Six Flags Entertainment Corporation

NYSE: FUN

Investor Presentation
September 2024

Forward-Looking Statements

Some of the statements contained in this report (including the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section) that are not historical in nature are forward-looking statements within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements as to our expectations, beliefs, goals and strategies regarding the future. Words such as "anticipate," "believe," "create," "expect," "future," "guidance," "intend," "plan," "potential," "seek," "synergies," "target," "will," "would," similar expressions, and variations or negatives of these words identify forward-looking statements. However, the absence of these words does not mean that the statements are not forward-looking. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. These forward-looking statements may involve current plans, estimates, expectations and ambitions that are subject to risks, uncertainties and assumptions that are difficult to predict, may be beyond our control and could cause actual results to differ materially from those described in such statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct, that our growth and operational strategies will achieve the target results. Important risk factors that may cause such a difference and could adversely affect attendance at our parks, our future financial performance, and/or our growth strategies, and could cause actual results to differ materially from our expectations or otherwise to fluctuate or decrease, include, but are not limited to: general economic, political and market conditions; the impacts of pandemics or other public health crises, including the effects of government responses on people and economies; adverse weather conditions; competition for consumer leisure time and spending; unanticipated construction delays; changes in our capital investment plans and projects; anticipated tax treatment, unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, synergies, economic performance, indebtedness, financial condition, losses, future prospects, business and management strategies for the management, expansion and growth of the Combined Company's operations; failure to realize the anticipated benefits of the merger, including difficulty in integrating the businesses of legacy Six Flags and legacy Cedar Fair; failure to realize the expected amount and timing of cost savings and operating synergies related to the merger; legislative, regulatory and economic developments and changes in laws, regulations, and policies affecting the Combined Company; acts of terrorism or outbreak of war, hostilities, civil unrest, and other political or security disturbances; and other factors we discuss in the filings we make from time to time with the SEC. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation and are based on information currently and reasonably known to us. We do not undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the date of this document.

Six Flags: Merger Creates Compelling Investment Opportunity

Enhanced Scale and Market Position
- Largest and most diverse amusement park operators with 42 parks across North America

Geographic Diversification
- Reduces regional weather-related risks and mitigates seasonal earnings volatility

Significant Synergies
- Efficiencies created from savings and better resource allocation across an expanded portfolio

Robust Free Cash Flow
- Opportunity to generate annual free cash flow >$800M driven by synergies & higher net revenues

Strong Financial Position
- Enhanced levels of cash flow to retain balance sheet strength and lower debt-to-EBITDA ratio

Resilient Business Model
- Proven operating playbook has driven growth and profitability through all economic cycles

Management Expertise
- Cedar Fair's leadership team now at the helm has a strong record of operational excellence

Strategic Growth Opportunities
- Broader scope of long-term growth opportunities through expansions, investments and innovation

Six Flags Entertainment Corporation

Six Flags Governance – Decades of Industry Leadership

Executive Leadership



Richard Zimmerman
Chief Executive Officer and Director



Tim Fisher
Chief Operating Officer

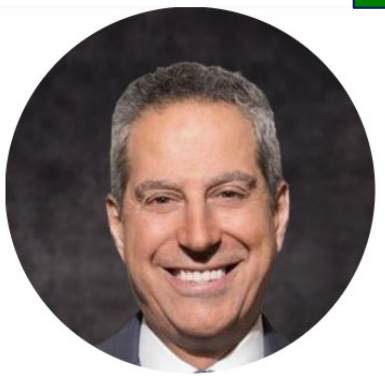


Brian Witherow
Chief Financial Officer



Brian Nurse
Chief Legal Officer

Board Leadership



Selim Bassoul
Executive Chairman



Dan Hanrahan
Lead Independent Director

Merger Rationale

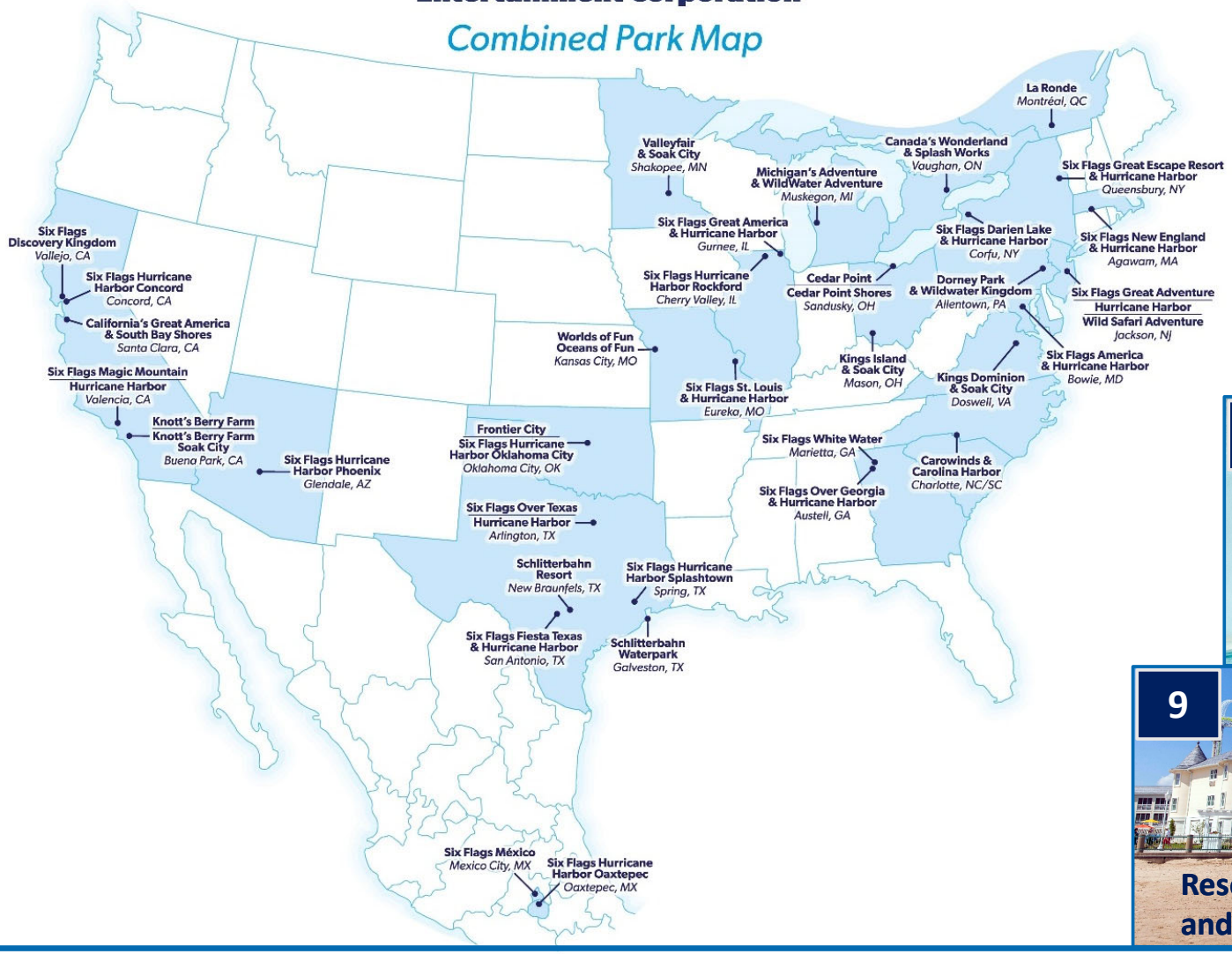


1. **Equity structure**. Investor participation in significant growth and value-accretive potential through tax-efficient transaction
2. **Benefits of scale**. Mitigates the effects of seasonality and weather on earnings via significant geographic scale and continental footprint
3. **Efficiencies from consolidation**. Drive cost savings through centralization and shared services, deploying best-in-breed strategies and smarter business practices
4. **Economic Flexibility**. Generate higher levels of free cash flow across a larger customer base, utilizing a playbook proven to consistently grow attendance and revenues, improve capital allocation flexibility and strengthen capital structure
5. **Enhance the guest experience**. Create an experience so rich and compelling that our guests view our parks as an indispensable choice and essential destination for out-of-home family fun

Attractive Portfolio of Park Assets Across North America

Six Flags Entertainment Corporation

Combined Park Map



COMBINED ASSETS

(POST MERGER)

27 Amusement parks



15 Water parks



9

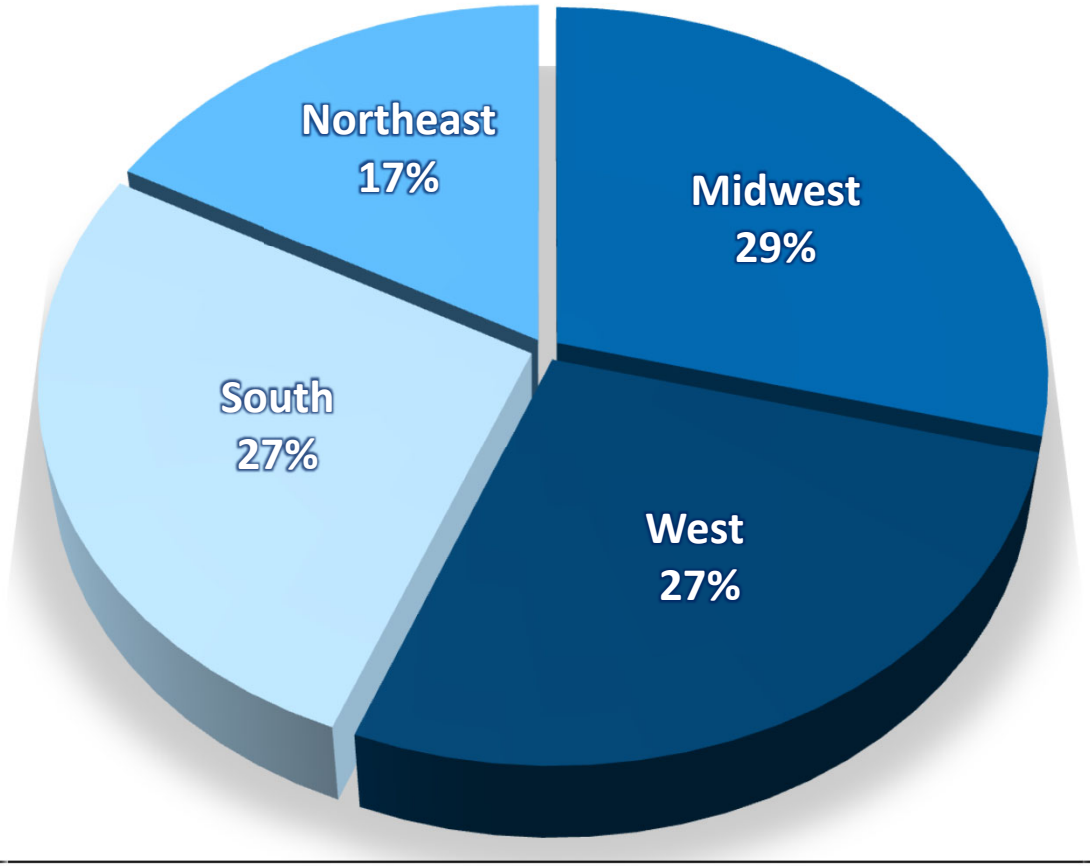


Resort properties with 2,300+ rooms and 600+ cabins / campground sites

Six Flags Entertainment Corporation

Diversified Geographic Footprint

Helps Mitigate Weather-Related and Seasonal Earnings Volatility



Regional balance ensures that no single park contributes more than 17% of park-level Adjusted EBITDA, and no single region contributes more than 30%.

Note: Geographic breakdown based on 2023 attendance; West: Arizona, California; Northeast: Canada, Massachusetts, Maryland, New Jersey, New York, Pennsylvania; South: Georgia, Mexico, North Carolina, Oklahoma, Texas; Midwest: Michigan, Minnesota, Missouri, Ohio

Six Flags Entertainment Corporation

Strategically Positioned in All Top-10 DMAs

Major Six Flags Parks Near Fast-Growing and Desirable Metro Areas Across North America



- Proximity to major metro areas benefits guests who can easily drive to parks
- 250 million people live within 100 miles of Six Flags parks(1)

[1] *Based on a 2023 survey of radio market population within designated market areas published by A.C. Nielsen Media Research*

Six Flags Entertainment Corporation

Expanded Portfolio Offers Well-rounded Guest Experience

	Cedar Fair		Six Flags		Six Flags Entertainment Corporation
Amusement Parks	11	+	16	=	**27**
Water Parks	4	+	11	=	**15**
Hotels / Resort Properties	7	+	2	=	**9**
Campgrounds	4	+	2	=	**6**
Safaris / Animal Experiences	-	+	2	=	**2**
Sports Facilities	2	+	-	=	**2**
Marinas	3	+	-	=	**3**

World's Largest Regional Amusement Park Company

Currently Well Positioned

1. Strategically located in desirable and growing metro areas
2. Attractive real estate portfolio of iconic parks and resorts
3. Long-term demand established in the highly competitive leisure space
4. Geographic diversification reduces regional weather-related risks and earnings volatility
5. Recurring revenue streams and stable free cash flow generation
6. Resilient business model with track record of producing profitable growth
7. Long tenured leadership team with history of innovation and value creation

The Opportunity

- $200 million of total synergies over next 36 mos.
- All Parks Season Pass across 42 properties
- Enhanced guest experience to drive higher levels of attendance and guest spending
- Recovery of 10+ million visits at legacy SIX parks



Six Flags Entertainment Corporation

2024 Season Passes and 2025 All Park Pass Opportunity

Six Flags Entertainment Corporation

Combined Active Base

7.6 million passes sold

Offered for the 2025 Season at all 42 Parks



Cedar Fair Entertainment Company

"Traditional" Season Pass

Passes valid from launch through following calendar year

Active Base of 3.1M

Sold 3.1M Traditional Season Pass Units

Average Sales Price - $115

4.8 Visits Per Active Pass

28% Renewal Rate in 2023

Six Flags

"Traditional" Season Pass AND Membership

Monthly subscription that auto-renews in 13th month after joining

Active Base of 4.5M

Sold 3.6M Traditional Units and 260k Memberships

Additional 700k Memberships 13+

Average Sales Price - $79

3.0 Visits per Active Pass

18% Renewal Rate in 2023

Six Flags Business Approach – Key Principles

P1	Guest satisfaction is vital to our long-term success and makes everything we do as a business easier to achieve
P2	Strategically investing marketable capital into the business drives growth and ensures the long-term sustainability of our business
P3	We are a volume-driven business where strong attendance drives longer length of stay, higher per caps and ongoing pricing power
P4	Our season pass program provides a reliable, recurring revenue stream and continues to be the financial engine of our business
P5	Guests today view the availability of unique, high-quality food and beverage an essential and increasingly valuable part of the experience
P6	Safety, park cleanliness, attractive landscaping and family entertainment are core elements that resonate with parents who have share of wallet
P7	We staff our parks to operate fully yet efficiently without sacrificing excellent customer service
P8	Leveraging the power of scalable technologies today is fundamental to enhancing the guest experience

Six Flags Entertainment Corporation

42 Parks to Maximize Growth Opportunities

FY-2023 Financial Metrics[1]

	Cedar Fair	Six Flags	Six Flags Entertainment Corporation
Parks	15	27	**42**
Attendance	27 million	22 million	**49 million**
Revenue	$1.8 billion	$1.4 billion	**$3.4 billion[4]** *(Inc. Uplift)*
Adjusted EBITDA[2,3]	$528 million	$462 million	**$1.2 billion[4]** *(Incl. Synergies)*
Adjusted | Modified EBITDA Margin[2,5]	29.3%	35.7%	**36%[4]** *(Incl. Synergies)*
Free Cash Flow[6]	$307 million	$291 million	**$798 million[4,7]** *(Incl. Synergies)*
Net Leverage[8]	4.2 x	5.0 x	**3.8.x [9]** *(Incl. Synergies)*

[1] The legacy Cedar Fair and legacy Six Flags financial information was prepared using the accounting policies, classifications and key performance metrics for the legacy companies and are not directly comparable. [2] Adjusted EBITDA and Adjusted / Modified EBITDA Margin are not measurements computed in accordance with generally accepted accounting principles (GAAP). For additional information regarding non-GAAP measures, including how the legacy companies define and use these measures, see the attached reconciliation tables and related footnotes. [3] Adjusted EBITDA for Six Flags excludes the net income attributable to non-controlling interests in the Adjusted EBITDA of partnership parks. [4] Reflects combined company run rate cost savings of $120mm and revenue uplift resulting in $80mm of incremental EBITDA. [5] Represents Adjusted EBITDA margin for Cedar Fair and Modified EBITDA margin, including third party EBITDA interests in partnership parks, for both Six Flags and the combined company, and is calculated as Adjusted/Modified EBITDA divided by Revenues. [6] Free Cash Flow (FCF) defined as Adjusted EBITDA less CapEx. [7] Excludes $65mm of one-time implementation costs and $90mm of incremental CapEx at the combined company, which do not represent run-rate view of FCF post-synergies. [8] Net leverage multiples computed as Net Debt (Total Debt before debt origination costs less Cash on Hand) divided by Adjusted EBITDA. [9] Combined company Net Debt based on FY-2023 combined Net Debt of $4,522 million and combined FY-2023 Adjusted EBITDA (incl. run-rate synergies) of $1.2 billion.

Legacy Cedar Fair 2Q-2024 Results

	3 Months Ended June 30, 2024	Year-over-year (same-week basis) commentary
Attendance	**8.6 million guests**	**+4%** growth (despite 33 fewer operating days) driven primarily by a larger season pass base and continued recovery of the group channel
In-Park Per Capita Spending(1)	**$59.54**	**(3%)** decline due to a planned decrease in season pass pricing and a higher mix of season pass visitation
Out-of-Park Revenues(1)	**$73 million**	**+6%** growth driven by solid performance of the Knott's Hotel, which was under renovation last year, as well as higher ADR's at the other properties
Net Revenues	**$572 million**	**+3%** increase driven by the underlying growth in attendance and out-of-park revenues, somewhat offset by the small decline in per capita spending
Legacy Cedar Fair Adjusted EBITDA(1)	**$205 million**	**+10%** year-over-year lift driven primarily by higher attendance levels and tighter management of operating costs
Deferred Revenues	**$289 million**	**+2%** due to strong sales of advance purchase products, including sales of season passes which were up 3%

[1] *Description of Non-GAAP measures and reconciliation of GAAP to Non-GAAP measures are defined and reconciled in the appendix and can be found in the company financial statements filed with the SEC or at www.investors.sixflags.com.*

Legacy Six Flags 2Q-2024 Results

	3 Months Ended June 30, 2024	Year-over-year commentary
Attendance	**6.9 million guests**	**(2%)** driven by timing of Easter holiday and 58 fewer operating days
Total Guest Spending Per Capita[1]	**$61.22**	**+1%** growth with most channels showing improvement
In-Park Spending Per Capita[2]	**$28.23**	**+5%** growth continues underlying growth trend for several quarters
Total Revenue	**$438 million**	**(1%)** due to discontinued legacy memberships and Easter timing **+1%** growth in underlying guest revenue[3]
Legacy Six Flags Adjusted EBITDA[4]	**$138 million**	**(14%)** driven by legacy membership headwinds and higher media spend
Deferred Revenues	**$191 million**	**+8%** the result of higher season pass sales, driven by increases in both quantity and average price

[1] Total guest spending per capita is calculated by dividing the sum of park admissions revenue and park food merchandise and other revenue by total attendance. This metric differs from the similarly titled measure, in-park per capita spending, presented by legacy Cedar Fair.

[2] In-park spending per capita is calculated by dividing park food, merchandise and other revenue by total attendance. This metric differs from the similarly titled measure, in-park per capita spending, presented by legacy Cedar Fair.

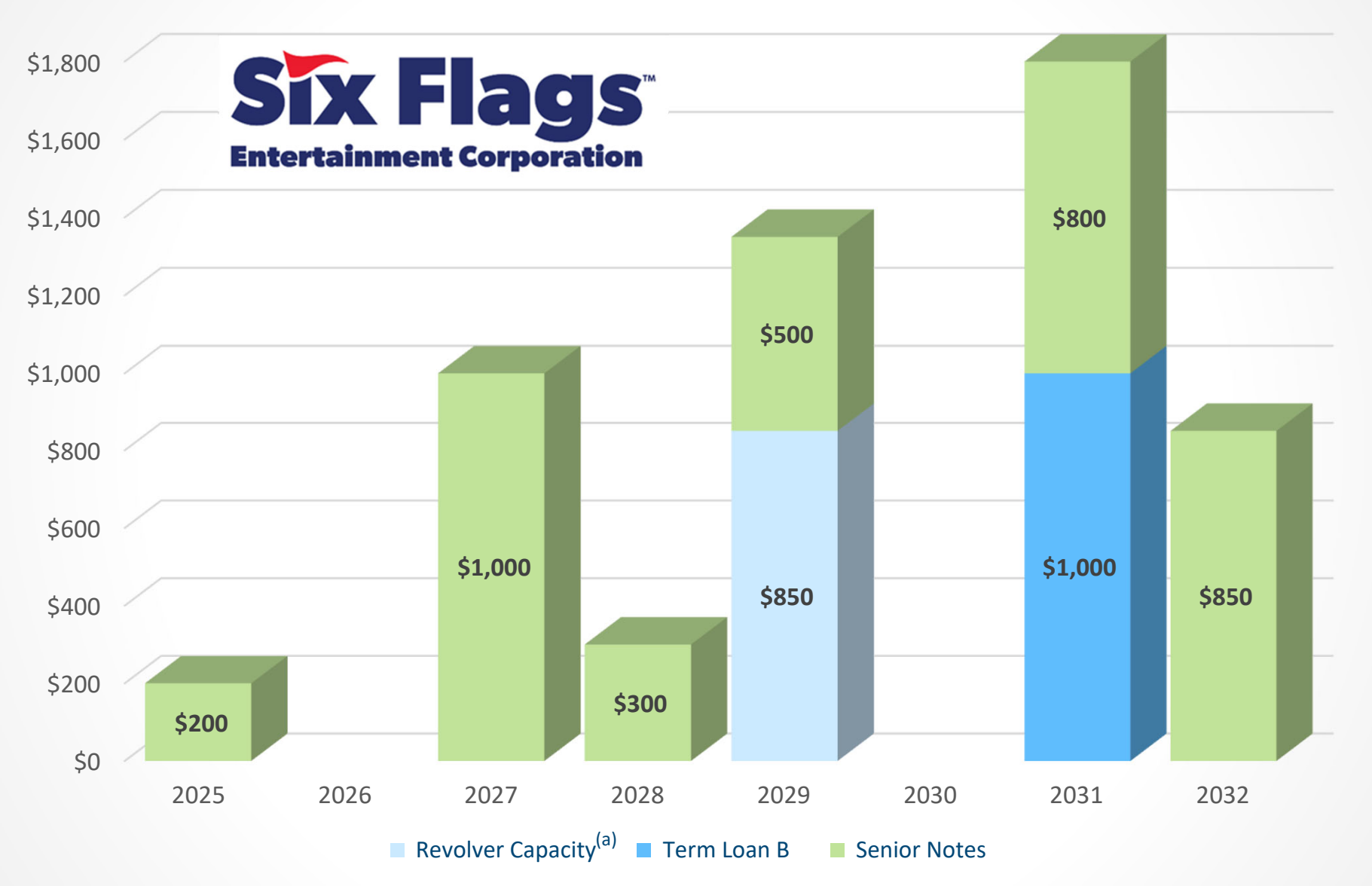
[3] Underlying growth for total revenue shown adjusted for $9 million headwind from discontinued legacy membership program.

[4] Description of Non-GAAP measures and reconciliation of GAAP to Non-GAAP measures are defined and reconciled in the appendix and can be found in the company financial statements filed with the SEC or at www.investors.sixflags.com.

Six Flags Entertainment Corporation

Capital Structure – Solid and Flexible

Amounts in $MM



(a) *Revolving credit facility maturity is subject to restrictions on the amount of certain notes outstanding.*

Path to Net Leverage Reduction

Strong Revenue Growth + **Disciplined Cost Management** + **Strategic Capital Allocation** = **Meaningful Net Leverage Reduction**



Six Flags Entertainment Corporation

Six Flags Entertainment Corporation

NYSE: FUN

Appendix

Adjusted EBITDA Reconciliation (Legacy Cedar Fair)

LEGACY (FORMER) CEDAR FAIR, L.P.
RECONCILIATION OF ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN
(In thousands)

	Three months ended		Six months ended	
	June 30, 2024	June 25, 2023	June 30, 2024	June 25, 2023
Net income (loss)	$ 55,553	$ 53,564	$ (77,914)	$ (80,982)
Interest expense	40,040	37,366	74,736	69,495
Interest income	(215)	(178)	(575)	(692)
Provision (benefit) for taxes	20,210	13,663	(12,206)	(10,427)
Depreciation and amortization	57,015	48,094	67,327	61,775
EBITDA	172,603	152,509	51,368	39,169
Loss on early debt extinguishment	5,911	—	5,911	—
Non-cash foreign currency loss (gain)	1,763	(10,837)	7,002	(7,134)
Non-cash equity compensation expense	9,135	2,567	14,419	7,620
Loss on impairment / retirement of fixed assets, net	4,121	7,125	6,735	10,761
Costs related to the Mergers [1]	11,128	—	21,275	—
Other [2]	803	15	1,574	(101)
Legacy Cedar Fair Adjusted EBITDA [3]	$ 205,464	$ 151,379	108,284	50,315
Legacy Cedar Fair Adjusted EBITDA Margin [4]	35.9 %	30.2 %	16.1 %	8.6 %

(1) Consists of third-party legal and consulting transaction costs, as well as integration costs related to the Mergers. Integration costs incurred included third-party consulting costs, travel costs and contract termination costs. These costs are added back to net income (loss) to calculate Legacy Cedar Fair Adjusted EBITDA as defined in legacy Cedar Fair's current and prior credit agreements.

(2) Consists of certain costs as defined in legacy Cedar Fair's current and prior credit agreements. These costs are added back to net income (loss) to calculate Legacy Cedar Fair Adjusted EBITDA and have included certain legal expenses, severance and related benefits and contract termination costs. This balance also includes unrealized gains and losses on short-term investments.

(3) Legacy Cedar Fair Adjusted EBITDA represents earnings before interest, taxes, depreciation, amortization, other non-cash items, and adjustments as defined in legacy Cedar Fair's current and prior credit agreements. Legacy Cedar Fair Adjusted EBITDA is a meaningful measure as it 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. Further, management believes Legacy Cedar Fair Adjusted EBITDA is a meaningful measure of park-level operating profitability and uses it for measuring returns on capital investments, evaluating potential acquisitions, determining awards under incentive compensation plans, and calculating compliance with certain loan covenants. Legacy Cedar Fair Adjusted EBITDA is provided as a supplemental measure of legacy Cedar Fair's operating results and is 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, Legacy Cedar Fair Adjusted EBITDA may not be comparable to similarly titled measures of other companies, including Legacy Six Flags Adjusted EBITDA.

(4) Legacy Cedar Fair Adjusted EBITDA Margin (Legacy Cedar Fair Adjusted 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, including Legacy Six Flags Modified EBITDA Margin. Legacy Cedar Fair Adjusted EBITDA Margin is provided because the measure provides a meaningful metric of operating profitability.

Legacy Cedar Fair Adjusted EBITDA for the thirteen week period ended July 2, 2023 (i.e. the same-week prior period) was calculated as net income of $84 million plus interest expense of $37 million, provision for taxes of $14 million, depreciation and amortization expense of $53 million, non-cash foreign currency gain of $11 million, non-cash equity compensation expense of $3 million and loss on impairment / retirement of fixed assets of $7 million. Legacy Cedar Fair Adjusted EBITDA Margin for the thirteen week period ended July 2, 2023 was calculated as Legacy Cedar Fair Adjusted EBITDA of $187 million divided by net revenues of $557 million.

Legacy Cedar Fair Adjusted EBITDA for the six months ended July 2, 2023 (i.e. the same-week prior period) was calculated as a net loss of $53 million plus interest expense of $69 million, interest income of $1 million, benefit for taxes of $10 million, depreciation and amortization expense of $68 million, non-cash foreign currency gain of $6 million, non-cash equity compensation expense of $8 million, and loss on impairment / retirement of fixed assets of $11 million. Legacy Cedar Fair Adjusted EBITDA Margin for the six months ended July 2, 2023 was calculated as Legacy Cedar Fair Adjusted EBITDA of $86 million divided by net revenues of $656 million.

Six Flags Entertainment Corporation

Table of Key Operational Measures (Legacy Cedar Fair)

LEGACY (FORMER) CEDAR FAIR, L.P.
KEY OPERATIONAL MEASURES
(In thousands, except per capita and operating day amounts)

	Three months ended		Six months ended	
	June 30, 2024	June 25, 2023	June 30, 2024	June 25, 2023
Attendance	8,635	7,397	9,984	8,456
In-park per capita spending [1]	$ 59.54	$ 61.46	$ 59.67	$ 61.84
Out-of-park revenues [1]	$ 73,228	$ 62,483	$ 96,493	$ 81,708
Operating days	789	736	906	897

(1) *In-park per capita spending* is calculated as revenues generated within legacy Cedar Fair's amusement parks and separately gated outdoor water parks along with related parking revenues (*in-park revenues*), divided by total attendance. *Out-of-park revenues* are defined as revenues from resort, out-of-park food and retail locations, online transaction fees charged to customers, sponsorships and all other out-of-park operations. *In-park revenues, in-park per capita spending* and *out-of-park revenues* are non-GAAP measures. These metrics are used by management as major factors in significant operational decisions as they are primary drivers of financial and operational performance, measuring demand, pricing, and consumer behavior. In-park per capita spending differs from the similarly titled measures presented by legacy Six Flags, including total guest spending per capita, admissions revenue per capita and in-park spending per capita. A reconciliation of *in-park revenues* and *out-of-park revenues* to net revenues for the periods presented is as follows:

	Three months ended		Six months ended	
(In thousands)	June 30, 2024	June 25, 2023	June 30, 2024	June 25, 2023
In-park revenues	$ 514,110	$ 454,551	$ 595,756	$ 522,854
Out-of-park revenues	73,228	62,483	96,493	81,708
Concessionaire remittance	(15,722)	(16,052)	(19,018)	(19,026)
Net revenues	$ 571,616	$ 500,982	$ 673,231	$ 585,536

On a same-week basis, concessionaire remittance totaled $17 million for the thirteen week period ended July 2, 2023 and totaled $21 million for the six month period ended July 2, 2023.

Adjusted EBITDA Reconciliation Three- and Twelve-Months Ended Dec. 31, 2023 (Legacy Cedar Fair)

CEDAR FAIR, L.P.
RECONCILIATION OF ADJUSTED EBITDA
(In thousands)

	Three months ended		Twelve months ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Net (loss) income	$ (9,953)	$ 12,355	$ 124,559	$ 307,668
Interest expense	36,150	36,554	141,770	151,940
Interest income	(1,297)	(1,508)	(2,818)	(3,621)
Provision for taxes	7,797	2,615	48,043	63,989
Depreciation and amortization	30,284	26,833	157,995	153,274
EBITDA	62,981	76,849	469,549	673,250
Loss on early debt extinguishment	—	—	—	1,810
Net effect of swaps	—	—	—	(25,641)
Non-cash foreign currency (gain) loss	(3,920)	(361)	(5,594)	23,856
Non-cash equity compensation expense	6,770	5,502	22,611	20,589
Loss on impairment/retirement of fixed assets, net	5,288	3,896	18,067	10,275
Gain on sale of land	—	1	—	(155,250)
Costs related to proposed merger [1]	17,275	—	22,287	—
Other [2]	468	1,944	752	3,064
Adjusted EBITDA [3]	$ 88,862	$ 87,831	$ 527,672	$ 551,953

(1) Consists of third-party investment banking, consulting and legal costs related to the proposed merger with Six Flags. These costs are added back to net (loss) income to calculate Adjusted EBITDA as defined in the Company's current and prior credit agreements.

(2) Consists of certain costs as defined in the Company's current and prior credit agreements. These costs are added back to net (loss) income to calculate Adjusted EBITDA and have included certain legal expenses, severance and related benefits and contract termination costs. This balance also includes unrealized gains and losses on short-term investments.

(3) Adjusted EBITDA represents earnings before interest, taxes, depreciation, amortization, other non-cash items, and adjustments as defined in the Company's current and prior credit agreements. The Company believes Adjusted EBITDA is a meaningful measure as it 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 the Company's results with those of other companies in the industry. Further, management believes Adjusted EBITDA is a meaningful measure of park-level operating profitability and uses it 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 provided as a supplemental measure of our operating results and is 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, Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

Six Flags Entertainment Corporation

Adjusted EBITDA Reconciliation (Legacy Six Flags)

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

	Three Months Ended		Six Months Ended	
	June 30, 2024	July 2, 2023	June 30, 2024	July 2, 2023
Net income (loss)	$ 58,626	$ 44,320	$ (24,100)	$ (25,539)
Income tax expense (benefit)	14,830	13,807	(8,402)	(4,045)
Other expense (income), net	5,714	(2,261)	4,674	(3,093)
Loss on debt extinguishment	2,736	13,982	2,736	13,982
Interest expense, net	40,793	43,495	82,593	79,797
Loss on disposal of assets	6,446	2,550	7,840	4,985
Depreciation and amortization	28,621	28,910	58,121	58,024
Stock-based compensation	2,762	2,179	5,109	5,493
Merger-related transaction costs	1,486	—	7,047	—
Self-insurance reserve adjustment [1]	—	37,558	—	37,558
Modified EBITDA [2]	$ 162,014	$ 184,540	$ 135,618	$ 167,162
Third party interest in EBITDA of certain operations [3]	(24,499)	(23,766)	(24,499)	(23,766)
Legacy Six Flags Adjusted EBITDA [2]	$ 137,515	$ 160,774	$ 111,119	$ 143,396
Legacy Six Flags Modified EBITDA Margin [4]	36.9 %	41.6 %	23.7 %	28.5 %

(1) Amount relates to an adjustment to the self-insurance reserves resulting from a change in accounting estimate that increased the ultimate loss indications on both identified claims and incurred but not reported claims. This adjustment was excluded from reported Adjusted EBITDA because (i) the change in actuarial assumptions and related change in accounting estimate that gave rise to the adjustment is unusual and not expected to be recurring; (ii) excluding it provides more meaningful comparisons to historical results; and (iii) excluding it provides more meaningful comparisons to other companies in the industry.

(2) Modified EBITDA, a non-GAAP measure, is defined as consolidated income (loss) from continuing operations: excluding the following: the cumulative effect of changes in accounting principles, discontinued operations gains or losses, income tax expense or benefit, restructure costs or recoveries, reorganization items (net), other income or expense, gain or loss on early extinguishment of debt, equity in income or loss of investees, interest expense (net), gain or loss on disposal of assets, gain or loss on the sale of investees, amortization, depreciation, stock-based compensation, fresh start accounting valuation adjustments and other significant non-recurring items. Modified EBITDA, as defined herein, may differ from similarly titled measures presented by other companies. Legacy Six Flags management used non-GAAP measures for budgeting purposes, measuring actual results, allocating resources and in determining employee incentive compensation. Modified EBITDA provides relevant and useful information for investors because it assists in comparing operating performance on a consistent basis, makes it easier to compare results with those of other companies in the industry as it most closely ties performance to that of competitors from a park-level perspective and allows investors to review performance in the same manner as legacy Six Flags management.

Legacy Six Flags Adjusted EBITDA, a non-GAAP measure, is defined as Modified EBITDA minus the interests of third parties in the Modified EBITDA of properties that are less than wholly owned (consisting of Six Flags Over Georgia, Six Flags White Water Atlanta and Six Flags Over Texas). Legacy Six Flags Adjusted EBITDA is approximately equal to "Parent Consolidated Adjusted EBITDA" as defined in the legacy Six Flags secured credit agreement, except that Parent Consolidated Adjusted EBITDA excludes Adjusted EBITDA from equity investees that is not distributed in cash on a net basis and has limitations on the amounts of certain expenses that are excluded from the calculation. Legacy Six Flags Adjusted EBITDA as defined herein may differ from similarly titled measures presented by other companies, including Legacy Cedar Fair Adjusted EBITDA. The legacy Six Flags board of directors and management used Legacy Six Flags Adjusted EBITDA to measure performance and management incentive compensation plans were based largely on Legacy Six Flags Adjusted EBITDA. Adjusted EBITDA is frequently used by sell-side analysts and most investors as their primary measure of performance in the evaluation of companies in the industry. In addition, the instruments governing legacy Six Flags indebtedness used Legacy Six Flags Adjusted EBITDA to measure compliance with certain covenants and, in certain circumstances, the ability to make certain borrowings.

(3) Represents interests of non-controlling interests in the Adjusted EBITDA of Six Flags Over Georgia, Six Flags Over Texas and Six Flags White Water Atlanta.

(4) Legacy Six Flags Modified EBITDA Margin (Modified EBITDA divided by total revenues) is not a measurement computed in accordance with GAAP and may not be comparable to similarly titled measures of other companies, including Legacy Cedar Fair Adjusted EBITDA Margin. Legacy Six Flags Modified EBITDA Margin is provided because the measure provides a meaningful metric of operating profitability.

Adjusted EBITDA Reconciliation Three- and Twelve-Months Ended Dec. 31, 2023[(a)] (Legacy Six Flags)

(Amounts in thousands, except per share data)	Three Months Ended		Twelve Months Ended	
	December 31, 2023	January 1, 2023	December 31, 2023	January 1, 2023
Net (loss) income	$ (22,396)	$ 10,017	$ 86,500	$ 146,034
Income tax (benefit) expense	(10,235)	2,703	22,290	46,960
Other (income) expense, net [(3)]	11,146	1,985	9,208	(84)
Loss on debt extinguishment	—	—	13,982	17,533
Interest expense, net	40,196	33,885	158,256	141,590
Loss on disposal of assets	9,648	891	16,393	3,927
Depreciation and amortization	29,120	30,352	115,086	117,124
Impairment of park assets	22,956	16,943	22,956	16,943
Stock-based compensation [(2)]	2,369	1,814	11,387	15,218
Merger-related transaction costs	15,386	—	15,386	—
Self-insurance reserve adjustment [(4)]	—	—	37,558	—
Modified EBITDA [(5)]	$ 98,190	$ 98,590	$ 509,002	$ 505,245
Third party interest in EBITDA of certain operations [(6)]	—	—	(47,501)	(44,651)
Adjusted EBITDA [(5)]	$ 98,190	$ 98,590	$ 461,501	$ 460,594

[(a)] See next slide (page 24) for footnotes

Adjusted EBITDA Reconciliation Three- and Twelve-Months Ended Dec. 31, 2023 Footnotes (Legacy Six Flags)

(2) Reflects revisions to be made to previously issued financial statements for immaterial errors in the unaudited interim financial statements for the periods ended April 3, 2022 and July 3, 2022 and revisions reflected herein for the unaudited financial statements for the quarterly periods ended October 2, 2022 and the audited annual financial statements for the period ended January 1, 2023 related to the recognition of stock-based compensation in the Company's annual report on Form 10-K for the three months ended January 1, 2023. As a result of these revisions, selling, general and administrative expense for the three-month and twelve-month periods ended January 1, 2023, increased by $3.3 million and $7.6 million, respectively, as compared to the previously reported figures in the statements of operations. Stock-based compensation increased by $7.6 million in the statement of cash flows. Accumulated deficit decreased and capital in excess of par value increased by $15.2 million as of January 1, 2023 on our balance sheet.

(3) Amounts recorded as “Other (income) expense, net” include certain non-recurring costs incurred in conjunction with changes made to our organizational structure in December 2021. During 2023, we reclassified the net pension-related expense (benefit) to other (income) expense, net. in our consolidated statements of operations. This reclassification has been reflected in all periods presented. As a result of this reclassification, Adjusted EBITDA for the three-month and twelve-month periods ended January 1, 2023, declined by $0.3 million and $4.2 million, respectively, as compared to the previously reported figures.

(4) Amount relates to an adjustment to our self-insurance reserves resulting from a change in accounting estimate that increased our ultimate loss indications on both identified claims and incurred but not reported claims, as discussed in more detail above in our review of second quarter 2023 results. We have excluded this adjustment from our reported Adjusted EBITDA because we believe (i) the change in actuarial assumptions and related change in accounting estimate that gave rise to the adjustment is unusual and not expected to be recurring; (ii) excluding it provides more meaningful comparisons to our historical results; and (iii) excluding it provides more meaningful comparisons to other companies in our industry.

(5) Modified EBITDA,” a non-GAAP measure, is defined as our consolidated income (loss) from continuing operations: excluding the following: the cumulative effect of changes in accounting principles, discontinued operations gains or losses, income tax expense or benefit, restructure costs or recoveries, reorganization items (net), other income or expense, gain or loss on early extinguishment of debt, equity in income or loss of investees, interest expense (net), gain or loss on disposal of assets, gain or loss on the sale of investees, amortization, depreciation, stock-based compensation, fresh start accounting valuation adjustments and other significant non-recurring items. Modified EBITDA, as defined herein, may differ from similarly titled measures presented by other companies. Management uses non-GAAP measures for budgeting purposes, measuring actual results, allocating resources and in determining employee incentive compensation. We believe that Modified EBITDA provides relevant and useful information for investors because it assists in comparing our operating performance on a consistent basis, makes it easier to compare our results with those of other companies in our industry as it most closely ties our performance to that of our competitors from a park-level perspective and allows investors to review performance in the same manner as our management.

"Adjusted EBITDA," a non-GAAP measure, is defined as Modified EBITDA minus the interests of third parties in the Modified EBITDA of properties that are less than wholly owned (consisting of Six Flags Over Georgia, Six Flags White Water Atlanta and Six Flags Over Texas). Adjusted EBITDA is approximately equal to “Parent Consolidated Adjusted EBITDA” as defined in our secured credit agreement, except that Parent Consolidated Adjusted EBITDA excludes Adjusted EBITDA from equity investees that is not distributed to us in cash on a net basis and has limitations on the amounts of certain expenses that are excluded from the calculation. Adjusted EBITDA as defined herein may differ from similarly titled measures presented by other companies. Our board of directors and management use Adjusted EBITDA to measure our performance and our current management incentive compensation plans are based largely on Adjusted EBITDA. We believe that Adjusted EBITDA is frequently used by all our sell-side analysts and most investors as their primary measure of our performance in the evaluation of companies in our industry. In addition, the instruments governing our indebtedness use Adjusted EBITDA to measure our compliance with certain covenants and, in certain circumstances, our ability to make certain borrowings. Adjusted EBITDA, as computed by us, may not be comparable to similar metrics used by other companies in our industry.

(6) Represents interests of non-controlling interests in the Adjusted EBITDA of Six Flags Over Georgia, Six Flags Over Texas and Six Flags White Water Atlanta.

Six Flags Entertainment Corporation