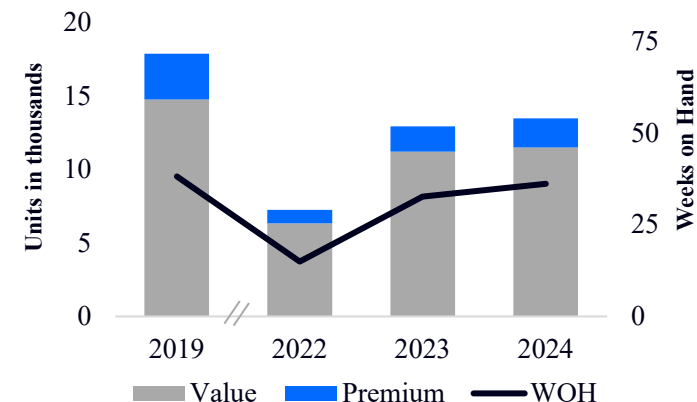
- U.S. pipeline ended the quarter as expected at 36.1 weeks on hand and ~13.5k units
- Brunswick delivered Q1 retail sales better than industry
- Mercury outboard engine Q1 retail share +200bps vs prior year
- Brunswick Boat share increased ~50bps

Q1 2024 U.S. Industry Retail

Change vs. Q1'23



U.S. Brunswick Pipeline and Weeks On Hand



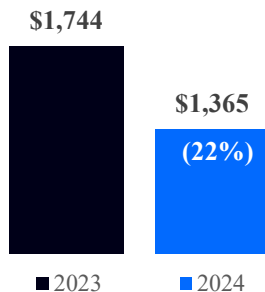
02

Financial Overview – Ryan Gwillim, CFO

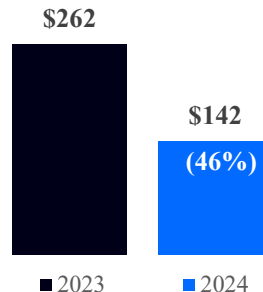


Overview of First Quarter 2024 Adjusted Results

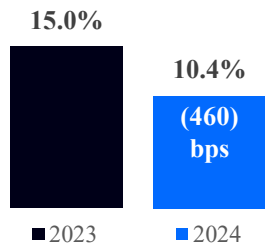
Net Sales (\$M)



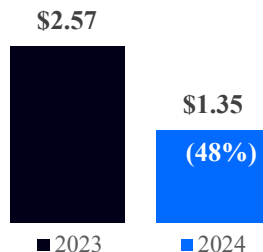
Operating Earnings¹ (\$M)



Operating Margin¹ %



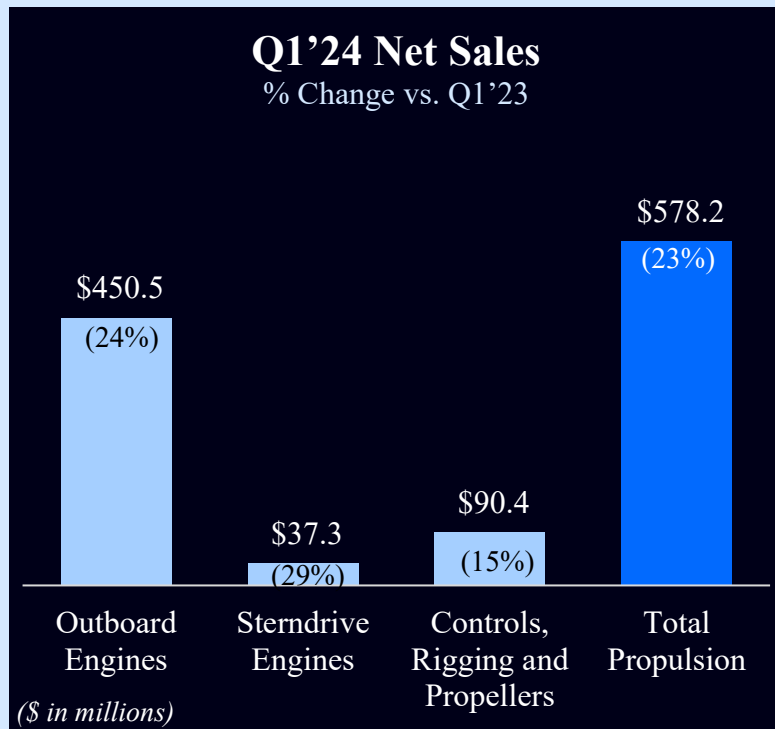
Diluted EPS¹



- Brunswick delivered solid Q1 results consistent with initial expectations, despite a continued cautious macro-economic environment
- Resilient gross margin performance
- Operating expenses¹ \$11M below prior year, with all segments contributing

Propulsion Segment – Q1'24 Performance¹

Market share gains continue despite planned lower wholesale engine shipments vs. Q1 2023



Adjusted Operating Margin of

15.5%

Down 460 bps vs. Q1'23

(GAAP Operating Margin of 14.3%
down 580 bps vs. Q1 '23)

Adjusted Operating Earnings of

\$89.5M

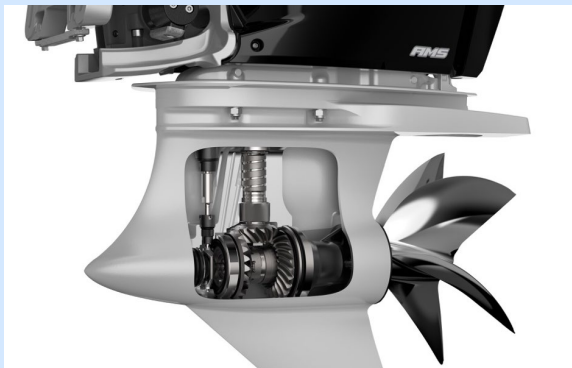
Down 41% vs. Q1'23

(GAAP Operating Earnings of \$82.8M
down 45% vs. Q1 '23)

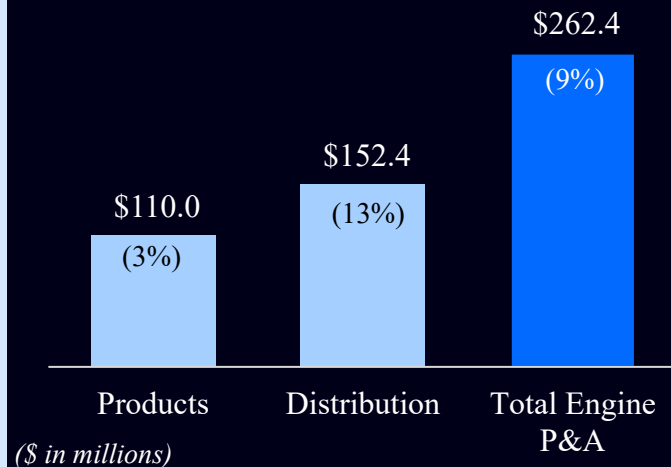
¹SEE THE APPENDIX TO THIS PRESENTATION AND TODAY'S FORM 8-K FOR RECONCILIATIONS TO GAAP FIGURES.

Engine P&A Segment – Q1'24 Performance¹

Steady performance in line with expectations, with sequential improvement over Q4 2023



Q1'24 Net Sales % Change vs. Q1'23



Adjusted Operating Margin of

13.9%

Down 290 bps vs. Q1'23

(GAAP Operating Margin of 12.7%
down 390 bps vs. Q1'23)

Adjusted Operating Earnings of

\$36.5M

Down 25% vs. Q1'23

(GAAP Operating Earnings of \$33.2M
down 31% vs. Q1'23)

¹SEE THE APPENDIX TO THIS PRESENTATION AND TODAY'S FORM 8-K FOR RECONCILIATIONS TO GAAP FIGURES.

Navico Group Segment – Q1'24 Performance¹

As expected, softer Marine OEM demand driving lower wholesale orders; sales to RV market improving



Q1'24 Navico Group Net Sales

\$210.9M

Down 24% vs. Q1'23

Adjusted Operating Margin of

7.2%

Down 380 bps vs. Q1'23

(GAAP Operating Margin of -1.1%
down 570 bps vs. Q1 '23)

Adjusted Operating Earnings of

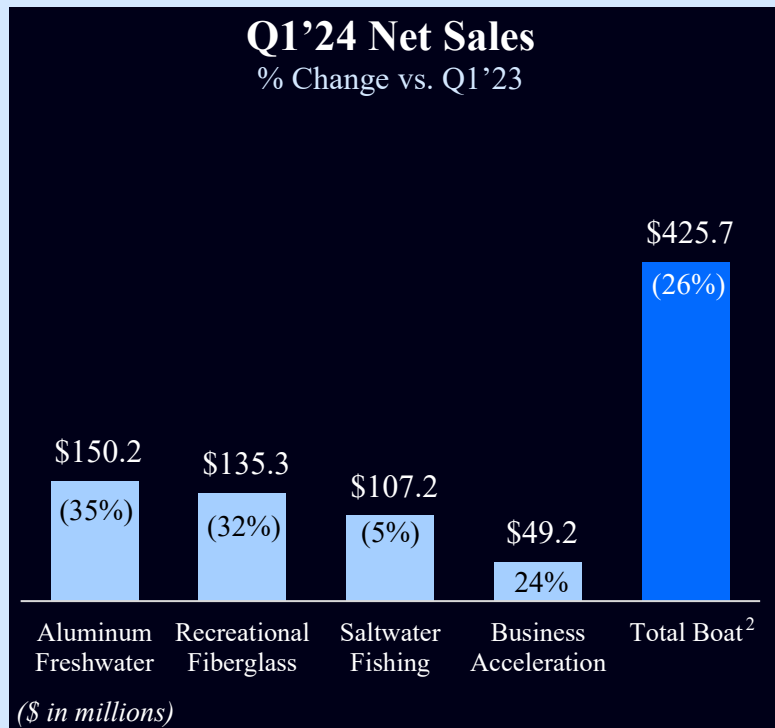
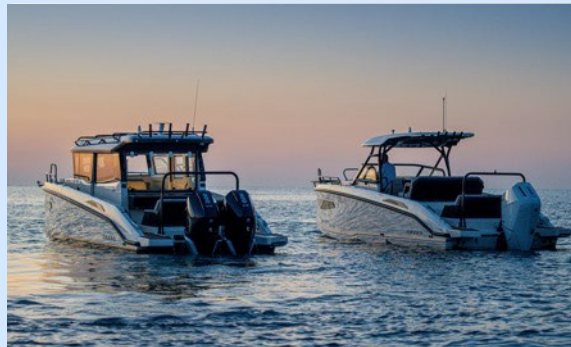
\$15.1M

Down 51% vs. Q1'23

(GAAP Operating Earnings of -\$2.4M
down NM² vs. Q1 '23)

Boat Segment – Q1'24 Performance¹

Steady performance as anticipated, led by continued strength in premium Saltwater Fishing products



Adjusted Operating Margin of

7.4%

Down 320 bps vs. Q1'23

(GAAP Operating Margin of 6.9%
down 310 bps vs. Q1'23)

Adjusted Operating Earnings of

\$31.6M

Down 48% vs. Q1'23

(GAAP Operating Earnings of \$29.4M
down 49% vs. Q1'23)

¹SEE THE APPENDIX TO THIS PRESENTATION AND TODAY'S FORM 8-K FOR RECONCILIATIONS TO GAAP FIGURES.

²TOTAL BOAT NET SALES INCLUDES \$16.2M OF BOAT ELIMINATIONS



2024 Guidance¹

Revenue

**\$6.0B to
\$6.2B**

No Change

Operating Margin

**12.0% to
13.0%**

No Change

EPS

**\$7.00 to
\$8.00**

No Change

Free Cash Flow

\$350M+

No Change

Quarter 2 Revenue

**\$1.5B to
\$1.6B**

Quarter 2 EPS

**\$1.85 to
\$2.05**

¹EACH ON AN "AS ADJUSTED" BASIS WHERE APPLICABLE, VERSUS COMPARABLE PRIOR YEAR

2024 Outlook – P&L and Cash Flow Assumptions

Quarterly Dividends

\$0.42 Per Share

Previously: \$0.40 Per Share

Effective Tax Rate- As Adjusted¹

~22%

Previously: 23%

Foreign Currency Earnings Impact

**Flat to down
\$15M**

Previously: Flat to down
slightly

Share Repurchases

~\$250M

Previously: \$200M+

03

Wrap-Up Dave Foulkes, CEO



Enhancing and Expanding Our Industry-Leading Offerings

25+ product launches across our businesses in Q1 2024



FLite

Flite AIR



Avator 75e/110e



BOATEKA New Tampa Location



365 Conquest



Joystick Steering for
Single-Engine Vessels



SIMRAD

NSX Ultrawide



LOWRANCE

Eagle



HARRIS

Crowne 250

Exceptional Recognition Across the Organization



2024 America's Best Large Employers

- For the 6th consecutive year



2024 Most Trustworthy Company in America

- For the 2nd consecutive year, Brunswick ranked among the top 12 companies within the Manufacturing and Industrial Equipment category



CES Innovation Award

- Mercury's Avator 20e and 35e CES Innovation Award winners



Miami Boat Show Innovation Awards

- A record 16 awards across brands and products

Appendix

2024 Outlook Segment Guide¹



Propulsion



Engine P&A



Navico Group



Boat

Net Sales
Guide²

~\$2.6B

No Change

~\$1.2B

No Change

~\$0.9B

No Change

~\$1.8B

No Change

Operating
Margin
Guide

~16.0%

No Change

~20%

No Change

Low

Double Digit Percent

No Change

Mid to High

Single Digit Percent

No Change

¹EACH ON AN "AS ADJUSTED" BASIS WHERE APPLICABLE, VERSUS COMPARABLE PRIOR YEAR

²SEGMENT NET SALES GUIDANCE FIGURES ARE EXCLUSIVE OF SEGMENT ELIMINATIONS

2024 Outlook – Capital Strategy and Other Assumptions

Depreciation

~\$225M

No Change

Average Diluted Shares Outstanding

~68M

No Change

Capital Expenditures

~\$225M

No Change

Debt Retirement

~\$50M

Previously: ~\$100M

Tariff Impact

~\$15M

No Change

Working Capital Usage

\$50M - \$75M

No Change

Net Interest Expense

~\$110M

No Change

Combined Equity Earnings and Other Income¹

Slightly Lower
vs. 2023

No Change

Net Sales – Q1 2024

Net Sales decreased by \$378.6 million, or 22 percent

**NET
SALES**
(in millions)

Segments	Q1 2024	Q1 2023	% Change
Propulsion	\$578.2	\$751.6	(23%)
Engine Parts & Accessories	262.4	288.6	(9%)
Navico Group	210.9	277.3	(24%)
Boat	425.7	575.2	(26%)
Segment Eliminations	(112.2)	(149.1)	(25%)
Total	\$1,365.0	\$1,743.6	(22%)

**SALES
BY REGION**

Region	Q1 2024 % of Sales	% Change	Constant Currency Ex Acquisitions % Change
United States	67%	(23%)	(23%)
Europe	15%	(16%)	(18%)
Asia-Pacific	7%	(19%)	(18%)
Canada	5%	(39%)	(39%)
Rest-of-World	6%	—	(3%)
Total International	33%	(19%)	(20%)
Consolidated		(22%)	(22%)

GAAP to Non-GAAP Reconciliations – Q1 2024

(in millions, except per share data)	Operating Earnings		Diluted Earnings per Share	
	Q1 2024	Q1 2023	Q1 2024	Q1 2023
GAAP	\$110.6	\$236.1	\$1.00	\$1.56
Restructuring, exit and impairment charges	13.5	9.5	0.15	0.10
Purchase accounting amortization	14.8	14.2	0.17	0.16
Acquisition, integration, and IT related costs	2.3	2.6	0.03	0.03
IT security incident costs	0.3	—	—	—
Special tax items	—	—	—	0.72
As Adjusted	\$141.5	\$262.4	\$1.35	\$2.57
GAAP operating margin	8.1%	13.5%		
Adjusted operating margin	10.4%	15.0%		

GAAP to Non-GAAP Reconciliations – Q1 2024

(in millions)	Operating Expenses	
	Q1 2024	Q1 2023
Selling, general and administrative expense	\$203.7	\$211.3
Research and development expense	45.8	48.7
Restructuring, exit and impairment charges ¹	9.9	8.3
GAAP operating expenses	\$259.4	\$268.3
Purchase accounting amortization ²	14.5	14.2
Restructuring, exit and impairment charges ¹	9.9	8.3
Acquisition, integration, and IT related costs	2.3	2.6
IT security incident costs	0.3	—
As Adjusted operating expenses	\$232.4	\$243.2

(1) EXCLUDES \$3.6M AND \$1.2M OF COST OF SALES RELATED RESTRUCTURING, EXIT AND IMPAIRMENT CHARGES FOR THE THREE MONTHS ENDED MARCH 30, 2024 AND APRIL 1, 2023, RESPECTIVELY.

(2) EXCLUDES \$0.3M OF PURCHASE ACCOUNTING AMORTIZATION INCLUDED IN COST OF SALES FOR THE THREE MONTHS ENDED MARCH 30, 2024.

Tax Rate

	Q1 2024	Q1 2023
Effective Tax Rate - GAAP ¹	21.4%	46.8%
Effective Tax Rate - As Adjusted ²	21.6%	22.5%

(1) DECREASE IN THE EFFECTIVE TAX RATE IS DUE TO THE DISCRETE INCOME TAX EXPENSE RECORDED IN CONNECTION WITH THE INTERCOMPANY SALE OF INTELLECTUAL PROPERTY RIGHTS DURING THE FIRST QUARTER OF 2023.

(2) TAX PROVISION, AS ADJUSTED, EXCLUDES \$0.1 MILLION AND \$51.8 MILLION OF NET PROVISIONS FOR SPECIAL TAX ITEMS FOR Q1 2024 AND Q1 2023, RESPECTIVELY.

Free Cash Flow

(in millions)	Q1 2024	Q1 2023
Net cash provided by (used for) operating activities from continuing operations	(\$148.1)	(\$14.5)
Net cash (used for) provided by:		
Capital expenditures	(54.0)	(93.5)
Proceeds from sale of property, plant, equipment	2.3	2.7
Effect of exchange rate changes	(4.7)	1.7
Free Cash Flow	(\$204.5)	(\$103.6)