



MasterCraft



FISCAL 2016 THIRD-QUARTER RESULTS

May 5, 2016

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This presentation includes certain non-GAAP financial measures, including Adjusted EBITDA. 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 Adjusted EBITDA to net income, the most directly comparable financial measure prepared in accordance with U.S. GAAP.

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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.



STRATEGIC OVERVIEW



QUARTERLY HIGHLIGHTS

- Net sales were \$57.0 million, an increase of 11.6 percent excluding the terminated Hydra-Sports manufacturing contract
- Total third-quarter net sales rose 5.1 percent including Hydra-Sports
- Gross margin rose to 27.8 percent, a 410 basis point improvement
- Adjusted EBITDA increased 35.3 percent to \$10.1 million and adjusted EBITDA margin increased to 17.7 percent, a 310 basis point improvement
- Net income totaled \$4.9 million, up from \$0.1 million
- Fully diluted, pro forma, adjusted net income per share grew 82.4 percent to \$0.31



MARKET UPDATE

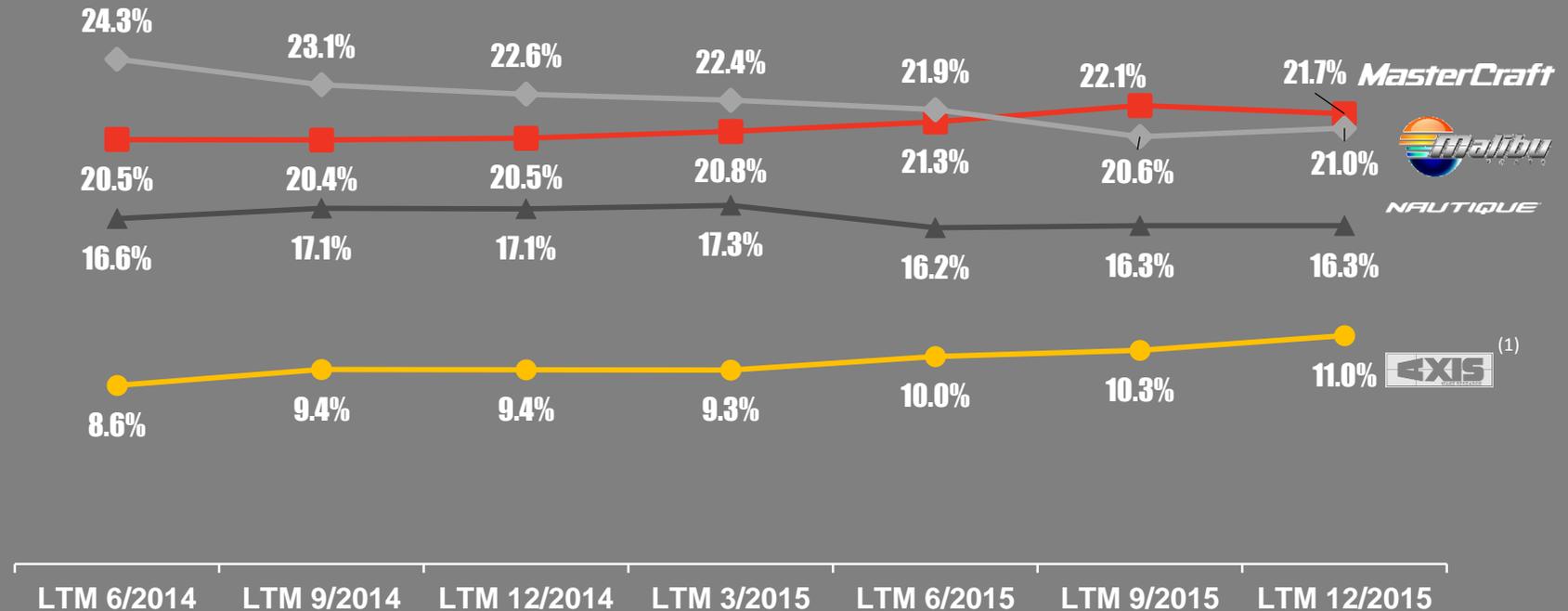
- Boat market continues to expand
- Performance Sport Boat segment of the market is the fastest growing segment
- Innovation is significantly driving growth, in particular, the wake surfing technology
- MasterCraft continues to profitably take market share in the PSB segment
 - Gross Margin is up 410bps over prior-year third quarter
 - All MasterCraft models have been retooled completely in the last four years
 - MC has won one-third of the last three years NMMA innovation awards



LEADING MARKET SHARE POSITION

Just starting to realize benefits of many recent initiatives that new management has executed

ROLLING QUARTERLY LTM MARKET SHARE THROUGH DECEMBER 2015 ⁽¹⁾



- We've consistently held a leading market share position in the U.S. over the past decade
- Share is growing as the market recognizes the superior quality, performance, styling and value proposition of our newest boats
- We expect the MasterCraft NXT line (our 1st offering in the entry-level segment) to drive further share growth

Source: SSI and company SEC filings.

(1) Axis is an independent brand within Malibu Boats.

GROWTH OPPORTUNITIES

- 1 Continue to Develop **New and Innovative Products** in Core Markets
- 2 **Penetrate the Entry-Level Segment** of the Performance Sport Boat Category
- 3 **Capture Additional Share** from Adjacent Boating Categories
- 4 Continuous Operational Improvement to **Drive Margin Expansion**
- 5 **Further Strengthen Dealer Network**



FINANCIAL HIGHLIGHTS



FISCAL 2016 THIRD-QUARTER RESULTS

(\$ in thousands, MasterCraft only)

METRIC	FY 2016 Q3	FY 2015 Q3
Units Sold	701	652
Q over Q Growth %	7.5%	19.2%
Net Sales	\$57,030	\$51,099
Q over Q Growth %	11.6%	26.4%
Adjusted EBITDA	\$10,098	\$7,463
Q over Q Growth %	35.3%	79.2%
Adjusted EBITDA Margin %	17.7%	14.6%
Gross Margin %	27.8%	23.7%

Note: Recent development figures exclude Hydra-Sports and certain other non-cash or non-operating expenses. See Appendix for reconciliation of Adjusted EBITDA. "Q over Q" defined as the current fiscal quarter over the prior fiscal quarter growth.

FISCAL 2016 GUIDANCE

METRIC	FYE 2016 TARGET
Revenue Growth ⁽¹⁾	High-single to low-double digit
Adjusted EBITDA Margin ⁽²⁾	200+ bps from FY2015
EPS Growth ⁽³⁾	15%+

Note: These goals are forward-looking, are subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and those variations may be material. For discussion of some of the important factors that could cause these variations, please consult the "Risk Factors" section of the prospectus. Nothing in this presentation should be regarded as a representation by any person that these goals will be achieved and the Company undertakes no duty to update its goals.

(1) Projected revenue growth based on Mastercraft Only

(2) Estimated legal defense costs regarding the Malibu patent infringement have been considered in providing this guidance.

(3) Adjusted net income per proforma share growth

MasterCraft



APPENDIX

ADJUSTED EBITDA RECONCILIATION

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

(Dollars in thousands, unaudited)	FY 2016 Q3	FY 2015 Q3	FY 2016 Q3 YTD	FY 2015 Q3 YTD
Net Income	\$4,894	\$105	\$5,441	\$2,997
Income Tax Expense (Benefit)	2,564	(252)	4,408	4,733
Interest Expense	82	1,752	1,090	4,150
Depreciation and Amortization	878	767	2,545	2,303
EBITDA	\$8,418	\$2,372	\$13,484	\$14,183
Change in Common Stock Warrant Fair Value ⁽¹⁾	(27)	(517)	3,374	5,248
Transaction Expenses ⁽²⁾	—	6,508	124	6,508
Litigation charge ⁽³⁾	397	—	773	—
Hydra-Sports ⁽⁴⁾	—	(900)	—	(2,430)
Stock-based compensation	1,310	—	13,539	—
Adjusted EBITDA	\$10,098	\$7,463	\$31,294	\$23,509
Adjusted EBITDA margin⁽⁵⁾	17.7%	14.6%	18.6%	15.8%

ADJUSTED EBITDA RECONCILIATION

- (1) Represents non-cash expense related to increases (decreases) in the fair market value of our common stock warrant.
- (2) Represents fees and expenses related to our initial public offering.
- (3) Represents legal and advisory fees related to our litigation with Malibu Boats, LLC.
- (4) Represents the operating income attributable to the operations of our Hydra-Sports business and the related manufacturing agreement, adjusted to exclude depreciation and amortization related to Hydra-Sports. We previously divested the Hydra-Sports business, but continued to manufacture Hydra-Sports boats for the purchaser of the business pursuant to an agreement that expired on June 30, 2015 (and which was not renewed). This adjustment was calculated by identifying the applicable cost of sales and operating expenses directly attributable to the Hydra-Sports business for such period, excluding any corporate overhead or other shared costs.
- (5) We define adjusted EBITDA margin as adjusted EBITDA expressed as a percentage of MasterCraft sales.

ADJUSTED NET INCOME RECONCILIATION

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

(Dollars in thousands, unaudited)

	FY 2016 Q3	FY 2015 Q3	FY 2016 Q3 YTD	FY 2015 Q3 YTD
Net Income	\$4,894	\$105	\$5,441	\$2,997
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Litigation charge ⁽³⁾	397	—	773	—
Hydra-Sports ⁽⁴⁾	—	(900)	—	(2,430)
Stock-based compensation	1,310	—	13,539	—
Adjusted net income before taxes	9,138	4,944	27,659	17,056
Adjusted income tax expense ⁽⁵⁾	3,290	1,780	9,957	6,140
Adjusted net income	\$5,848	\$3,164	\$17,702	\$10,916
Pro-Forma adjusted net income per common share				
Basic	\$0.32	\$0.17	\$0.97	\$0.60
Diluted	\$0.31	\$0.17	\$0.94	\$0.58
Pro-forma weighted average shares used for the computation of:				
Basic adjusted net income per share ⁽⁶⁾	18,546,346	18,546,346	18,181,071	18,181,071
Diluted adjusted net income per share ⁽⁷⁾	18,603,487	18,603,487	18,832,561	18,832,561

ADJUSTED NET INCOME RECONCILIATION

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- (5) Reflects income tax expense at an estimated normalized annual effective income tax rate of 36.0 percent for the periods presented.
- (6) The weighted average shares used for computation of pro-forma basic earnings per common share gives effect to the 6,071,429 shares sold in our initial public offering, which closed on July 22, 2015, the 888,730 shares of restricted stock granted under the 2015 Incentive Award Plan which vested in January 2016 and the 813,271 shares issued in exchange of options and common stock warrants less 366,084 shares repurchased. The average of the prior quarters is used for computation of the nine month ended periods.
- (7) The weighted average shares used for computation of pro-forma diluted earnings per common share gives effect to effect to the 6,071,429 shares sold in our initial public offering, which closed on July 22, 2015, the 888,730 shares of restricted stock granted under the 2015 Incentive Award Plan which vested in January 2016 and the 813,271 shares issued in exchange of options and common stock warrants less 366,084 shares repurchased and 57,141 shares for the dilutive effect of stock options. The average of the prior quarters is used for computation of the nine month ended periods.