

***MASTERCRAFT
BOAT HOLDINGS INC.***



FISCAL SECOND QUARTER 2024 RESULTS

FEBRUARY 7, 2024

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 Fiscal Year 2023 and Quarterly Reports on Form 10-Q for Fiscal Year 2024 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.

Unless otherwise noted, the commentary herein is made on a continuing operations basis.

CALL PARTICIPANTS



Fred Brightbill
CEO and Chairman of the Board



Tim Oxley
Chief Financial Officer



Bobby Potter
VP of Strategy & Investor Relations



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 2024 RESULTS

SECOND QUARTER EARNINGS HIGHLIGHTS



Better-than-Expected Financial Results

- Net sales of \$99.5 million, down 37.5%
- Diluted Adjusted Net Income per share of \$0.37, down 69.2%
- Adjusted EBITDA of \$9.8 million, down 67.2%



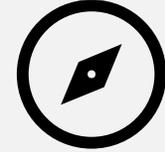
Resilient Balance Sheet Provides Abundant Flexibility

- Fortress balance sheet provides resilience and flexibility
- Well positioned to pursue capital allocation priorities
- Laying the foundation for future growth with targeted initiatives
- Will be launching new pontoon brand soon



Rebalancing Dealer Inventories

- Dealer inventories increased modestly during quarter
- Unsupportive macroeconomic factors creating uncertainty and limiting retail visibility
- 2024 production plans rebalance dealer inventories with projected retail demand



Narrowing Full Year Guidance

- Net sales between \$400 million and \$412 million
- Adjusted EBITDA between \$42 million and \$47 million
- Adjusted Earnings Per Share between \$1.53 and \$1.78
- Capital expenditures of approximately \$20 million

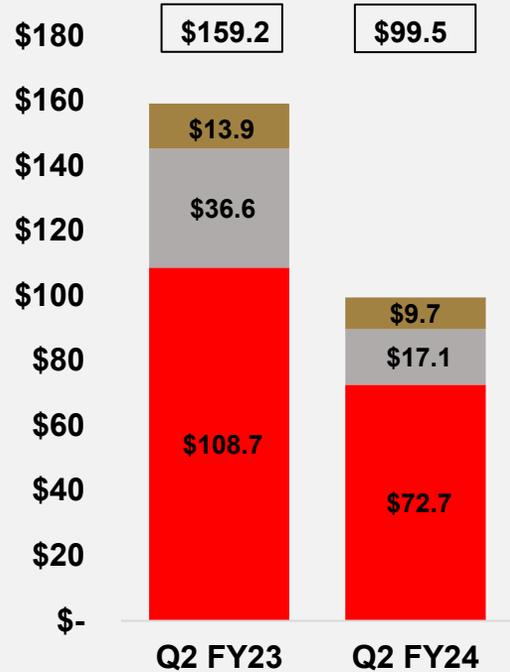


- Delivered better than expected Q2 results despite macroeconomic uncertainty and highly competitive retail environment
- Focused on rebalancing dealer inventories

SECOND QUARTER COMPARATIVE RESULTS

NET SALES

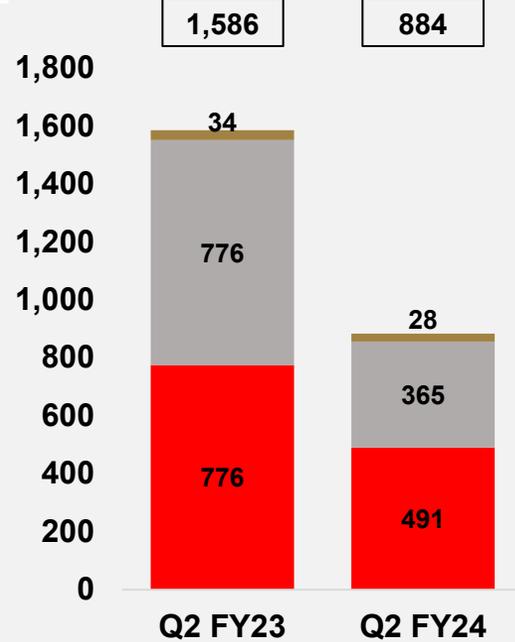
(\$'s in millions)



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

- Net sales of \$99.5 million, down 37.5% from Q2 FY23

UNIT VOLUME

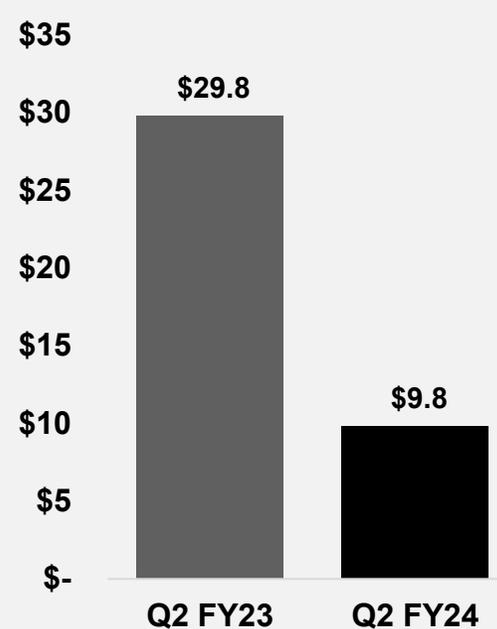


■ **MasterCraft** ■ **CREST** ■ **AVIARA**

- Wholesale units of 884, down 44.3% from Q2 FY23

ADJUSTED EBITDA

(\$'s in millions)



- Adjusted EBITDA of \$9.8 million, down 67.2% from Q2 FY23

ADJUSTED DILUTED NET INCOME PER SHARE



- \$0.37 per share, down 69.2% from Q2 FY23

SECOND QUARTER YTD COMPARATIVE RESULTS

NET SALES

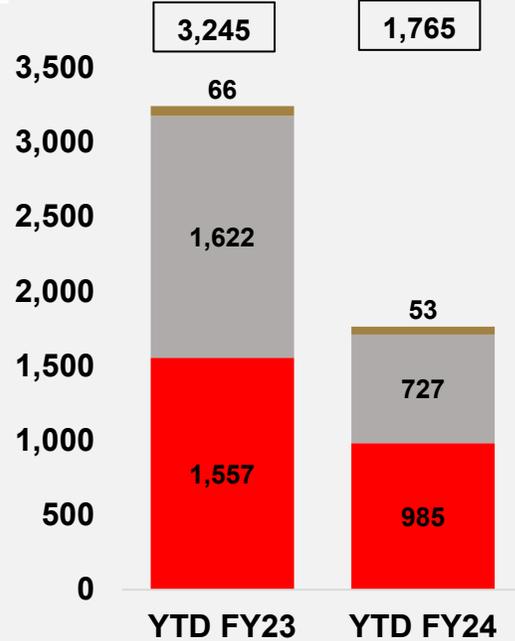
(\$'s in millions)



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- YTD net sales of \$203.7 million, down 38.0% from FY23

UNIT VOLUME



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- YTD wholesale units of 1,765, down 45.6% from FY23

ADJUSTED EBITDA

(\$'s in millions)



- YTD Adjusted EBITDA of \$22.0 million, down 66.5% from FY23

ADJUSTED DILUTED NET INCOME PER SHARE



- YTD Adjusted Diluted Net Income of \$0.84 per share, down 67.9% from FY23

CAPITAL ALLOCATION FRAMEWORK



RETAIN STRONG FINANCIAL POSITION

- Maintain healthy balance sheet
- Ensure adequate liquidity
- Zero net debt



INVEST IN GROWTH

Organic Growth:

- New products / R&D
- Internal brand development
- Capacity expansion

M&A:

- Strategic acquisitions to fill consumer white space



RETURN EXCESS CASH

- \$50 million share repurchase program authorized in July 2023 (\$41.4 million available)
- Continue to prudently and opportunistically return excess cash to shareholders



KEY METRICS

(\$'s in millions)

Cash and Investments	\$108.8
Total Debt	\$51.4
Capital Expenditures (FYTD)	\$8.1
Share Repurchases (FYTD)	\$10.2



FISCAL YEAR 2024 GUIDANCE

METRIC	FY 2024 Q3	FY 2024
Net Sales	Approximately \$92M	Between \$400M and \$412M
Adjusted EBITDA	Approximately \$7M	Between \$42M and \$47M
Adjusted EPS	Approximately \$0.23	Between \$1.53 and \$1.78
Capital Expenditures	Not Provided	Approximately \$20M





APPENDIX

SECOND QUARTER ADJUSTED EBITDA RECONCILIATION

- The following table sets forth a reconciliation of net income from continuing operations as determined in accordance with U.S. GAAP to EBITDA and adjusted EBITDA and net income from continuing operations margin to EBITDA margin and adjusted EBITDA margin (each expressed as a percentage of net sales) for the periods indicated:

(\$ in thousands)	Q2 FY24	% of sales	Q2 FY23	% of sales
Net income from continuing operations	\$5,927	6.0%	\$19,983	12.6%
Income tax expense	1,652		6,433	
Interest expense	854		666	
Interest income	(1,415)		(621)	
Depreciation and amortization	2,758		2,610	
EBITDA	\$9,776	9.8%	\$29,071	18.3%
Share-based compensation	9		745	
Adjusted EBITDA	\$9,785	9.8%	\$29,816	18.7%

SECOND QUARTER YTD ADJUSTED EBITDA RECONCILIATION

- The following table sets forth a reconciliation of net income from continuing operations as determined in accordance with U.S. GAAP to EBITDA and adjusted EBITDA and net income from continuing operations margin to EBITDA margin and adjusted EBITDA margin (each expressed as a percentage of net sales) for the periods indicated:

	Q2 FY24 YTD	% of sales	Q2 FY23 YTD	% of sales
(\$ in thousands)				
Net income from continuing operations	\$13,003	6.4%	\$44,618	13.6%
Income tax expense	3,602		13,609	
Interest expense	1,732		1,228	
Interest income	(2,766)		(772)	
Depreciation and amortization	5,484		5,211	
EBITDA	\$21,055	10.3%	\$63,894	19.4%
Share-based compensation	948		1,865	
Adjusted EBITDA	\$22,003	10.8%	\$65,759	20.0%

SECOND QUARTER ADJUSTED NET INCOME RECONCILIATION

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

(\$ in thousands, except per share and share amounts)	Q2 FY24	Q2 FY23
Net income from continuing operations	\$5,927	\$19,983
Income tax expense	1,652	6,433
Amortization of acquisition intangibles	450	462
Share-based compensation	9	745
Adjusted net income before income taxes	\$8,038	\$27,623
Adjusted income tax expense ⁽¹⁾	1,768	6,353
Adjusted net income	\$6,270	\$21,270
Adjusted net income per share		
Basic	\$0.37	\$1.20
Diluted	\$0.37	\$1.20
Weighted average shares used for the computation of: ⁽²⁾		
Basic adjusted net income per share	17,010,116	17,669,645
Diluted adjusted net income per share	17,091,633	17,774,329

1) For fiscal 2024 and 2023, income tax expense reflects an income tax rate of 22.0% and 23.0%, respectively, 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 basic and diluted share for all periods presented herein.

SECOND QUARTER YTD ADJUSTED NET INCOME RECONCILIATION

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

	Q2 FY24 YTD	Q2 FY23 YTD
(\$ in thousands, except per share and share amounts)		
Net income	\$13,003	\$44,618
Income tax expense	3,602	13,609
Amortization of acquisition intangibles	912	924
Share-based compensation	948	1,865
Adjusted net income before income taxes	\$18,465	\$61,016
Adjusted income tax expense ⁽¹⁾	4,062	14,034
Adjusted net income	\$14,403	\$46,982
Adjusted net income per share		
Basic	\$0.84	\$2.64
Diluted	\$0.84	\$2.62
Weighted average shares used for the computation of:⁽²⁾		
Basic adjusted net income per share	17,083,204	17,807,853
Diluted adjusted net income per share	17,158,124	17,903,027

- 1) For fiscal 2024 and 2023, income tax expense reflects an income tax rate of 22.0% and 23.0%, respectively, 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 basic and 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 U.S. GAAP to adjusted net income per diluted share for the periods indicated:

(\$ in thousands, except per share amounts)	Q2 FY24	Q2 FY23
Net income from continuing operations per diluted share	\$0.35	\$1.12
Income tax expense	0.09	0.36
Amortization of acquisition intangibles	0.03	0.03
Share-based compensation	-	0.04
Adjusted net income per diluted share before income taxes	\$0.47	\$1.55
Impact of adjusted income tax expense on net income per diluted share before income taxes ⁽¹⁾	(0.10)	(0.35)
Adjusted net income per diluted share	\$0.37	\$1.20

1) For fiscal 2024 and 2023, income tax expense reflects an income tax rate of 22.0% and 23.0%, respectively, for each period presented.

SECOND QUARTER YTD 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 U.S. GAAP to adjusted net income per diluted share for the periods indicated:

	Q2 FY24 YTD	Q2 FY23 YTD
(\$ in thousands, except per share amounts)		
Net income	\$0.76	\$2.49
Income tax expense	0.21	0.76
Amortization of acquisition intangibles	0.05	0.05
Share-based compensation	0.06	0.10
Adjusted net income before income taxes	1.08	3.40
Impact of adjusted income tax expense on net income per diluted share before income taxes ⁽¹⁾	(0.24)	(0.78)
Adjusted net income per diluted share	\$0.84	\$2.62

1) For fiscal 2024 and 2023, income tax expense reflects an income tax rate of 22.0% and 23.0%, respectively, for each period presented.

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