



**MCBC HOLDINGS, INC.**

**INVESTOR PRESENTATION**

**March 2018**

***MasterCraft***

***NauticStar***<sup>®</sup>  
**BOATS**



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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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# MANAGEMENT PRESENTERS

## TERRY MCNEW | PRESIDENT & CEO

- 30 years in the industry
- 5 years with MasterCraft
- Senior executive roles at both Brunswick and Correct Craft

## TIM OXLEY | CFO

- 27 years in the industry
- 11 years with MasterCraft
- 16 years at Brunswick

# INTRODUCTION TO MASTERCRAFT

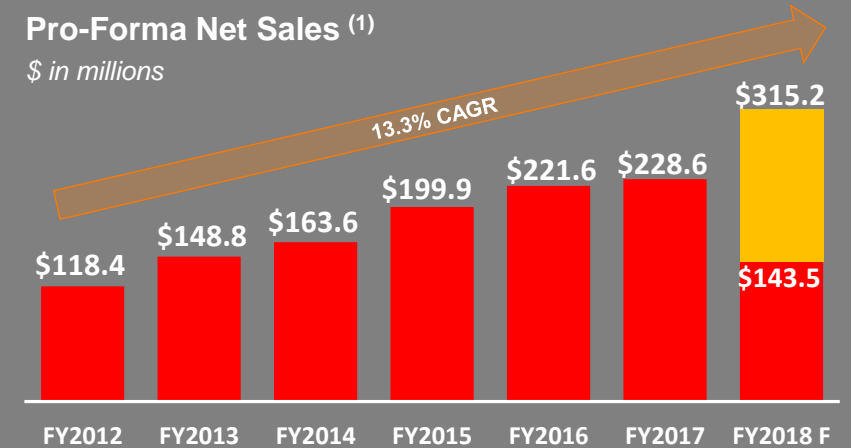
- Global, premium, performance-based lifestyle brand
- Leading U.S. market share in the performance sport boat (“PSB”) category
- Highly-engineered performance sport boats used for water skiing, wakeboarding and wake surfing, as well as general recreational boating
- Relentless focus on innovation with 28 patents issued and pending, and several notable recent achievements and upcoming releases
- The strongest dealer network in the performance sport boat category with 96 North American dealers with 160 locations and 50 international dealers with 82 locations
- Attractive customer demographics with exceptional customer loyalty

Note: Pro-Forma Net Sales and Adjusted EBITDA represents the Company’s financials excluding the results of operations of its Hydra-Sports business and certain non-recurring, non-cash or non-operating expenses. See Appendix for reconciliation of Adjusted EBITDA. FY2018 F includes estimates in yellow based on most recently provided guidance.

## RAPID GROWTH

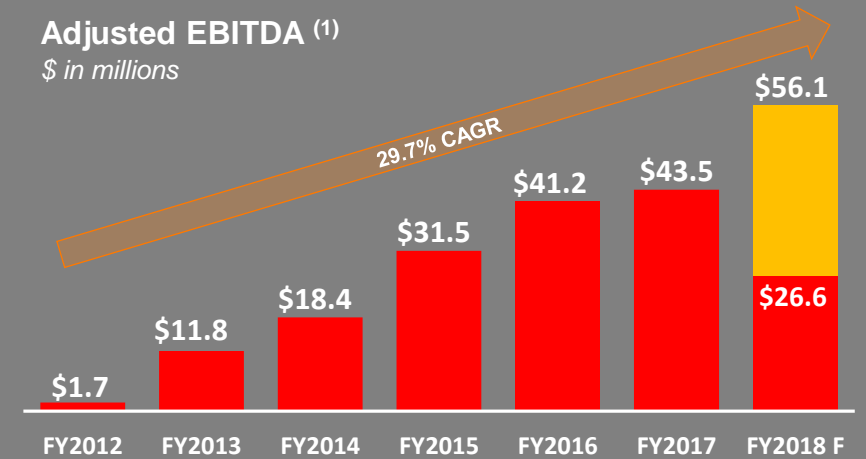
### Pro-Forma Net Sales <sup>(1)</sup>

\$ in millions



### Adjusted EBITDA <sup>(1)</sup>

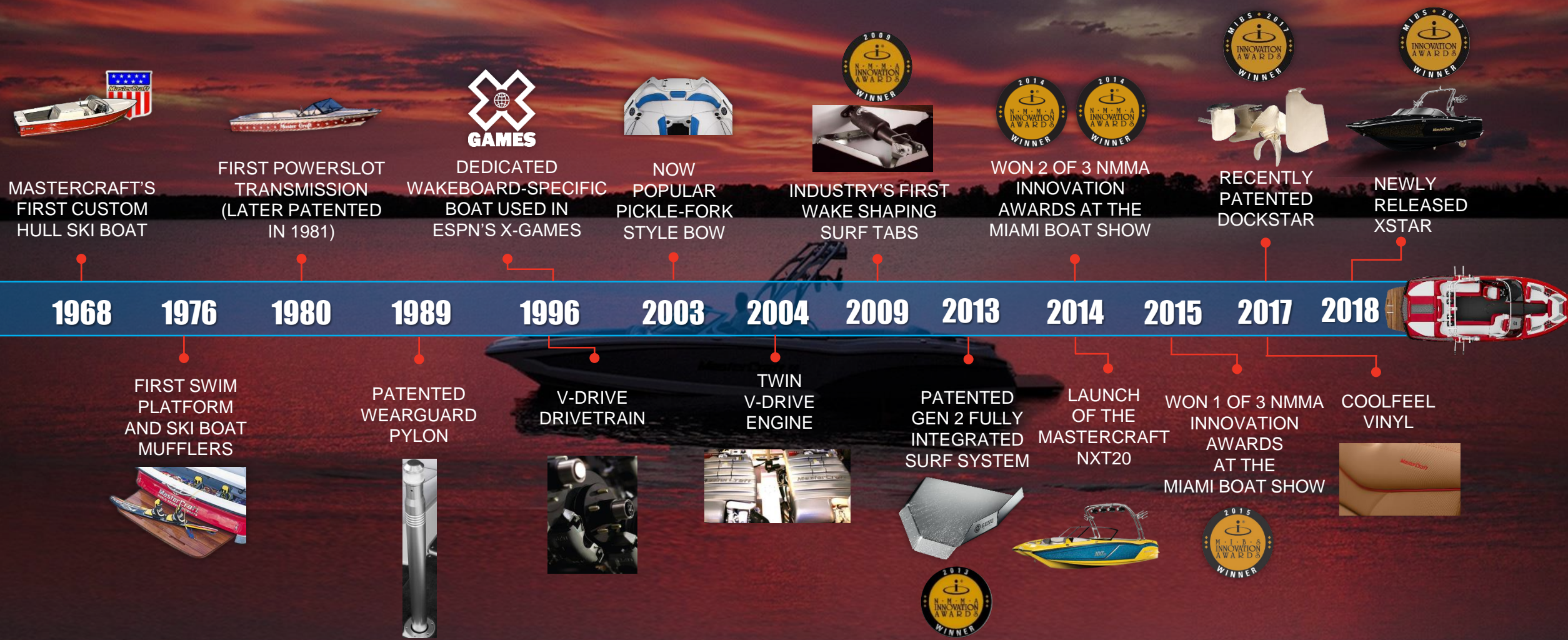
\$ in millions



Margin	1.4%	7.9%	11.2%	15.8%	18.6%	19.0%	17.8%



# EVOLUTION OF THE CATEGORY INNOVATOR



# THE MASTERCRAFT DIFFERENCE

Our differentiated approach provides sustainable competitive advantages



## COMPETITIVE ADVANTAGES

- Proven performance
- Strong demand for new products
- Faster speed to market and portfolio renewal rates
- Lower costs enabling competitive pricing with higher profit margins
- Higher resale values
- Highest quality product backed by best-in-class warranty



# PRODUCT PORTFOLIO ATTRACTING WIDE CUSTOMER BASE

## NXT Series



Entry level series designed to appeal to a younger demographic and broader customer base in an effort to move more people into the MasterCraft brand

- Retail Price Range: \$50K - \$75K
- Lengths: 20 – 22'
- Models: 3
- Maximum Persons: 11-14
- Maximum Power: 365 hp

## XT Series



Appeal to a range of recreational activities by optimizing key wake characteristics to provide best-in-class wakeboarding and wake surfing performance and recreational water skiing performance

- Retail Price Range: \$80K - \$125K
- Lengths: 20 – 25'
- Models: 5
- Maximum Persons: 11-18
- Maximum Power: 522 hp

## XSeries



Appeal to a range of recreational and advanced riders by optimizing key wake characteristics to provide best-in-class wakeboarding and wake surfing performance and recreational water skiing performance

- Retail Price Range: \$70K - \$175K
- Lengths: 20 – 26'
- Models: 4
- Maximum Persons: 11-18
- Maximum Power: 522 hp

## Star Series

### ProStar



Engineered to offer superior water ski performance by minimizing wake height to create a nearly flat surface required for world-class water skiing

- Retail Price Range: \$60K - \$75K
- Length: 20'
- Models: 1
- Maximum Persons: 7
- Maximum Power: 430 hp

### XStar



Engineered to offer superior wakeboard performance with a hull designed for large, powerful clean wakes for advanced wakeboarders

- Retail Price Range: \$155K - \$200K
- Length: 23'
- Models: 1
- Maximum Persons: 16
- Maximum Power: 522 hp

# SUCCESSFULLY EXECUTING ON GROWTH STRATEGIES FROM IPO

We Continue to Focus on the Growth Strategies Presented During the July 2015 IPO...

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

... And Have the Results to Prove Our Execution on These Strategies

- ✓ 3 new models launched in 2017 including the XT23, XT20 and XT21
- ✓ 3 new models launched in 2018 including the XT22, XT25, and XSTAR
- ✓ Revolutionary new technology showcased in the new DockStar Handling System
- ✓ Won 7 NMMA Innovation awards in the last nine years
- ✓ Launched NXT series (“\$50k All Day”), connecting with target demographic for the entry-level boat segment
- ✓ 43% of NXT buyers are new to boating and 33% are transitioning from sterndrives
- ✓ Launching XT to round out product offering and reach broader audience
- ✓ Increased presence with leading dealers; 6 dealers in the top 20 and 21 dealers in the top 100
- ✓ Expanded the dealer network to 96 North American dealers with 160 locations and 50 international dealers with 82 locations and the NauticStar dealer network to 80 North American dealers with 84 location
- ✓ 2015 IndustryWeek Best Plant in North America demonstrating operational excellence

Source: Company Filings, Earnings Transcripts and the Annual New Boat Dealer Survey conducted by B. Riley & Co.



# FY18 YTD FINANCIAL HIGHLIGHTS

- Net sales increased 28.3% to \$143.5 million
- Adjusted EBITDA margin at 18.5% vs prior year of 20.0%
- Net income totaled \$15.1 million for FY18 YTD vs \$11.0 million in the prior year 6 month ended FY17
- Fully diluted pro forma adjusted net income per share, a non-GAAP measure increased to \$0.86 per share compared to \$0.67 in the prior-year period
- Adjusted EBITDA increased to \$26.6 million from \$22.3 million in the prior-year 6 month ended FY17
- The company made additional debt payments of \$17.0 million during the second quarter enabled by its strong cash generation capability
  - Accretive \$0.02 per share to full-year fiscal 2018 Adjusted EPS guidance



METRIC	FY2017 YTD	FY2018 YTD
Units Sold	1,349	1,976
Growth %	-2.1%	46.5%
Net Sales	\$111.8	\$143.5
Growth %	0.6%	28.3%
Pro-Forma Adjusted EPS <sup>(1)</sup>	\$0.67	\$0.86
Adjusted EBITDA	\$22.3	\$26.6
Growth %	5.3%	19.1%
Margin %	20.0%	18.5%

(1) Based on weighted average shares. See Appendix for calculation.

(2) Includes NauticStar results since the acquisition on October 2nd, 2017

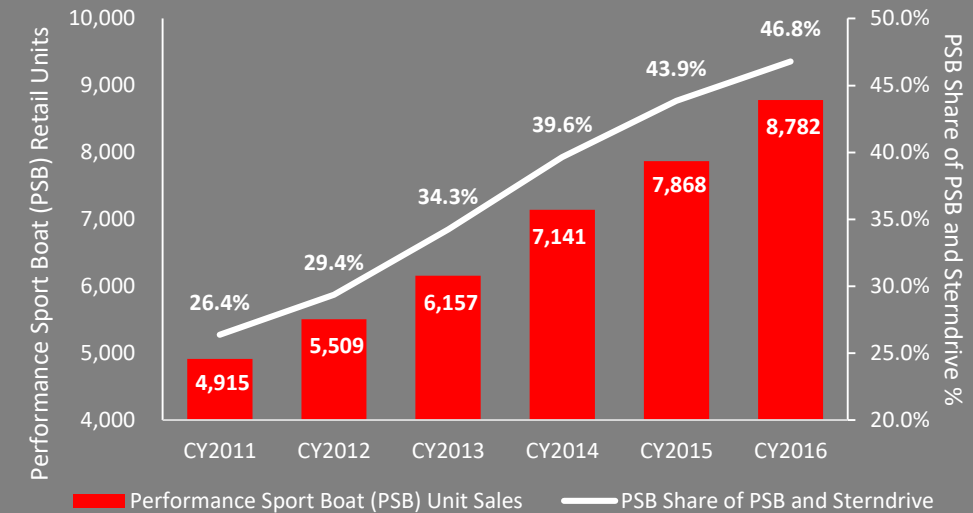
# ATTRACTIVE MARKET DYNAMICS DRIVING DEMAND

Favorable macro tailwinds suggest a **long runway for future growth**

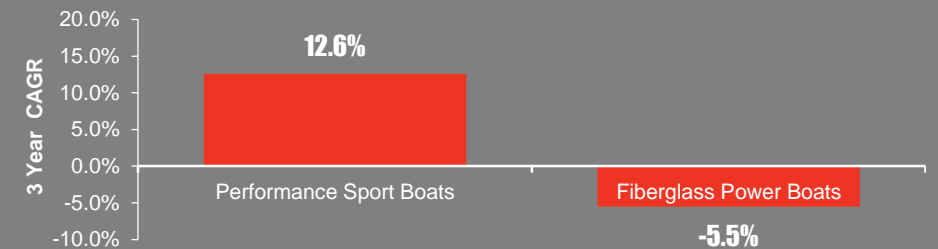
- During CY 2016, PSB retail units sold continued to grow and capture market share from Sterndrive
- Dealer sentiment has been positive as they continue to express an optimistic outlook on the future
- Innovation continues to drive growth, especially in wake surfing
- Marine outperforming other Powersport segments
- Despite strong growth in recent years, new PSB units sold in 2016 remained more than 30% below 2006 level
- New unit sales of PSBs in the U.S. increased at a CAGR of 12.6% from 2013 to 2016 while new unit sales of all fiberglass power boats contracted at a CAGR of -5.5% in the U.S. over the same period

## PSB INCREASING SHARE

U.S. Performance Sport Boat (PSB) Retail Units and PSB Share of PSB and Sterndrive Units - Source: NMMA



2013 - 2016 New Unit Sales CAGR - Source: SSI





# INVESTOR HIGHLIGHTS

- 1 World-renowned iconic brand synonymous with quality, innovation and performance
- 2 Leading market share position in performance sport boat category
- 3 Industry-leading product design and innovation
- 4 Highly efficient product development and manufacturing
- 5 Strong dealer network
- 6 Differentiated sales and marketing capabilities
- 7 Highly experienced management team leading an engaged workforce
- 8 Strong financial position to support growth
- 9 Continue to seek strategic acquisitions that enhance shareholder value

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**HIGHLY-VISIBLE  
AVENUES FOR EARNINGS  
GROWTH AND SUSTAINABLE  
COMPETITIVE ADVANTAGES**

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# ICONIC BRAND SYNONYMOUS WITH QUALITY, INNOVATION AND PERFORMANCE

The MasterCraft brand is built on a carefully crafted set of defining principles

## LEGACY

Rich heritage defined by an engaged and innovative culture since 1968

## POWER

Recognized for superior performance, with a number of world records set and championships won using MasterCraft boats

## PRECISION

Significant resale premiums and most comprehensive warranty in the industry

## PROGRESSION

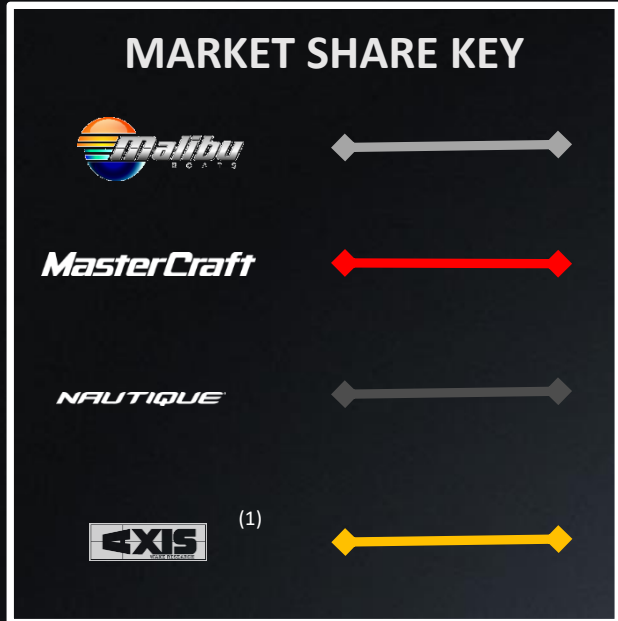
Industry leader in innovation and achievement with numerous recent technological innovations and industry awards

**The premier aspirational brand in the performance sport boat category**

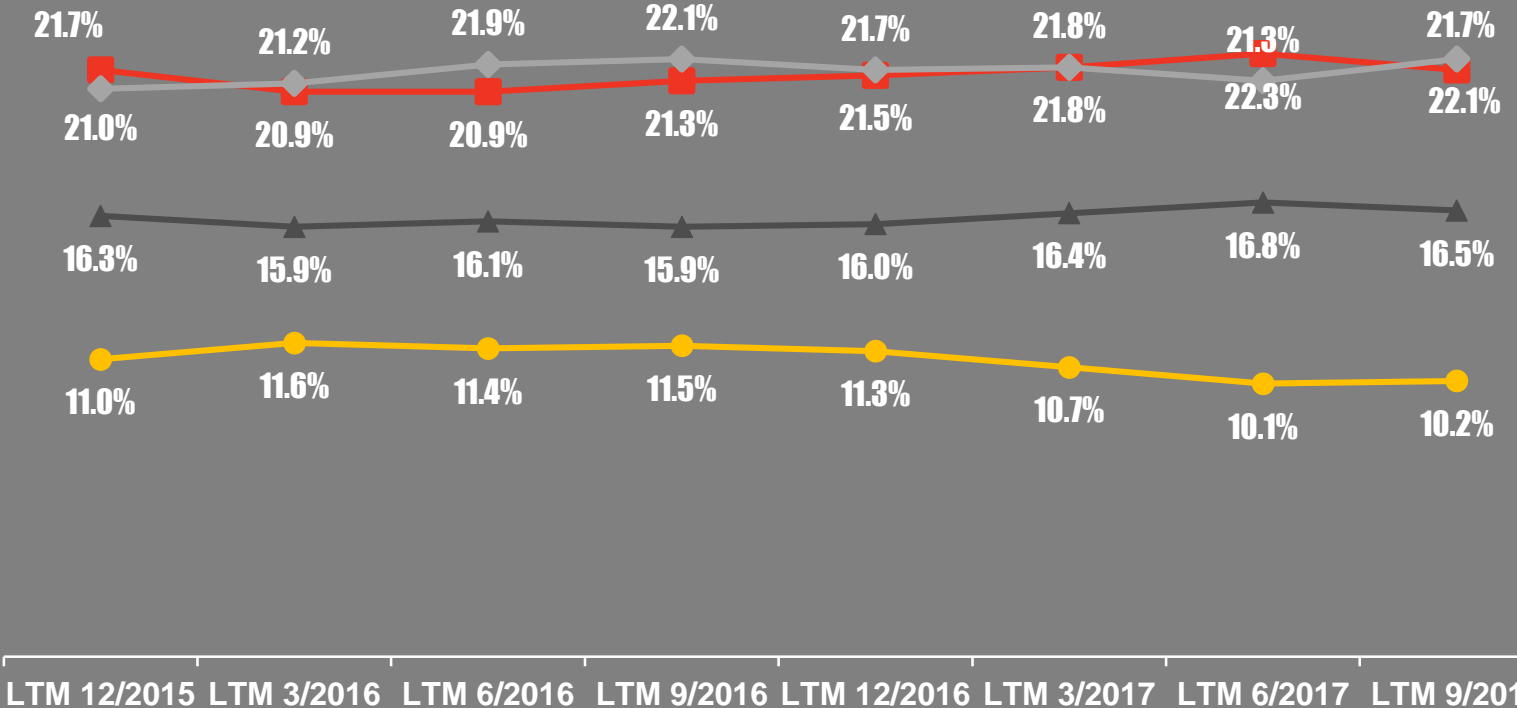


# LEADING MARKET SHARE POSITION

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



## ROLLING QUARTERLY LTM MARKET SHARE THROUGH SEPT 2017 <sup>(1)</sup>



- Continue to increase profit margin from 23.9% in FY15, to 27.6% in FY16, to 27.8% in FY17
- Our emphasis has been and will continue to be about profitable, sustainable market share
- We've consistently held a leading market share position in the U.S. over the past decade

Source: SSI and company SEC filings.

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

# INDUSTRY-LEADING PRODUCT DESIGN AND INNOVATION

## PLANNING

MasterCraft employs a Strategic Portfolio Management Team of cross-functional leaders to maintain a 5-year product and innovation pipeline:

- Identify products and innovations that will drive demand, volume and margin
- **2 year** forward product and innovation pipeline known,
- **3-5 year** forward pipeline outlined

## DEVELOPMENT

MasterCraft utilizes a disciplined product development process and advanced technologies to develop the highest performing, most innovative and highest quality hulls and product features in the industry:

- Disciplined stage-gate product development process
- Independent innovation development
- Computer aided design
- Electronic wave analysis
- Finite element analysis (FEA)
- Design failure mode effect and analysis
- Design validation plan and report

## EXECUTION

MasterCraft utilizes cross-functional teams and tools such as design for manufacturing, common product architecture and value add/value engineering which results in:

- Decreased product development timeline
- Shorter innovation launch cycle
- Lower development costs
- Increased speed to market
- Higher quality

## LAUNCH

MasterCraft releases 3 new models annually to:

- Drive demand and brand excitement
- Maintain and grow market share
- Command higher price points
- Grow margins

## ACHIEVEMENTS THROUGH INNOVATION

**21** ISSUED AND **7** PENDING PATENTS



**7** NMMA INNOVATION AWARDS IN 9 YEARS





# HIGHLY EFFICIENT PRODUCT DEVELOPMENT AND MANUFACTURING

MasterCraft's significant investments in...

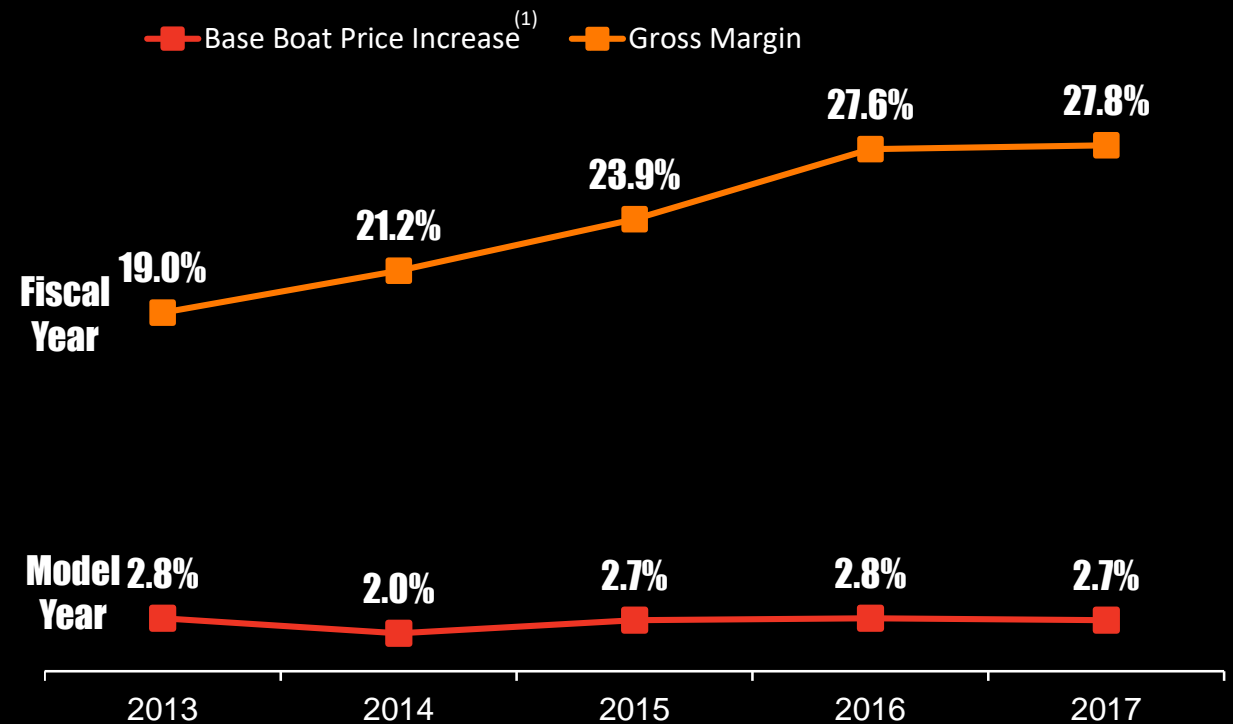
- infrastructure
- value-added processes
- engineering

...result in

- lower material waste
- reduced labor hours per boat
- reduced re-work
- increased production efficiencies
- improved quality



## GROSS MARGIN EXPANSION WITH MINIMAL BASE BOAT ASP INCREASES



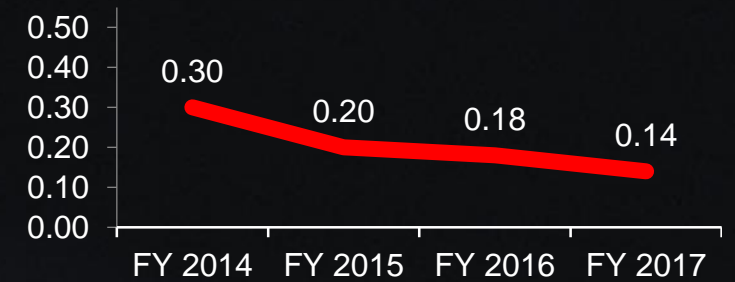
(1) Weighted average base boat price increases, excluding options.



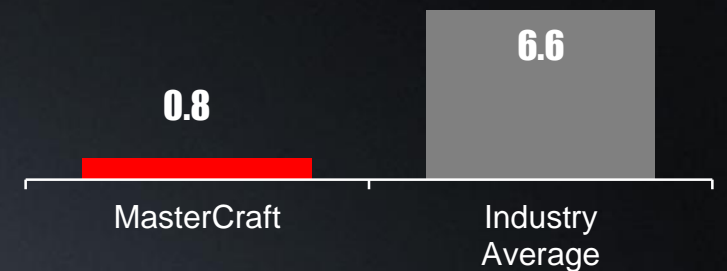
# COMMITTED TO QUALITY

<b>250,000</b>	Square foot facility
<b>~40%</b>	Additional units/day manufacturing capacity <sup>(1)</sup>
<b>50</b>	Year history of making boats
<b>435</b>	Critical checkpoints
<b>100%</b>	Lake tested
<b>ISO 9001</b>	Quality control system
<b>NMMA</b>	Certified
<b>ONE GOAL</b>	To be the best on the water

## External Defects Per Unit



## "OSHA Recordables" Injuries Per 100,000 Man-Hours



(1) Assumes current footprint on one shift. Second shift lamination could increase capacity to 5,000 units



# STRONG DEALER NETWORK

★ Dealer Location named in Boating Magazines list of Top 100 dealers



**96** NORTH AMERICAN DEALERS WITH ...

**160** LOCATIONS

**75%** ARE IN THE TOP THREE PERFORMANCE SPORT BOAT DEALERS IN THEIR RESPECTIVE U.S. MARKETS

**50** INTERNATIONAL DEALERS WITH ...

**82** LOCATIONS IN ...

**45** COUNTRIES AROUND THE WORLD

Note: Dealer count as of December 31, 2017.

# DIFFERENTIATED SALES AND MARKETING CAPABILITIES

## SPONSORSHIPS



- #4 wakeboarder
- #2 water ski jumper
- #4 male slalom skier
- #4 female slalom skier

## AWARD-WINNING ADVERTISING CAMPAIGNS



## HIGHLY ENGAGED CUSTOMER BASE



HIGHEST # OF FOLLOWERS

HIGHEST RANKED CHANNEL

2X ENGAGEMENT

10k+ FOLLOWERS

## KEY LIFESTYLE AND INNOVATIVE CO-BRANDING



ALSO PARTNER WITH MUSICIAN AND AVID SURFER DONAVON FRANKENREITER AND WELL-KNOWN EXTREME MOTORSPORTS ATHLETE TRAVIS PASTRANA





# HIGHLY EXPERIENCED MANAGEMENT TEAM WITH 140 YEARS OF INDUSTRY EXPERIENCE



**TERRY MCNEW**  
**PRESIDENT AND CEO**

30 years in the industry. Executive roles at both Brunswick Corp. and Correct Craft. Six Sigma Black Belt certification. 5 years with MasterCraft



**TIM OXLEY**  
**CFO**

27 years in the industry. 16 years at Brunswick. Certified Public Accountant. 11 years with MasterCraft



**JIM BROWN**  
**DIRECTOR OF MANUFACTURING**

5 years with MasterCraft.



**JAY POVLIN**  
**VP OF SALES AND MARKETING**

22 years in the industry. 4 years with MasterCraft. Has held numerous senior leadership positions at Brunswick Corp.



**DAVID KIRKLAND**  
**CIO**

14 years in the industry. 14 years with MasterCraft



**CHARLENE HAMPTON**  
**VP OF HUMAN RESOURCES**

26 years in Human Resources. 7 years with MasterCraft



**TIM SCHIEK**  
**PRESIDENT, NAUTICSTAR**


22 years in the industry. 20 years at Brunswick in a variety of leadership roles. President of Recreational Boat Group, Sea Ray, and Boston Whaler Group.



**DAVE EKERN**  
**DIRECTOR OF ENGINEERING**

13 years in the industry. 9 years with MasterCraft





## **CREATING** A CULTURE OF OPERATIONAL EXCELLENCE

- Highly skilled workforce of approximately 500 employees handcraft our boats from hull to upholstery near Knoxville, Tennessee
- Culture of continuous operational improvement, with nearly 20,000 employee suggestions implemented to improve our manufacturing efficiency in both 2016 & 2017
- Recognized by Industry Week as the winner of its North America cross-industry 2015 Best Manufacturing Plant Award

## **HIGHLY ENGAGED WORKFORCE**



# NAUTICSTAR ACQUISITION

- On October 2<sup>nd</sup>, 2017 announced the acquisition of NauticStar, LLC, a leading manufacturer of 18-28 foot, high-quality bay boats, deck boats and offshore center console boats
- Purchase price of \$80.5 million
- Deal unites two leading and complementary boat brands
- NauticStar portfolio adds to MasterCraft's product diversity
- MasterCraft gains presence in salt water fishing and general recreation – two of the fastest growing segments in the broader boating industry
- Increases in net sales and gross profit pre-acquisition highlight potential for strong growth in FY18 and beyond



METRIC	FY2016	FY2017
Units Sold	1,785	2,145
Growth %	14.4%	20.2%
Net Sales	\$59.9	\$76.9
Growth %	22.0%	28.4%
Gross Profit	\$9.8	\$13.9
Margin %	16.3%	18.2%

Note: Figures include pro-forma unaudited pre-acquisition fiscal year June 30<sup>th</sup> results for NauticStar

# ABOUT NAUTICSTAR

- Founded in 2002, located in Amory, Mississippi
- NauticStar has a reputation for reliability, quality and consistency with a loyal network of dealers and customers including professional and sport fisherman, and recreational and pleasure boating enthusiast
- Established network of 80 dealers in the US
- Operates a 200,000 square-foot manufacturing facility

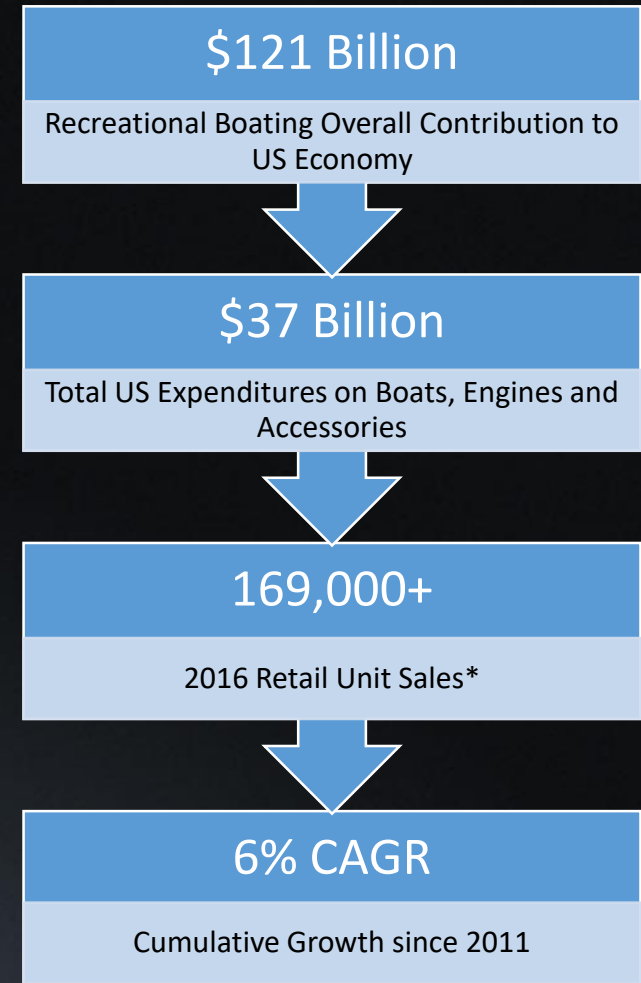




# NAUTICSTAR COMPETITIVE OVERVIEW

## INDUSTRY OVERVIEW

- NauticStar is a market leader across all its product segments
- Strong Market share
  - #1 in Bay Boats
  - #3 in Deck Boats
  - #5 in Offshore Boats
- Industry expectations are for continued growth going forward
- Key Drivers remain positive
  - ✓ Consumer Confidence
  - ✓ Home Sales
  - ✓ Disposable Income
  - ✓ Interest Rates
  - ✓ Gas Prices
- Particular strength in NauticStar categories positions the Company for above market growth
- Continued innovation and new product introductions differentiate the Company from its peers



Source:  
• IBEX, NMMA, and SSI

# NAUTICSTAR COMPETITIVE OVERVIEW

## MULTIPLE REVENUE STREAMS

### Offshore Boats



37.4% of 2017 Sales  
\$49,000 – 2017 ASP  
40.3% YOY Growth

- ✓ Lifetime hull warranty
- ✓ Design features catering to the family
- ✓ Product line up ranges from 19' to 28'
- ✓ Molded one-piece, foam filled composite stringer system

### Deck Boats



25.0% of 2017 Sales  
\$32,000 – 2017 ASP  
32.3% YOY Growth

- ✓ All composite with lifetime hull warranty
- ✓ Deutche waterproof connectors
- ✓ Hull design leads to faster and more fuel efficient performance than the leading competitor

### Bay Boats



37.6% of 2017 Sales  
\$30,500 – 2017 ASP  
18.0% YOY Growth

- ✓ Lifetime hull warranty
- ✓ RTM closed molded fiberglass lids
- ✓ Tried and proven hull performance
- ✓ Unique, high-performance XTS hull design (air-assist chine)



*MasterCraft*

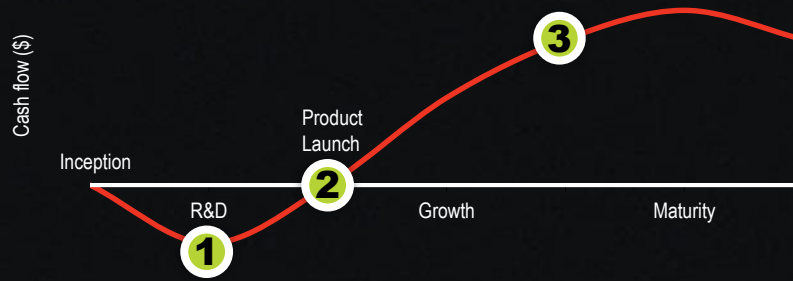


**MULTI-FACETED**

Growth Opportunities

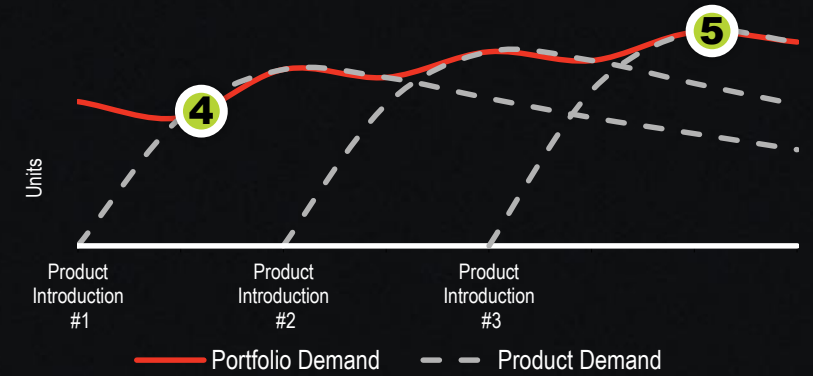
# CONTINUE TO DEVELOP NEW AND INNOVATIVE PRODUCTS IN CORE MARKETS

## Cash Flows Over Product Development Lifecycle



- 1** A more disciplined product innovation process allows MasterCraft to spend on R&D more efficiently than competitors
- 2** Effective product development has accelerated new product releases resulting in increased speed to market
- 3** Fresher and more innovative products, especially when first to market, command price premiums driving increased cash flows versus competitors

## Demand for Boat Portfolio Over Time



- 4** 3 new model releases per year accelerates replacement lifecycle and drives demand
- 5** The entire product portfolio has been renewed in the last 4 years, giving us the newest overall product offering in the performance sport boat category and positioning us for **strong growth** in the coming periods

## KEY PRODUCT INTRODUCTIONS

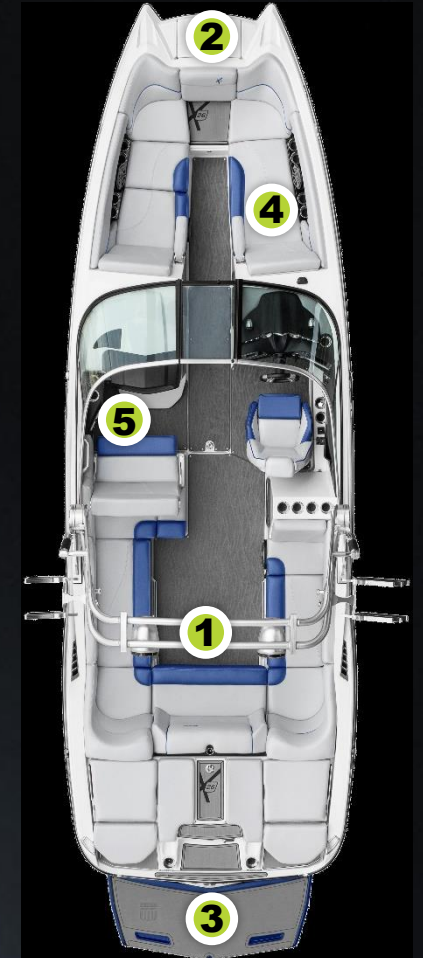
FY2017	FY2017	FY2017	FY2018	FY2018	FY2018
XT23	XT20	XT21	XT22	XSTAR	XT25
					



# CAPTURE SHARE FROM ADJACENT BOAT CATEGORIES

Targeting crossover customers seeking high performance powerboats for general recreation

	① WATERSPORTS VERSATILITY	② CUSTOMIZED STYLING	③ ENHANCED SAFETY	④ ROOMY, PLUSH INTERIOR	⑤ STORAGE / SPACE
TRADITIONAL LARGE REC DAYBOATS	○	○	○	☑	☑
<i>MasterCraft</i>	☑	☑	☑	☑	☑
<b>X26 Features</b>	<ul style="list-style-type: none"> <li>▪ Gen 2 Surf System</li> <li>▪ 2.1k lbs ballast</li> <li>▪ Swivel board racks</li> </ul>	<ul style="list-style-type: none"> <li>▪ Numerous color combinations</li> <li>▪ Pickle-fork bow</li> </ul>	<ul style="list-style-type: none"> <li>▪ Inboard prop location</li> <li>▪ Swim platform</li> </ul>	<ul style="list-style-type: none"> <li>▪ 18 person capacity</li> <li>▪ Deluxe aft lounge</li> <li>▪ Bow seating</li> </ul>	<ul style="list-style-type: none"> <li>▪ 101 cubic feet</li> <li>▪ Sink and fridge</li> <li>▪ Private toilet</li> </ul>

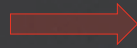


**9,800+** Sterndrive 20'-35' units sold in the U.S. in 2016

Source: SSI data.

# FURTHER STRENGTHEN DEALER NETWORK

Supply Dealers With High Quality, Relevant Boats...



...And Maintain The Highest Quality Dealers...



...While Thoughtfully Managing Our Exposure

**3**

Annual new model releases keep MasterCraft fresh

**13**

Unique models comprise robust portfolio of choices

MasterCare



All backed by the best warranty on the water

## MOST DEALERS IN TOP 20 <sup>(1)</sup>

	%	#
<i>MasterCraft</i>	30%	6
<i>NAUTIQUE</i>	20%	4
<i>Malibu</i>	15%	3

**21** dealers in Boating Industry's Top 100



## LOW DEALER CONCENTRATION

Dealer Ranks	% Net Sales
Top 10	41%
Top 11-20	17%
Top 20	58%

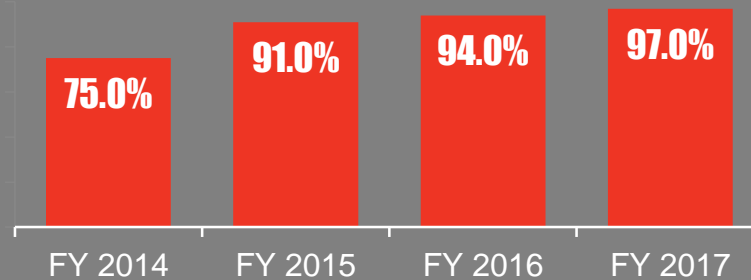
(1) Source: MRAA.



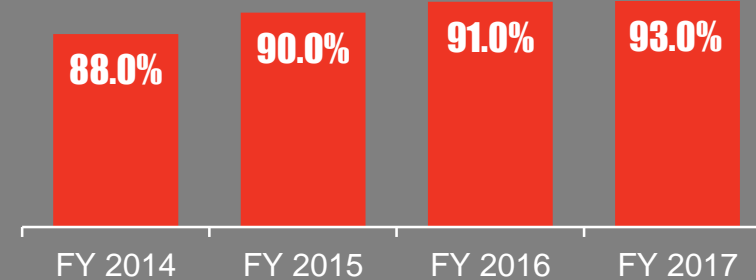
# CONTINUOUS OPERATIONAL IMPROVEMENT

- Faster and more disciplined product innovation process has accelerated new product development
- Significant margin expansion despite lower average boat sale price increases vs. competitors
- Ongoing initiatives implemented to reduce cost base and improve manufacturing efficiency resulted in:
  - Lower re-work, material waste and excess inventory
  - Higher quality, improved on-time delivery rates and higher customer satisfaction

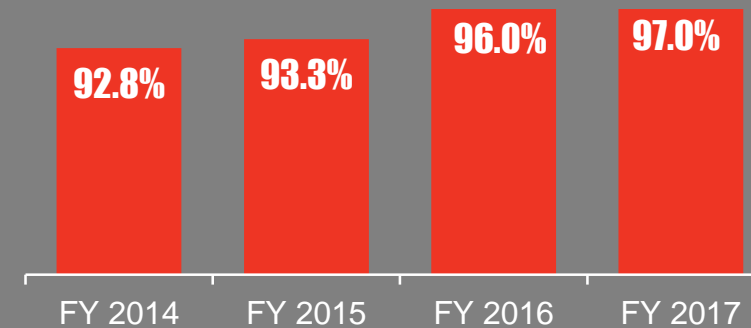
## FIRST-TIME QUALITY <sup>(1)</sup>



## ON-TIME DELIVERY

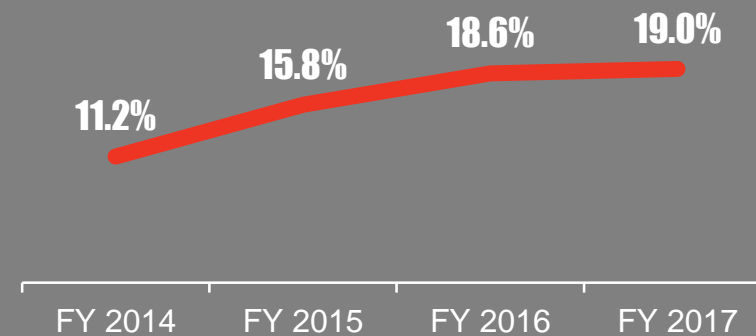


## CUSTOMER SATISFACTION <sup>(2)</sup>



## IMPROVED OPERATING LEVERAGE

### Adjusted EBITDA Margin <sup>(3)</sup>



Note: FYE June 30.

(1) First-time internal quality process pass rate.

(2) Source: NMMA.

(3) Adjusted EBITDA margin figures exclude Hydra-Sports and certain other non-cash or non-operating expenses. See Appendix for reconciliation of Adjusted EBITDA.

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# KEY FINANCIAL

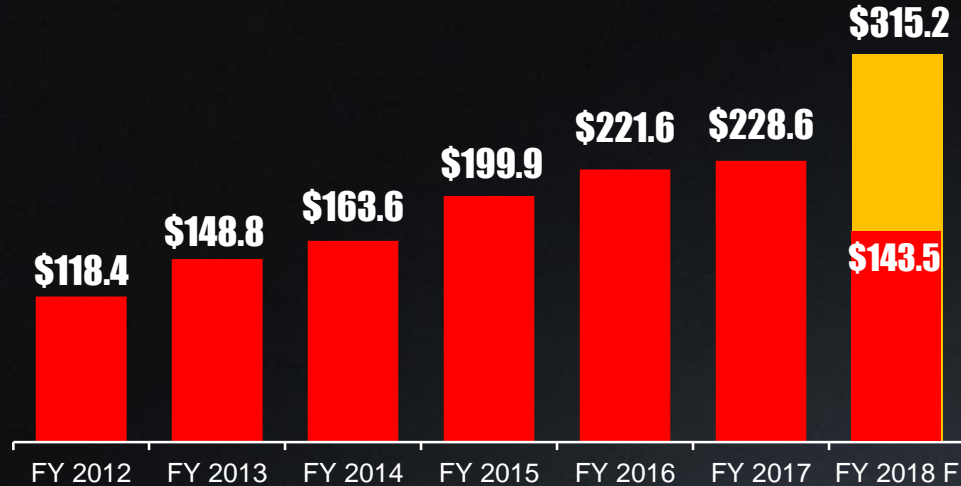
Information



# STRONG COMBINED FINANCIAL PERFORMANCE

## PRO-FORMA NET SALES

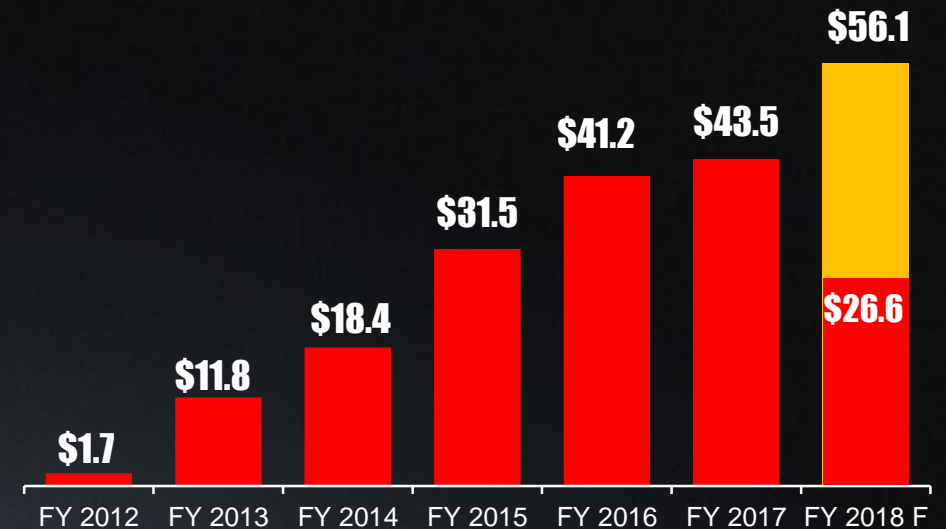
\$ in millions



YoY GROWTH	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 F
	--	26%	10%	22%	11%	3%	38%

## ADJUSTED EBITDA

\$ in millions



YoY GROWTH	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 F
	--	601%	56%	71%	31%	5%	29%

MARGIN	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 F
	1.0%	7.9%	11.2%	15.8%	18.6%	19.0%	17.8%

Note: Pro-Forma Net Sales and Adjusted EBITDA represents the Company's financials excluding the results of operations of its Hydra-Sports business and certain non-recurring, non-cash or non-operating expenses. See Appendix for reconciliation of Adjusted EBITDA. FY2018 F includes estimates in yellow based on most recently provided guidance.

# CASH CONVERSION CYCLE – MASTERCRAFT ONLY

(\$ in thousands)

	FY 2015	FY 2016	FY 2017	FY 2018 Q2
Net Sales	\$214,386	\$221,600	\$228,634	\$58,239
Cost of Sales	\$163,220	\$160,521	\$165,158	\$41,856
Beginning Inventory	\$11,685	\$11,541	\$13,268	\$11,569
Ending Inventory	\$11,541	\$13,268	\$11,676	\$12,820
Beginning Accounts Receivable	\$4,406	\$2,653	\$2,966	\$6,705
Ending Accounts Receivable	\$2,653	\$2,966	\$3,500	\$1,330
Beginning Accounts Payable	\$13,020	\$14,808	\$13,112	\$15,678
Ending Accounts Payable	\$14,808	\$13,112	\$11,008	\$11,612
Days Inventory Outstanding (DIO) <sup>(1)</sup>	26.0	28.2	27.6	26.5
Days Sales Outstanding (DSO) <sup>(2)</sup>	6.0	4.6	5.2	6.3
Days Payable Outstanding (DPO) <sup>(3)</sup>	31.1	31.7	26.7	29.7
<b>Cash Conversion Cycle (CCC) (Days) <sup>(4)</sup></b>	<b>0.9</b>	<b>1.1</b>	<b>6.1</b>	<b>3.1</b>

Note:

- (1) The DIO is calculated as the average inventory divided by the cost of sales per day - 365 days for each FY and 93 days for FY 2018 Q1
- (2) The DSO is calculated as the average receivable divided by net sales per day - 365 days for each FY and 93 days for FY 2018 Q1
- (3) The DPO is calculated as the average accounts payable divided by cost of sales per day - 365 days for each FY and 93 days for FY 2018 Q1
- (4) The CCC, is calculated as the sum of DIO plus the DSO, minus the DPO - 365 days for each FY and 93 days for FY 2018 Q1



# FISCAL 2018 COMBINED GUIDANCE

METRIC	FYE 2018 TARGET
Revenue Growth	High 30 percent range (NauticStar representing ~ 20 percent)
Adjusted EBITDA Margin <sup>(1)</sup>	High 17 percent range
EPS Growth <sup>(2)</sup>	Low-to-mid 40 percent growth range

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 Integration costs associated with our NauticStar, LLC acquisition have been considered in providing this guidance.

(2) Adjusted net income per proforma share growth

# WRAP UP

- 1 World-renowned iconic brand synonymous with quality, innovation and performance
- 2 Leading market share position in performance sport boat category
- 3 Industry-leading product design and innovation
- 4 Highly efficient product development and manufacturing
- 5 Strong dealer network
- 6 Differentiated sales and marketing capabilities
- 7 Highly experienced management team leading an engaged workforce
- 8 Strong financial position to support growth
- 9 Continue to seek strategic acquisitions that enhance shareholder value

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**HIGHLY-VISIBLE  
AVENUES FOR EARNINGS  
GROWTH AND SUSTAINABLE  
COMPETITIVE ADVANTAGES**

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# APPENDIX

# DETAILED FINANCIAL SUMMARY

(\$ in millions, actual units)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 YTD
<b>MCBC Holdings (Including Hydra-Sports in FY14 &amp; FY15)</b>					
Total Boats Sold	2,185	2,592	2,742	2,790	1,976
YoY % Change	9.4%	18.6%	5.8%	1.8%	46.5%
Net Sales	\$177.6	\$214.4	\$221.6	\$228.6	\$143.5
YoY Growth %	9.6%	20.7%	3.4%	3.2%	28.3%
Cost of goods	\$140.0	\$163.2	\$160.5	\$165.2	\$105.4
Gross Profit	\$37.6	\$51.2	\$61.1	\$63.5	\$38.1
% of net sales	21.2%	23.9%	27.6%	27.8%	18.7%
Operating Expenses	\$19.0	\$27.2	\$39.1	\$30.0	\$16.3
% of net sales	10.7%	12.7%	17.6%	13.1%	11.3%
Capex	\$3.4	\$3.5	\$3.8	\$4.1	\$1.4
<b>MasterCraft and NauticStar Only</b>					
Boats Sold	2,135	2,547	2,742	2,790	1,976
YoY % Change	9.5%	19.3%	7.7%	1.8%	46.5%
Net Sales	\$163.6	\$199.9	\$221.6	\$228.6	\$143.5
YoY Growth %	10.0%	22.2%	10.9%	3.2%	28.3%
Adjusted EBITDA	\$18.4	\$31.5	\$41.2	\$43.5	\$26.6
YoY Growth(Decline) %	55.8%	71.4%	30.7%	5.5%	19.1%
% of net sales	11.2%	15.8%	18.6%	19.0%	18.5%

Note: FY June 30. Consolidated figures include Hydra-Sports and certain other non-cash or non-operating expenses. See next page in appendix for reconciliation of Adjusted EBITDA. "YoY" defined as the current fiscal period over the prior fiscal period. NauticStar results are as of acquisition on October 2<sup>nd</sup> 2017



# DETAILED FINANCIAL SUMMARY

(\$ in millions, actual units)

	FY 2017		FY 2017		FY 2017
	MasterCraft		NauticStar		Consolidated
<b>Total Boats Sold</b>	2,790		2,145		4,935
<b>YoY % Change</b>	1.8%		20.2%		9.0%
<b>Net Sales</b>	\$228.6		\$76.9		\$305.7
<b>YoY Growth %</b>	3.2%		28.4%		8.9%
<b>Cost of goods</b>	\$165.2		\$62.9		\$228.1
<b>Gross Profit</b>	\$63.5		\$13.9		\$77.6
<b>% of net sales</b>	27.8%		18.2%		25.3%
<b>Operating Expenses</b>	\$30.0		\$4.7		\$35.1
<b>% of net sales</b>	13.1%		6.6%		11.4%

Note: FY 2017 results include pro-forma full-year pre-acquisition financial information for NauticStar.

# ADJUSTED EBITDA RECONCILIATION

(\$ in millions)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 YTD
<b>Net Income</b>	<b>\$19.9</b>	<b>\$5.5</b>	<b>\$10.2</b>	<b>\$19.6</b>	<b>\$15.1</b>
Income Tax Expense (Benefit) <sup>(1)</sup>	(11.4)	6.6	8.3	11.7	5.2
Interest Expense	7.5	5.2	1.3	2.2	1.6
Depreciation and Amortization	2.5	3.3	3.4	3.2	2.2
<b>EBITDA</b>	<b>\$18.5</b>	<b>\$20.6</b>	<b>\$23.2</b>	<b>\$36.7</b>	<b>\$24.1</b>
Change in Common Stock Warrant Fair Value <sup>(2)</sup>	2.5	6.6	3.4	0.0	0.0
Transaction Expenses <sup>(3)</sup>	0.0	7.1	0.5	0.1	1.5
Litigation charge <sup>(4)</sup>	0.0	0.5	1.6	6.0	0.0
Inventory Step-up Adjustment – Acquisition Related <sup>(5)</sup>	0.0	0.0	0.0	0.0	0.5
Litigation settlement <sup>(6)</sup>	0.0	0.0	(1.2)	0.0	0.0
Hydra-Sports <sup>(7)</sup>	(2.6)	(3.3)	0.0	0.0	0.0
Stock-based compensation	0.0	0.0	13.7	0.7	0.5
<b>Adjusted EBITDA</b>	<b>\$18.4</b>	<b>\$31.5</b>	<b>\$41.2</b>	<b>\$43.5</b>	<b>\$26.6</b>

- Note:
- (1) Fiscal 2014 income tax benefit primarily represents the reversal of a valuation allowance for deferred tax assets.
  - (2) Represents non-cash expense related to increases in the fair market value of the restructuring warrant.
  - (3) Represents fees and expenses related to our initial public offering, payment of a special cash dividend in June 2016, expenses associated with recapitalization activities completed in March 2015, secondary offering in September 2016, and our follow-on offering in December 2016. Also includes amount paid for the NauticStar, LLC acquisition which occurred on October 2nd 2017.
  - (4) Represents legal and advisory fees related to our litigation with Malibu Boats, LLC, which includes settling the Malibu patent case and settlement of a litigation matter for fiscal 2015.
  - (5) Represents post-acquisition adjustment to cost of goods sold for the fair value step up of inventory acquired, all of which was sold during the second quarter of fiscal 2018.
  - (6) Represents receipt of a one-time payment to settle certain litigation matters.
  - (7) 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.



# ADJUSTED NET INCOME RECONCILIATION

(\$ in millions)

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018 YTD
<b>Net Income</b>	<b>\$19.9</b>	<b>\$5.5</b>	<b>\$10.2</b>	<b>\$19.6</b>	<b>\$15.1</b>
Income Tax Expense (Benefit) <sup>(1)</sup>	(11.4)	6.6	8.3	11.7	5.2
Change in Common Stock Warrant Fair Value <sup>(2)</sup>	2.5	6.6	3.4	0.0	0.0
Transaction Expenses <sup>(3)</sup>	0.0	7.1	0.5	0.1	1.5
Litigation charge <sup>(4)</sup>	0.0	0.5	1.6	5.9	0.0
Inventory Step-up Adjustment – Acquisition related <sup>(5)</sup>	0.0	0.0	0.0	0.0	0.5
Litigation settlement <sup>(6)</sup>	0.0	0.0	(1.2)	0.0	0.0
Hydra-Sports <sup>(7)</sup>	(2.6)	(3.3)	0.0	0.0	0.0
Stock-based compensation	0.0	0.0	13.7	0.7	0.5
<b>Adjusted net income before income taxes</b>	<b>\$8.4</b>	<b>\$23.1</b>	<b>\$36.5</b>	<b>\$38.0</b>	<b>\$22.7</b>
Adjusted income tax expense <sup>(8)</sup>	3.0	8.3	13.1	13.7	6.6
<b>Adjusted net income</b>	<b>\$5.4</b>	<b>\$14.8</b>	<b>\$23.4</b>	<b>\$24.3</b>	<b>\$16.1</b>
Pro-Forma adjusted net income per common share:					
Basic	<b>\$0.31</b>	<b>\$0.86</b>	<b>\$1.28</b>	<b>\$1.31</b>	<b>\$0.87</b>
Diluted	<b>\$0.30</b>	<b>\$0.79</b>	<b>\$1.24</b>	<b>\$1.30</b>	<b>\$0.86</b>
Pro-forma weighted average shares used for the computation of:					
Basic adjusted net income per share <sup>(9)</sup>	17,210,429	17,210,429	18,283,755	18,597,357	18,619,834
Diluted adjusted net income per share <sup>(9)</sup>	18,142,423	18,822,858	18,772,373	18,711,089	18,795,225

Note:

(1) Fiscal 2014 income tax benefit primarily represents the reversal of a valuation allowance for deferred tax assets.

(2) Represents non-cash expense related to increases in the fair market value of the restructuring warrant.

(3) Represents fees and expenses related to our initial public offering, payment of a special cash dividend in June 2016, expenses associated with recapitalization activities completed in March 2016, secondary offering in September 2016, and our follow-on offering in December 2016. Also includes amount paid for the NauticStar, LLC acquisition which occurred on October 2nd 2017.

(4) Represents legal and advisory fees related to our litigation with Malibu Boats, LLC, which includes settling the Malibu patent case and settlement of a litigation matter for fiscal 2015.

(5) Represents post-acquisition adjustment to cost of goods sold for the fair value step up of inventory acquired, all of which was sold during the second quarter of fiscal 2018.

(6) Represents receipt of a one-time payment to settle certain litigation matters.

(7) 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.

(8) Reflects income tax expense at an estimated normalized annual effective income tax rate of 29.0 for FY18 and 36.0 percent for all prior periods presented.

(9) The weighted average shares used for computation of pro forma diluted earnings per common share gives effect to the 58,607 shares of restricted stock awards, the 64,542 performance stock units granted under the 2015 Incentive Award Plan and 55,253 shares for the dilutive effect of stock options. The average of the prior quarters is used for computation of the fiscal year ended periods.

# BALANCE SHEET

(\$ in thousands)

	June 30, 2017	December 31, 2017
<b>Assets:</b>		
Cash	\$4,038	\$6,250
Accounts Receivable	3,500	1,917
Inventories - Net	11,676	18,283
Other Current Assets	2,438	3,021
Property, Plant and Equipment - Net	14,827	19,533
Intangible Assets - Net	16,643	52,090
Goodwill	29,593	66,818
Other	606	730
<b>Total Assets</b>	<b>\$83,321</b>	<b>\$168,642</b>
<b>Liabilities</b>		
Accounts Payable	\$11,008	\$12,800
Accrued Expenses and Other Current Liabilities	22,190	29,859
Total Debt, net of unamortized debt issuance costs	34,477	94,977
Unrecognized Tax Positions and Deferred Income Taxes	3,885	3,705
<b>Total Liabilities</b>	<b>\$71,560</b>	<b>\$141,341</b>
Shareholders' Equity	11,761	27,301
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$83,321</b>	<b>\$168,642</b>