

SIX FLAGS ENTERTAINMENT CORPORATION
RECONCILIATION OF MODIFIED EBITDA, ADJUSTED EBITDA AND MODIFIED EBITDA MARGIN
(In thousands)

(In thousands)	Quarters Ended December 31,		Years Ended December 31,	
	2024	2023	2024	2023
Net (loss) income	\$ (264,216)	\$ (9,953)	\$ (206,665)	\$ 124,559
Interest expense, net	78,867	34,853	234,770	138,952
Provision for taxes	209,708	7,797	240,843	48,043
Depreciation and amortization	106,226	30,284	318,113	157,995
EBITDA	130,585	62,981	587,061	469,549
Loss on early debt extinguishment	—	—	7,974	—
Non-cash foreign currency loss (gain)	24,677	(3,920)	30,557	(5,594)
Non-cash equity compensation expense	10,259	6,770	63,809	22,611
Loss on retirement of fixed assets, net	6,658	5,288	18,064	18,067
Loss on impairment of goodwill	—	—	42,462	—
Costs related to the Mergers (1)	23,726	17,275	118,336	22,287
Self-insurance adjustment (2)	—	—	14,865	—
Other (3)	13,069	468	16,662	752
Modified EBITDA (4)	208,974	88,862	899,790	527,672
Net income attributable to non-controlling interests	—	—	24,499	—
Adjusted EBITDA (4)	\$ 208,974	\$ 88,862	\$ 875,291	\$ 527,672
Modified EBITDA margin (5)	30.4 %	23.9 %	33.2 %	29.3 %

- (1) Consists of third-party legal and consulting transaction costs, as well as integration costs related to the Mergers. Integration costs include third-party consulting costs, contract termination costs, retention bonuses, severance related to the Mergers, integration team salaries and benefits, maintenance costs to update Former Six Flags parks to Cedar Fair standards, onboarding of new advertising firms, and travel costs. These costs are added back to net (loss) income to calculate Modified EBITDA and Adjusted EBITDA as defined in the Combined Company's credit agreement.
- (2) During the third quarter of 2024, an actuarial analysis of Former Cedar Fair's self-insurance reserves resulted in a change in estimate that increased the incurred but not reported ("IBNR") reserves related to these self-insurance reserves by \$14.9 million. The increase was driven by an observed pattern of increasing litigation and settlement costs.
- (3) Consists of certain costs as defined in the Combined Company's credit agreement. These costs are added back to net (loss) income to calculate Modified EBITDA and Adjusted EBITDA and include: enacted cost savings initiatives related to overhead and administrative costs incurred by Former Six Flags, specifically for insurance premiums, legal costs and information technology costs; repairs for unusual weather events; certain legal and consulting expenses; Mexican VAT taxes on intercompany activity; severance and related benefits; payments related to the Partnership Parks; cost of goods sold recorded to align inventory standards following the Mergers; and contract termination costs. This balance also includes unrealized gains and losses on pension assets and short-term investments.
- (4) Modified EBITDA represents earnings before interest, taxes, depreciation, amortization, other non-cash items, and adjustments as defined in the Combined Company's credit agreement. Adjusted EBITDA represents Modified EBITDA minus net income attributable to non-controlling interests. Management included both measures to disclose the effect of non-controlling interests. Prior to the Merger, legacy Cedar Fair did not have net income attributable to non-controlling interests. Management believes Modified EBITDA and Adjusted EBITDA are meaningful measures of park-level operating profitability and use them for measuring returns on capital investments, evaluating potential acquisitions, determining awards under incentive compensation plans, and calculating compliance with certain loan covenants. Adjusted EBITDA is widely used by analysts, investors and comparable companies in the industry to evaluate operating performance on a consistent basis, as well as more easily compare results with those of other companies in the industry. Modified EBITDA and Adjusted EBITDA are provided as a supplemental measure of the Combined Company's operating results and are not intended to be a substitute for operating income, net income or cash flows from operating activities as defined under generally accepted accounting principles. In addition, Modified EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures of other companies.
- (5) Modified EBITDA margin (Modified EBITDA divided by net revenues) is not a measurement computed in accordance with GAAP and may not be comparable to similarly titled measures of other companies. Modified EBITDA margin is provided because the measure provides a meaningful metric of operating profitability. Modified EBITDA margin has been disclosed as opposed to Adjusted EBITDA margin because management believes Modified EBITDA margin more accurately reflects the park-level operations of the Combined Company as it does not give effect to distributions to non-controlling interests.