



MasterCraft



FISCAL 2016 FOURTH-QUARTER AND FULL-YEAR RESULTS

September 8, 2016

DISCLAIMER

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 prospectus in the sections titled "Risk factors," "Special 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.

Nothing in this presentation should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. The Company undertakes no duty to update these forward-looking statements. Certain of the economic and market information contained herein has been obtained from published sources and/or prepared by other parties. None of the Company or any of its directors, stockholders, officers, affiliates, employees, agents or advisers, nor any other person, assumes any responsibility for the accuracy, reliability or completeness of any information in this presentation, and we expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in expectation or events, conditions or circumstances on which such statements are based.

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.

This presentation is confidential and may not be reproduced or otherwise distributed or disseminated, in whole or part, without the prior written consent of the Company, which consent may be withheld in its sole and absolute discretion.

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.



QUARTERLY HIGHLIGHTS

- Gross margin rose to 26.3 percent for the fourth quarter, a 300 basis point improvement over the prior-year fourth quarter
- Fiscal 2016 fourth quarter net income totaled \$4.8 million, up from \$2.5 million in the prior-year fourth quarter
- Diluted earnings per share grew 23.8 percent to \$0.26 for the fourth quarter versus the prior-year period
- Fully diluted pro forma adjusted net income per share, a non-GAAP measure, grew 50 percent to \$0.30 for the fourth quarter versus the prior-year period
- The company unveiled the XT23 crossover model and the revolutionary Dockstar Handling System
- The company's Board of Directors declared a special cash dividend of \$4.30 per share of common stock

ANNUAL HIGHLIGHTS

- Fiscal 2016 full-year net sales rose 3.4 percent to \$221.6 million; excluding the terminated Hydra-Sports manufacturing contract, MasterCraft-only net sales increased 10.9 percent versus the prior fiscal year
- Gross margin grew to 27.6 percent for fiscal 2016, a 370 basis point improvement over the prior fiscal year
- Fiscal 2016 net income totaled \$10.2 million, up from \$5.5 million in the prior fiscal year
- Fiscal 2016 adjusted EBITDA, a non-GAAP measure, increased 30.7 percent to \$41.2 million and adjusted EBITDA margin, a non-GAAP measure, increased to 18.6 percent, a 280 basis point improvement over the prior fiscal year
- Fiscal 2016 fully diluted pro forma adjusted net income per share increased 57.0 percent versus the prior year to \$1.24

FISCAL 2016 FOURTH-QUARTER RESULTS

(\$ in thousands, MasterCraft only)

METRIC	FY 2016 Q4	FY 2015 Q4
Units Sold	663	626
Q over Q Growth %	5.9%	2.5%
Net Sales	\$53,386	\$50,749
Q over Q Growth %	5.2%	6.0%
Adjusted EBITDA	\$9,932	\$8,031
Q over Q Growth %	23.7%	7.3%
Adjusted EBITDA Margin %	18.6%	15.8%
Gross Margin %	26.3%	23.3%

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 FULL-YEAR RESULTS

(\$ in thousands, MasterCraft only)

METRIC	FY 2016	FY 2015
Units Sold	2,742	2,547
Y over Y Growth %	7.7%	19.3%
Net Sales	\$221,600	\$199,907
Y over Y Growth %	10.9%	22.2%
Adjusted EBITDA	\$41,227	\$31,540
Y over Y Growth %	30.7%	71.4%
Adjusted EBITDA Margin %	18.6%	15.8%
Gross Margin %	27.6%	23.9%

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

FISCAL 2017 GUIDANCE

METRIC	FYE 2017 TARGET
Revenue Growth	Low to mid-single digit
Adjusted EBITDA Margin ⁽¹⁾	Growth from FY 2016, 18.6% to low 19's
EPS Growth ⁽²⁾	Mid to high-single digit

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

(2) 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)	FY 2016 Q4	FY 2015 Q4	FY 2016	FY 2015
Net Income	\$4,769	\$2,537	\$10,210	\$5,534
Income Tax Expense	3,900	1,861	8,308	6,594
Interest Expense	190	1,021	1,280	5,171
Depreciation and Amortization	899	975	3,444	3,278
EBITDA	\$9,758	\$6,394	\$23,242	\$20,577
Change in Common Stock Warrant Fair Value ^(a)	51	1,373	3,425	6,621
Transaction Expenses ^(b)	355	560	479	7,068
Litigation charge ^(c)	833	539	1,606	539
Litigation settlement ^(d)	(1,212)	—	(1,212)	—
Hydra-Sports ^(e)	—	(835)	—	(3,265)
Stock-based compensation	147	—	13,687	—
Adjusted EBITDA	\$9,932	\$8,031	\$41,227	\$31,540
Adjusted EBITDA margin^(f)	18.6%	15.8%	18.6%	15.8%

ADJUSTED EBITDA RECONCILIATION

- a) Represents non-cash expense related to increases in the fair market value of our common stock warrant.
- b) Represents fees and expenses related to our initial public offering, payment of a special cash dividend in June 2016 and expenses associated with recapitalization activities completed in March 2015.
- c) Represents legal and advisory fees for our litigation with Malibu Boats, LLC for fiscal 2016 and settlement of a litigation matter for fiscal 2015.
- d) Represents a one-time payment to settle certain litigation matters.
- e) 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 in June 2012, 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.
- f) 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)	FY 2016 Q4	FY 2015 Q4	FY 2016	FY 2015
Net Income	\$4,769	\$2,537	\$10,210	\$5,534
Income Tax Expense	3,900	1,861	8,308	6,594
Change in Common Stock Warrant Fair Value ^(a)	51	1,373	3,425	6,621
Transaction Expenses ^(b)	355	560	479	7,068
Litigation charge ^(c)	833	539	1,606	539
Litigation settlement ^(d)	(1,212)	—	(1,212)	—
Hydra-Sports ^(e)	—	(835)	—	(3,265)
Stock-based compensation	147	—	13,687	—
Adjusted net income before taxes	\$8,843	\$6,035	\$36,503	\$23,091
Adjusted income tax expense ^(f)	3,183	2,173	13,141	8,313
Adjusted net income	\$5,660	\$3,862	\$23,362	\$14,778
Pro-Forma adjusted net income per common share				
Basic	\$0.30	\$0.22	\$1.28	\$0.86
Diluted	\$0.30	\$0.20	\$1.24	\$0.79
Pro-forma weighted average shares used for the computation of:				
Basic adjusted net income per share ^(g)	18,591,808	17,210,429	18,283,755	17,210,429
Diluted adjusted net income per share ^(g)	18,591,808	18,915,413	18,772,373	18,822,858

ADJUSTED NET INCOME RECONCILIATION

- a) Represents non-cash expense related to increases in the fair market value of our common stock warrant.
- b) Represents fees and expenses related to our initial public offering, payment of a special cash dividend in June 2016 and expenses associated with recapitalization activities completed in March 2015.
- c) Represents legal and advisory fees for our litigation with Malibu Boats, LLC for fiscal 2016 and settlement of a litigation matter for fiscal 2015.
- d) Represents receipt of a one-time payment to settle certain litigation matters.
- e) 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 in June 2012, 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.
- f) Reflects income tax expense at an estimated normalized annual effective income tax rate of 36.0 percent for the periods presented.
- g) The weighted average shares used for computation of fiscal 2016 pro-forma basic and diluted 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 894,850 shares of restricted stock granted under the 2015 Incentive Award Plan and the 864,946 shares issued in exchange and exercise of options and common stock warrants less 378,417 shares repurchased having been outstanding over the quarter. The average of the prior quarters is used for computation of the fiscal year ended periods.