



**Newton Golf Company, Inc.**

**2025 Full Year Operating and Financial Results**

**March 31, 2026**

**C O R P O R A T E P A R T I C I P A N T S**

**Akinobu Yorihiro**, *Interim Chief Executive Officer and Chief Technology Officer*

**Jeff Clayborne**, *Chief Financial Officer and Chief Operating Officer*

**C O N F E R E N C E C A L L P A R T I C I P A N T S**

**Thomas Kerr**, *Zacks SCR*

**Steven Kruger**, *Foresight Investing*

## PRESENTATION

### Operator

Good afternoon. Thank you for joining us today to discuss Newton Golf Company's 2025 Full Year Operating and Financial Results.

Thank you. Before we begin today's call, I would like to provide the Company's safe harbor statement that includes cautions regarding forward-looking statements made during today's call. The information that we have provided in this conference call includes forward-looking statements within the meeting of the Private Securities Litigation Reform Act of 1995, including but not limited to statements regarding the Company's future revenue, future plans, objectives, expectations, and events, assumptions, and estimates. Any forward-looking statement made during this conference call are not guarantees of future performance and involves certain risks, uncertainties, and assumptions which are difficult to predict, and actual outcomes and results may differ materially.

For more information about risks and uncertainties associated with the Company's business, please refer to the risk factors section of the Company's SEC filings, including its annual report on the Form 10-K. The Company expressly disclaims any obligations or undertaking to update or revise any forward-looking statements.

Hosting the call today is the Interim Chief Executive Officer of Newton Golf, Aki Yorihiro, and the Company's Chief Financial Officer and Chief Operating Officer, Jeff Clayborne. Following the remarks, we'll open the call to your questions. At any time during the call, you may join the Q&A queue by pressing star one on your keypad. You may press star two to remove yourself from the question queue.

I'd like to remind everyone that today's call is being recorded and will be made available for telecom replay. Please see the instructions in today's press release that has been posted to the Investor Relations section of the Company's website.

Now, I'd like to turn the call over to Newton Golf's Interim CEO, Aki Yorihiro. Sir, please go ahead.

### Akinobu Yorihiro

Good afternoon, everyone, and thank you for joining us.

As disclosed in our Form 8-K filed yesterday, I am serving as Interim Chief Executive Officer following Greg Campbell's termination on March 27. I'm excited about the opportunities ahead for the Company, and I'm focused on maintaining execution momentum. Brett Hoge is now serving as Chairman of the Board, and Dr. Campbell will remain on the Board of Directors.

As outlined in our earnings release issued earlier today, we reported record revenue growth of 136% to \$8.1 million in 2025. This performance was driven primarily by continued expansion of our direct-to-consumer channel, increased adoption by professional club fitters, and growth of our Newton Motion shaft platform. Direct-to-consumer revenue increased 157% to \$7.4 million, supported by improvements in digital marketing efficiency, higher conversion rates, and repeat customer purchases. Repeat customers represented 26.7% of gross direct-to-consumer orders in 2025, up 36% from 2024.

We also achieved the highest single-day sales total in Company history on Black Friday, reflecting strong demand across our shaft product families. We also expanded our professional club fitter network to approximately 230 locations, an increase of 130% from 2024, strengthening our channel presence across the premium-fitting market.

Importantly, Newton Motion shaft ranked as the number one-selling shafts for both drivers and fairway woods at Club Champion in 2025, which reflects increasing traction within the professional-fitting channel. Alongside this adoption, we continued expanding the Newton Motion shaft platform. Fast Motion, introduced in 2025, has become our best-selling shaft product and represents an important extension of our driver shaft lineup.

Before discussing our outlook and recent developments, I'll turn the call over to Jeff to review our financial results.

### **Jeff Clayborne**

Thank you, Aki, and good afternoon, everyone.

As Aki mentioned, we generated record revenue of \$8.1 million in 2025, an increase of 136% compared to 2024. The growth was primarily driven by strong demand for our Motion shaft product line and continued expansion of our direct-to-consumer sales channel.

Gross profit totaled \$4.6 million, or 56% of net sales, compared to \$2.3 million, or 66% of net sales in 2024. The decrease in gross margin was primarily attributed to additional labor costs driven by incremental full-time employees, an increase in temporary labor, and overtime to meet increased demand.

The Company is enhancing its manufacturing management and operational planning processes to support continued scaling of production and operations. In January 2026, the Company expanded my operational responsibilities to include oversight of manufacturing and operational functions, strengthening coordination between financial management and factory operations.

Operating expenses increased to \$12.1 million compared to \$7.3 million in 2024. The increase primarily reflected higher marketing personnel costs and public company operating costs, supporting the Company's sales growth and business development initiatives, as well as continued investment in research and development related to the Company's shaft technology platform.

Operating expenses also included increased professional services related to optimization and enhancement of enterprise systems, including NetSuite, AfterShip, demand planning tools, and related system integrations intended to improve inventory accuracy, operational efficiency, and support future scalability.

Net loss for 2025 totaled \$6 million, or negative \$1.63 per share, compared to \$11.8 million in 2024, or negative \$178.33 per share. Cash and equivalents totaled \$1.3 million at December 31, 2025. Subsequent to year end, the Company entered into a securities purchase agreement for the sale in one or more closings of up to \$2 million of convertible notes and warrants to purchase shares of our common stock at an exercise price of \$1.75 per share.

On March 16, 2026, the Company completed the initial closing and issued a \$500,000 convertible note, bearing interest at 10% per annum and maturing in 18 months. Together with a warrant to purchase 50,000 shares of common stock and exercise price of \$1.75 per share, the note, including accrued interest, is convertible into common stock at \$1.60 per share at maturity. We believe our existing cash resources will fund operations for a limited period and that additional financing will be required to support ongoing operations.

During 2025, holders exercised substantially all of the Series B warrants that were issued in connection with our December 2024 financing. These exercises resulted in the issuance of approximately 4.2 million shares of common stock and strengthened stockholders' equity. During the year, we also retired 200,400 shares previously repurchased in the open market. As of today, approximately 16,849 Series B warrants remain outstanding, representing the potential issuance of roughly 288,000 additional shares if exercised.

I'll now turn the call back over to Aki.

### **Akinobu Yorihiro**

Thank you, Jeff.

Subsequent to year end, we introduced several new shaft configurations at the 2026 PGA show, including the Fast Motion fairway wood shaft, dedicated hybrid shafts across our product lineup, and updated versions of our existing Motion and Fast Motion driver and fairway models. These introductions extend the Newton Motion platform across additional club categories and support a more integrated system-based fitting approach.

A central element of the strategy is our proprietary DOT system, which replaces traditional flex categories with a standardized numerical structure that applies consistently across drivers, fairway woods, and hybrids. In traditional aftermarket shaft fitting, golfers typically select multiple bend profiles and then choose flex and weight within each profile. By contrast, the DOT system provides a unified stiffness and performance framework, enabling golfers and professional club fitters to match shaft characteristics across club types using a single fitting system.

Because golfers typically carry a driver, multiple fairway woods, and multiple hybrid clubs, this platform approach creates the opportunity for multiple Newton shaft placements within a single bag rather than a single driver replacement. As adoption of the Newton Motion platform expands, we believe this system-based structure has the potential to increase average revenue per golfer and per fitting transaction over time without relying on price increases.

We also expanded our international presence through an exclusive distribution agreement with Voice Caddie in South Korea, an important premium golf equipment market with strong demand for performance technology and fitting-driven purchasing behavior.

From a manufacturing perspective, our facility in St. Joseph, Missouri, provides meaningful production flexibility, and we estimate it can support annual production of up to approximately 200,000 shafts annually with incremental operational improvements.

Looking ahead, we believe Newton golf remains in the early stages of scaling the Newton Motion shaft platform. Continued adoption across professional club fitters, retail partners, international distributors, and additional equipment partners position us to support sustained revenue growth over time.

We have recently begun structured product testing and evaluation programs with leading global golf equipment manufacturers. The engagement includes tour-level validation and feedback from select professional fitters. While these activities are in early stage and no definitive commercial supply agreements have yet to be finalized, we believe this level of engagement represents meaningful technical validation of our platform. Over time, we believe successful OEM integrations could expand the addressable opportunities for Newton shafts and support broader adoption across global club fitting channels.

With that, we will open the call for questions.

### **Operator**

Thank you. At this time, we will conduct our Q&A session. If you would like to ask a question at this time, please press star one on your telephone keypad. A confirmation tone will indicate that your line is in the question queue. You may press star two if you would like to remove your question from the queue. We will pause for a moment while we poll for questions.

Our first question today comes from Tom Kerr with Zacks SCR. Please state your question.

**Thomas Kerr**

Good afternoon, guys. Quickly on the gross margins, that inventory adjustment, any more color on that? Was that a one-time thing? Do we expect to get back to the 60% to 70% range in 2026?

**Jeff Clayborne**

The inventory adjustment was made in Q4. Basically, we incurred an additional million dollars of labor costs last year as we were staffed up. We incurred a lot of overtime. I would project, I'm not going to give guides, but our margins will get back into the 60% range on a prospective basis is the expectation.

**Thomas Kerr**

More of a labor adjustment, not a write-down of inventory or shafts or anything like that?

**Jeff Clayborne**

No, it was a catch-up through our procedures, digging in with the optimization of NetSuite demand planning, reviewing all the bill of materials. There was an inventory adjustment related to improper bill of materials. That has been corrected.

**Thomas Kerr**

Got it. I know you guys aren't giving guidance at this point, but what can you help us with on the 2026 revenues? I'm assuming double-digit growth. Is it going to be strong? How is the first quarter looking? Anything to help with revenue growth in 2026?

**Jeff Clayborne**

We feel pretty bullish. The Q1 orders have been coming in strong. The orders are significantly higher than they were prior year. Listening to Aki with the addition of new clubs, finalizing deals with the OEMs, we feel pretty bullish about our revenue in 2026. We'll look to provide some better guidance when we announce earnings at the end of Q1.

**Thomas Kerr**

Got it. Perfect. Last question. Is there a CEO search going on, or have you hired a CEO firm? What are you guys doing in that area?

**Jeff Clayborne**

Yes, we're in the middle of a search.

**Thomas Kerr**

Okay. All right. Thanks. I'll get back in the queue.

**Operator**

Thank you. Once again, to ask a question, press star, one on your phone. You can press star, two to remove your question from the queue.

Your next question comes from Steve Kruger with Foresight Investing. Please go ahead.

**Steven Kruger**

Good afternoon, guys. Can you give us any more color on what the chances are that you'll be on the optional list with one or more of the major OEMs by the end of the year? I look at Titleist and Callaway and TaylorMade, you go to their website, and currently they already offer about eight or nine different shafts, different manufacturers. What are the chances that you actually have closed the deal to be added to their list? When a player goes to their website, will they see your shaft as an option?

### **Jeff Clayborne**

It's a great question. I'll turn it over to Aki in a second. I think the first thing I would say is it's a priority of the organization. Working with the OEMs, a lot of the increase in our cost last year was related to sales and marketing. We spend approximately 70% of our net revenue on sales and marketing. The Company is just over two years old, so building a brand, marketing the products, it's an expensive endeavor in the early stages. The marketing over-indexes compared to the revenue in the early days. Establishing deals with these OEMs, Callaway, Titleist, TaylorMade, Srixon, you name it, and to get in their catalog not only provides validation, but gives us more touch points, allowing us to increase our contribution margin.

What I would say, as I turn it over to Aki, I don't know if we'll provide a probability. What I can tell you is we've made significant progress with a couple OEMs since we last spoke in November. I think what I would want Aki to tell you about is the changes we made in the shaft of our products, how it's being received by the professionals, and what that would probably mean to OEMs.

### **Akinobu Yorihiro**

Thank you so much for the question. It's a great question. I was a math major, so I know better than to give you a probability answer, but I hope to give you some color. We have worked very hard since inception to get to the point where the OEMs would carry our products. That takes time. In the first two years, we've done very well getting play out on the field by amateurs, but also with a lot of professionals. When the manufacturers see their top professionals putting into play Newton shafts, we started to get noticed immediately. I think the credibility came from that.

We have been engaged in various conversations, and we have submitted various shafts to various departments, including the tour and others. We hope to progress. I think the progression, there's no particular order, but with a typical manufacturer, we would work with them on the tour. We would work with them on their field fitters, and then you have that website drag down that you had mentioned. There's probably no set order in the industry, but typically, I would expect that we're very much in it on the tour adoption. I think the next step is really the fitting program that each manufacturer has. Once we get through that threshold with the fitters and so forth, we hope to get onto the website.

How long that would take? Again, it's very difficult to say, but like Jeff says, we're very bullish. One of the things that we worked very hard for this year in anticipation of this type of relationship is making sure that what we're making is the best shaft that we can make. We worked very hard during the off-season and into the new year in terms of updating our shaft. There's a lot that goes into shaft design. There's a lot that goes into shaft testing, and we've spent a ton of time on that.

Then I think with respect to the OEMs, you have to have very tight tolerance in terms of the specs. You have to have consistency, and then you have to have performance, and then you have to meet their delivery schedule. Those are all the things that we have been working, and we continue to work on. We've waited for this phase of our Company to come. That's been a big focus of the Company.

### **Steven Kruger**

That's great color. Typically, when the big boys, the OEMs look at something, they're going to want to make sure that you've got the capacity to satisfy any demand that might come from them. What level of capacity does a Titleist or a Callaway or a TaylorMade expect from a shaft supplier?

**Akinobu Yorihiro**

At the current time, we have not received any particular number. Jeff, do you have any thoughts on that? We just haven't engaged in any number, and we haven't really assumed or presumed any particular level of number.

**Jeff Clayborne**

Yes. Really, what we've been doing is getting the demand planning in place, understanding the capacity of the warehouse. We can do over 200,000 shafts. Last year, between commercial and free goods, we did just over 41,000. The current facility has the ability to 5X. We feel like we're in really good shape. The scale means that we're in the process of creating some staggered shifts, an evening shift, and then the last case would be an overnight shift, which is the most difficult to execute. We're trying to do everything we possibly can to prepare for when these purchase orders begin to come.

**Steven Kruger**

Great. Thanks very much for the commentary.

**Jeff Clayborne**

Aki, the one thing that we just started talking to the world about, which I think the OEM is really excited about, is the DOT system and what makes us different than the folks that operate in our space.

**Akinobu Yorihiro**

Sure. I would love to talk about that. Not just isolated to drivers, but heretofore, pretty much all the shaft companies and shaft designations went with a ladies' flex, a senior flex, a regular flex, a stiff flex, an extra stiff flex, and tour X. Those are the designations. Now, let's say you play with a regular shaft for the driver. That doesn't necessarily mean that you would play the same shaft for your 3-wood or the 5-wood or the hybrid and so forth. In fact, most of the time, with most manufacturers, you have one driver shaft that you are converting into fairway woods. Then you would probably have to go to a different series of shaft to get to the hybrid or even a different manufacturer shaft to go to a hybrid.

The shopping, the research that a consumer has to go through is quite complex. That's where the fitters come in. We want to obviously address the needs of everybody and also to make it easier for everybody. In our case, we separate the driver shaft from a fairway-specific shaft because they are different. A fairway wood, you have to have, you hit the ground because you hit it on the ground. You have turf interaction. You need a little bit more torque because it's a little shorter. You need a little weight because the fairway wood heads are heavier, so on and so forth.

What we try to do is to make that ecosystem simple. If you were to play a Fast Motion 3-DOT shaft, our Fast Motion fairway wood shaft, which will be launched later this year, all you do is you match the DOT and you pick out a Fast Motion fairway 3-DOT. You do the same thing with the hybrid. You go to the Fast Motion series hybrid shaft in the 3-DOT. What we have done is we have done the thinking on behalf of the golfers and consumers so that you really don't have to think. That's your starting point. That can be applied by consumers and that can be applied by fitters.

This matched the DOT concept that we came up with, I think it's revolutionary. It makes purchasing decisions very easily. We have put in so much work so that when you swing the driver, the fairway wood, the hybrids, you're getting a similar feel and it's consistent. It's a progression that makes sense from a weight to a flex, to a bend profile, to a feel perspective. Everything in your bag is just going to feel great. That's been our goal. We are super excited to introduce that to the world this year.

**Jeff Clayborne**

Thanks, Aki.

**Operator**

Thank you. At this time, this concludes our telephone question-and-answer session. I'd like to turn the call back over to Aki Yorihiro. Sir, please go ahead.

**Akinobu Yorihiro**

Thank you, Diego.

I would just like to thank all of you for joining us today again and to discuss our results for the year and in particular, our stockholders for their continued confidence in Newton Golf. We're looking forward to discussing with you again soon and presenting our first quarter of 2026 results in May. As always, please take good care and we wish you all the great in the great year ahead.

Diego, would you please go ahead and wrap up the call?

**Operator**

Thank you. I would like to remind everyone that this call will be available for replay starting later this evening. Please refer to today's earnings release for dial-in replay instructions available via the Company's website at [newtongolfir.com](http://newtongolfir.com).

Thank you for attending today's presentation. This concludes the conference call. You may now disconnect.