

***MASTERCRAFT
BOAT HOLDINGS INC.***

FISCAL SECOND QUARTER 2023 RESULTS

FEBRUARY 8, 2023



FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events and include, without limitation, projections, forecasts and estimates about possible or assumed future results of the Company's business, financial condition, liquidity, results of operations, plans and objectives. In some cases, you can identify forward-looking statements because they contain words such as "may," "might," "will," "would," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "likely," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions.

These forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by the Company and its management, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to, those factors identified in the Company's Annual Report on Form 10-K for 2022 and Quarterly Reports on Form 10-Q for 2023 in the sections titled "Risk factors," "Cautionary note regarding forward-looking statements" and "Management's discussion and analysis of financial condition and results of operations." New risks and uncertainties arise over time, and it is not possible for us to predict all such factors or how they may affect us.

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This presentation includes certain non-GAAP financial measures, including EBITDA, Adjusted EBITDA, EBITDA Margin, Adjusted EBITDA Margin, Adjusted Net Income, and Adjusted Net Income Per Share. These non-GAAP financial measures should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Appendix of this presentation for a reconciliation of Net Income, the most directly comparable financial measure prepared in accordance with U.S. GAAP, to EBITDA, Adjusted EBITDA, Adjusted Net Income, and Adjusted Net Income Per Share.

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Any investment in the Company will be subject to certain risks related to the nature of the Company's business and the structure and operations of the Company. Any investment in the Company should be made only with an appreciation of the applicable risks, which are described in the Company's filings with the SEC.

We do not provide forward-looking guidance for certain financial measures on a U.S. GAAP basis because we are unable to predict certain items contained in the U.S. GAAP measures without unreasonable efforts. These items may include acquisition-related costs, litigation charges or settlements, impairment charges, and certain other unusual adjustments.

CALL PARTICIPANTS



Fred Brightbill
CEO and Chairman of the Board



Tim Oxley
Chief Financial Officer



George Steinbarger
Chief Revenue Officer



DIVERSIFIED PORTFOLIO OF LEADING BRANDS

SERVING THE FASTEST GROWING CATEGORIES OF THE POWERBOAT INDUSTRY

MasterCraft



SKI-WAKE BOATS

Iconic brand recognized as the premier brand in the fastest-growing, highest-margin category of the powerboat industry, focused on high performance, relentless innovation and the highest quality

CREST



PONTOON BOATS

Growing pontoon brand delivering consumers a broad product offering of high-quality, stylish and comfortable boats at an incredible value



AVIARA



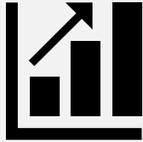
LUXURY DAY BOATS

De novo brand that creates an elevated open water experience by fusing progressive European style and effortless comfort with American engineering



FISCAL SECOND QUARTER 2023 RESULTS

SECOND QUARTER 2023 EARNINGS HIGHLIGHTS



Record Second Quarter Financial Results

- Record net sales of \$159.2 million, up 10.2% YoY
- Record Adjusted EBITDA of \$29.8 million, up 9.8% YoY
- Record Diluted Adjusted Net Income per share of \$1.20, up 18.8% YoY
- Record YTD cash flow, up approximately 200% YoY



Operational Excellence Providing Abundant Flexibility

- Cash flow driven by earnings and working capital management
- Fortress balance sheet provides resilience and flexibility
- Well positioned to pursue our capital allocation priorities
- Laying the foundation for future growth with targeted initiatives



Dealer Inventories Recovering

- Exceptional product availability for upcoming selling season:
 - Robust and innovative product portfolio
 - Healthy dealer inventory
 - Flexible production capabilities
- Seeing return of more historical consumer demand and seasonality



Raising Full Year Guidance on Strong Performance

- Net sales between \$620M and \$640M
- Adjusted EBITDA between \$111M and \$118M
- Adjusted Earnings Per Share between \$4.40 and \$4.66
- Capital expenditures in the \$30 million range



- Ninth consecutive year-over-year record-setting quarter, guiding to second-best year in the Company's history
- Well positioned for both the upcoming selling season and long-term growth

SECOND QUARTER 2023 COMPARATIVE RESULTS

NET SALES

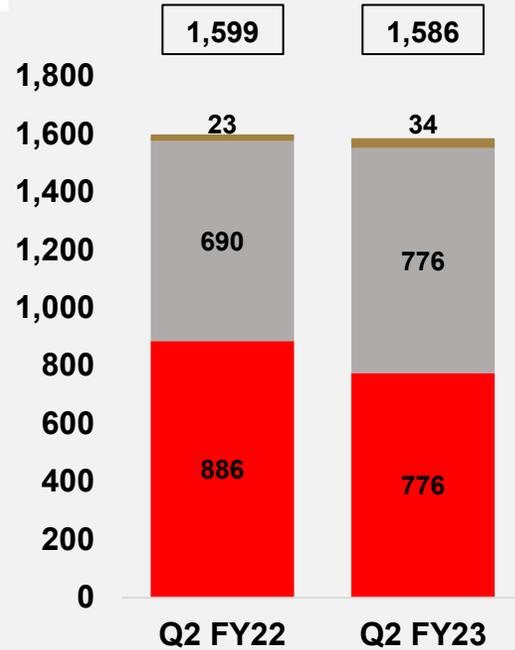
(\$'s in millions)



■ **MasterCraft** ■ **CREST** ■ **AVIARA**

- Increased to a second quarter record of \$159.2 million, up 10.2%

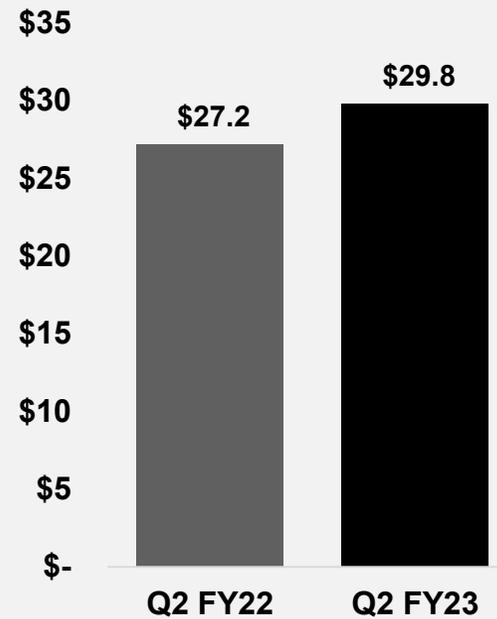
UNIT VOLUME



■ **MasterCraft** ■ **CREST** ■ **AVIARA**

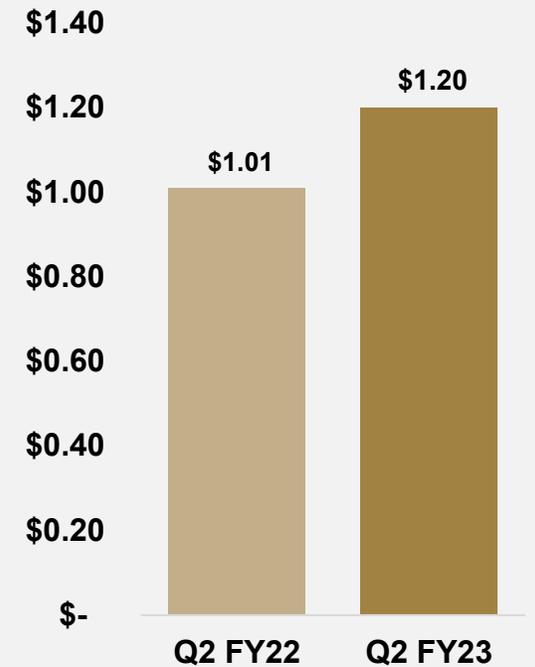
ADJUSTED EBITDA

(\$'s in millions)



- Increased to a second quarter record of \$29.8 million, up 9.8%

ADJUSTED DILUTED NET INCOME PER SHARE



- Increased to a second quarter record \$1.20 per share, up 18.8%

SECOND QUARTER 2023 YTD COMPARATIVE RESULTS

NET SALES

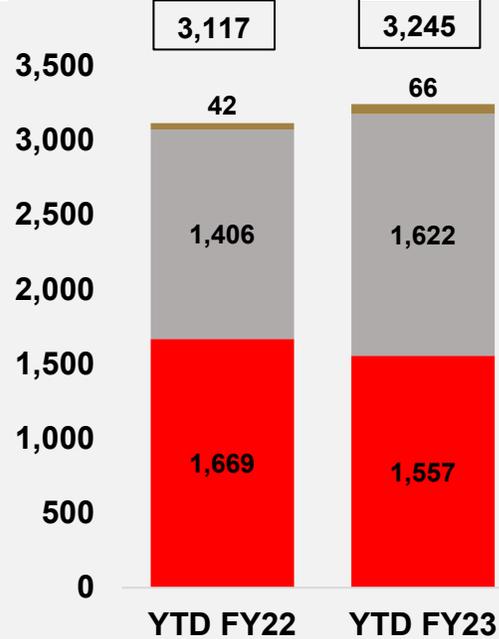
(\$'s in millions)



■ **MasterCraft** ■ **CREST** ■ **AVIARA**

- Increased to a record \$328.7 million, up 19.5%

UNIT VOLUME



■ **MasterCraft** ■ **CREST** ■ **AVIARA**

- Increased to a record 3,245 units, up 4.1%

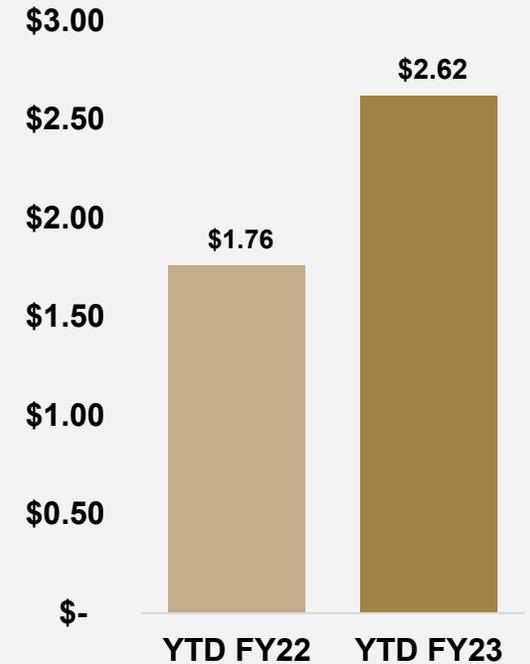
ADJUSTED EBITDA

(\$'s in millions)



- Increased to a record \$65.8 million, up 37.1%

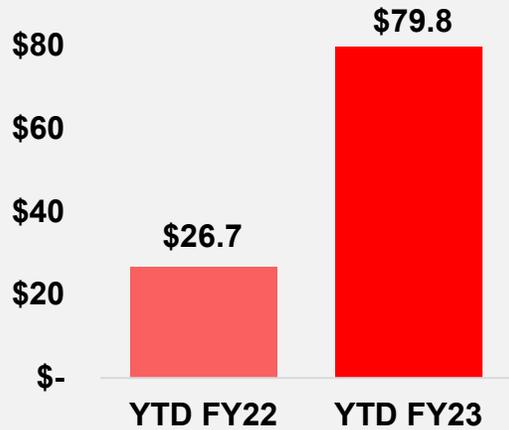
ADJUSTED DILUTED NET INCOME PER SHARE



- Increased to a record \$2.62 per share, up 48.9%

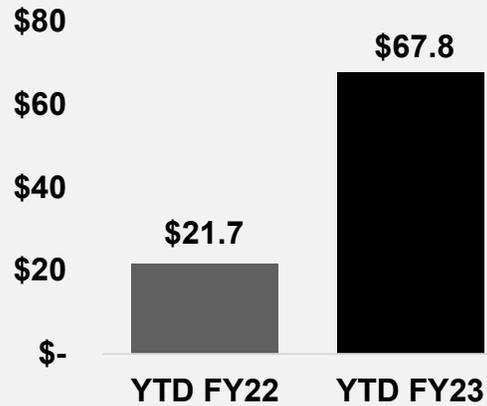
CASH FLOW AND CAPITAL ALLOCATION

OPERATING CASH FLOW (*\$'s in millions*)



- Up nearly 200% to a record \$79.8 million
- Driven by record earnings and diligent working capital management

FREE CASH FLOW (*\$'s in millions*)



- Up more than 200% to a record \$67.8 million
- Well positioned to pursue capital allocation priorities

KEY METRICS (*\$'s in millions*)

Cash and Investments	\$88.8
Total Debt	\$55.1
Capital Expenditures (YTD)	\$11.9
Share Repurchase (YTD)	\$9.0

CAPITAL ALLOCATION FRAMEWORK



Financial Resilience



Investments in Growth



Excess Capital Return



FISCAL YEAR 2023 GUIDANCE



METRIC	FY 2023 Q3	FY 2023
Net Sales	Approximately \$158M	Between \$620M and \$640M
Adjusted EBITDA Margin	Approximately \$26M	Between \$111M and \$118M
Adjusted EPS	Approximately \$1.04	Between \$4.40 and \$4.66
Capital Expenditures	N/A	Approximately \$30M

- Represents expectations for our continuing operations only
- Raising guidance for full year on strong performance and incremental retail demand visibility
- Reflects the potential for a range of retail demand scenarios

APPENDIX

SECOND QUARTER ADJUSTED EBITDA RECONCILIATION

- The following table sets forth a reconciliation of net income from continuing operations as determined in accordance with GAAP to EBITDA and adjusted EBITDA for the periods indicated:

(\$ in thousands)	Q2 FY23	% of sales	Q2 FY22	% of sales
Net income from continuing operations	\$19,983	12.6%	\$17,859	12.4%
Income tax expense	6,433		5,403	
Interest expense	666		357	
Interest income	(621)		-	
Depreciation and amortization	2,610		2,364	
EBITDA	\$29,071	18.3%	\$25,983	18.0%
Share-based compensation	745		1,171	
Adjusted EBITDA	\$29,816	18.7%	\$27,154	18.8%

SECOND QUARTER ADJUSTED EBITDA RECONCILIATION

- The following table sets forth a reconciliation of net income as determined in accordance with GAAP to EBITDA and adjusted EBITDA for the periods indicated:

(\$ in thousands)	Q2 FY23 YTD	% of sales	Q2 FY22 YTD	% of sales
Net income from continuing operations	\$44,618	13.6%	\$30,091	10.9%
Income tax expense	13,609		9,169	
Interest expense	1,228		739	
Interest income	(772)		-	
Depreciation and amortization	5,211		4,823	
EBITDA	\$63,894	19.4%	\$44,822	16.3%
Impairments ⁽¹⁾	-		1,100	
Share-based compensation	1,865		2,033	
Adjusted EBITDA	\$65,759	20.0%	\$47,955	17.4%

1) Represents a non-cash charge recorded in the Aviara segment for impairment of goodwill.

SECOND QUARTER ADJUSTED NET INCOME RECONCILIATION

- The following table sets forth a reconciliation of net income from continuing operations as determined in accordance with GAAP to adjusted net income for the periods indicated:

(\$ in thousands, except per share and share amounts)	Q2 FY23	Q2 FY22
Net income from continuing operations	\$19,983	\$17,859
Income tax expense	6,433	5,403
Amortization of acquisition intangibles	462	462
Share-based compensation	745	1,171
Adjusted net income before income taxes	\$27,623	\$24,895
Adjusted income tax expense ⁽¹⁾	6,353	5,726
Adjusted net income	\$21,270	\$19,169
Adjusted net income per share		
Basic	\$1.20	\$1.02
Diluted	\$1.20	\$1.01
Weighted average shares used for the computation of: ⁽²⁾		
Basic adjusted net income per share	17,669,645	18,722,386
Diluted adjusted net income per share	17,774,329	18,899,136

1) Reflects income tax expense at an income tax rate of 23.0% for each period presented.

2) Represents the Weighted Average Shares used for the computation of Basic and Diluted earnings per share as presented on the Consolidated Statements of Operations to calculate Adjusted Net Income per diluted share for all periods presented herein.

SECOND QUARTER ADJUSTED NET INCOME RECONCILIATION

- The following table sets forth a reconciliation of net income as determined in accordance with GAAP to adjusted net income for the periods indicated:

(\$ in thousands, except per share and share amounts)	Q2 FY23 YTD	Q2 FY22 YTD
Net income from continuing operations	\$44,618	\$30,091
Income tax expense	13,609	9,169
Impairments ⁽¹⁾	-	1,100
Amortization of acquisition intangibles	924	924
Share-based compensation	1,865	2,033
Adjusted net income before income taxes	\$61,016	\$43,317
Adjusted income tax expense ⁽²⁾	14,034	9,963
Adjusted net income	\$46,982	\$33,354
Adjusted net income per share		
Basic	\$2.64	\$1.78
Diluted	\$2.62	\$1.76
Weighted average shares used for the computation of:⁽³⁾		
Basic adjusted net income per share	17,807,853	18,786,343
Diluted adjusted net income per share	17,903,027	18,951,627

1) Represents a non-cash charge recorded in the Aviara segment for impairment of goodwill.

2) Reflects income tax expense at an income tax rate of 23.0% for each period presented.

3) Represents the Weighted Average Shares used for the computation of Basic and Diluted earnings per share as presented on the Consolidated Statements of Operations to calculate Adjusted Net Income per diluted share for all periods presented herein.

SECOND QUARTER ADJUSTED NET INCOME PER SHARE RECONCILIATION

- The following table sets forth a reconciliation of net income from continuing operations per diluted share as determined in accordance with GAAP to adjusted net income per diluted share for the periods indicated:

	Q2 FY23	Q2 FY22
Net income from continuing operations per diluted share	\$1.12	\$0.94
Income tax expense	0.36	0.29
Amortization of acquisition intangibles	0.03	0.02
Share-based compensation	0.04	0.06
Adjusted net income per diluted share before income taxes	\$1.55	\$1.31
Impact of adjusted income tax expense on net income per diluted share before income taxes ⁽¹⁾	(0.35)	(0.30)
Adjusted net income per diluted share	\$1.20	\$1.01

1) Reflects income tax expense at an income tax rate of 23.0% for each period presented.

SECOND QUARTER ADJUSTED NET INCOME PER SHARE RECONCILIATION

- The following table sets forth a reconciliation of net income per diluted share as determined in accordance with GAAP to adjusted net income per diluted share for the periods indicated:

	Q2 FY23 YTD	Q2 FY22 YTD
Net income from continuing operations per diluted share	\$2.49	\$1.59
Income tax expense	0.76	0.48
Impairments ⁽¹⁾	-	0.06
Amortization of acquisition intangibles	0.05	0.05
Share-based compensation	0.10	0.11
Adjusted net income before income taxes	3.40	2.29
Impact of adjusted income tax expense on net income per diluted share before income taxes ⁽²⁾	(0.78)	(0.53)
Adjusted net income per diluted share	\$2.62	\$1.76

1) Represents a non-cash charge recorded in the Aviara segment for impairment of goodwill.

2) Reflects income tax expense at an income tax rate of 23.0% for each period presented.

SECOND QUARTER FREE CASH FLOW RECONCILIATION

- The following table sets forth a reconciliation of net cash provided by operating activities of continuing operations as determined in accordance with GAAP to free cash flow for the periods indicated:

(\$ in thousands)	Q2 FY23 YTD	Q2 FY22 YTD
Net cash provided by operating activities of continuing operations	\$79,763	\$26,652
Purchases of property, plant and equipment	(11,915)	(4,945)
Free cash flow	\$67,848	\$21,707

MASTERCRAFT BOAT HOLDINGS INC.

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