

**MASTERCRAFT  
BOAT HOLDINGS INC.**

# Fiscal First Quarter 2025 Results

November 6, 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 2024 and Quarterly Reports on Form 10-Q for Fiscal Year 2025 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 United States generally accepted accounting principles ("GAAP"). Please refer to the Appendix of this presentation for a reconciliation of Income from continuing operations, 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



**Brad Nelson**  
Chief Executive Officer  
& Director



**Tim Oxley**  
Chief Financial Officer





**MasterCraft**



#1 ski-wake brand<sup>(1)</sup>



Most-awarded in ski-wake



Iconic marine brand



**CREST**



Leading pontoon brand



Runway for continued growth



65+ years of brand equity



**BALISE**



Innovative luxury pontoon brand



De novo brand with growth potential



Emphasis on premium positioning



(1) Source: Statistical Surveys, Inc.

# Fiscal Q1 2025 Results



# First Quarter 2025 Earnings Overview



## Financial Results Above Expectations

- Net sales of \$65.4 million
- Diluted Adjusted Net Income per share of \$0.12
- Adjusted EBITDA of \$3.8 million



## Resilient Balance Sheet Provides Abundant Flexibility

- Returned ~\$3.5 million of capital through share repurchase program
- Strong balance sheet positions us well to pursue capital allocation priorities
- Laying the foundation for long-term growth with targeted initiatives



## Improving Dealer Health

- Promising first quarter retail sets strong foundation for FY25
- Substantial destocking of field inventories during quarter
- Production plan weighted toward second half of fiscal year



## Raising Fiscal 2025 Guidance

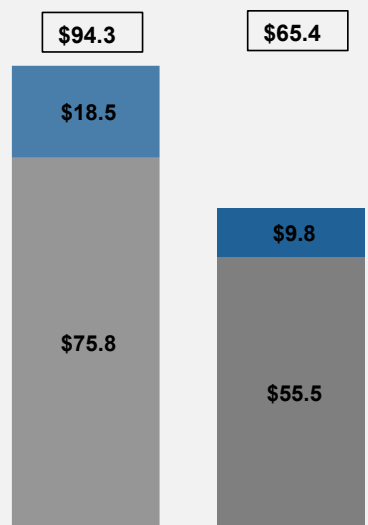
- Net sales between \$270M and \$300M
- Adjusted EBITDA between \$17M and \$26M
- Adjusted Earnings Per Share between \$0.55 and \$0.95
- Capital expenditures in the \$12M range



# First Quarter Comparative Results

## Net Sales\*

(\$'s in millions)



Q1 FY24

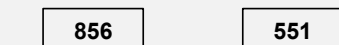
Q1 FY25



- Net sales of \$65.4 million, down 31% from Q1 FY24

\*Totals may not tie due to rounding

## Unit Volume



Q1 FY24

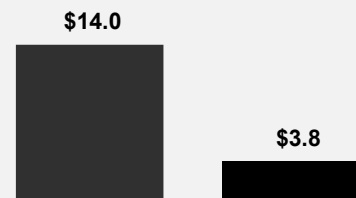
Q1 FY25



- Wholesale units of 551, down 36% from Q1 FY24

## Adjusted EBITDA

(\$'s in millions)

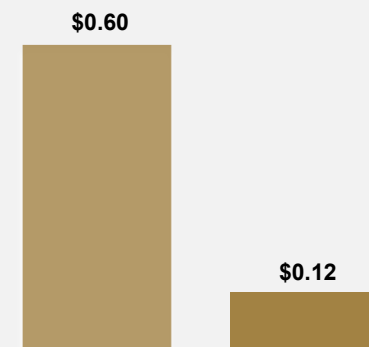


Q1 FY24

Q1 FY25

- Adjusted EBITDA of \$3.8 million, down \$10.2 million from Q1 FY24

## Adjusted Diluted Net Income Per Share



Q1 FY24

Q1 FY25

- Adjusted Diluted Net Income of \$0.12 per share, down \$0.48 from Q1 FY24

# Capital Allocation Framework

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## Retain Strong Financial Position

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



## Invest in Long-Term Growth

### Organic Growth:

- Focused innovation
- Product line development
- Internal brand development

### Inorganic Growth / M&A:

- Highly selective and disciplined approach



## Return Excess Cash

- \$50 million share repurchase program authorized in July 2023 (~\$32 million available)
- Returned ~\$68M to shareholders through program over last 3 years
- Maintain flexibility to continue returning excess cash to shareholders



## Key Metrics

(\$'s in millions)

Cash and ST Investments	\$82.8
Total Debt	\$49.5
Capital Expenditures (TTM)	\$9.7
Share Repurchases (TTM)	\$14.0





# FY25 Guidance

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Metric	Q2 FY25	FY25
Net Sales	~\$60M	Between \$270M and \$300M
Adjusted EBITDA	~\$1M	Between \$17M and \$26M
Adjusted EPS	~\$(0.01)	Between \$0.55 and \$0.95
Capital Expenditures	N/A	~\$12M



# Appendix

# First Quarter Adjusted EBITDA Reconciliation

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

(Dollars in thousands)	Q1 FY25	% of sales	Q1 FY24	% of sales
<b>Income from continuing operations</b>	\$ 1,016	1.6%	\$ 8,531	9.0%
Income tax expense	193		2,496	
Interest expense	987		878	
Interest income	(1,192)		(1,352)	
Depreciation and amortization	2,074		2,109	
<b>EBITDA</b>	\$ 3,078	4.7%	\$ 12,662	13.4%
Share-based compensation	430		910	
CEO transition and organizational realignment costs <sup>(1)</sup>	334		436	
<b>Adjusted EBITDA</b>	\$ 3,842	5.9%	\$ 14,008	14.9%

(1) Represents amounts paid for legal fees and recruiting costs associated with the CEO transition, as well as non-recurring severance costs incurred as part of the Company's strategic organizational realignment undertaken in connection with the transition.

# First Quarter Adjusted Net Income Reconciliation

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

(Dollars in thousands, except per share and share amounts)	Q1 FY25	Q1 FY24
<b>Income from continuing operations</b>	<b>\$ 1,016</b>	<b>\$ 8,531</b>
Income tax expense	193	2,496
Amortization of acquisition intangibles	450	462
Share-based compensation	430	910
CEO transition and organizational realignment costs <sup>(1)</sup>	334	436
<b>Adjusted Net Income before income taxes</b>	<b>\$ 2,423</b>	<b>\$ 12,835</b>
Adjusted income tax expense <sup>(2)</sup>	485	2,567
<b>Adjusted Net Income</b>	<b>\$ 1,938</b>	<b>\$ 10,268</b>
<b>Adjusted Net Income per common share</b>		
Basic	\$0.12	\$0.60
Diluted	\$0.12	\$0.60
<b>Weighted average shares used for the computation of:<sup>(3)</sup></b>		
Basic Adjusted net income per share	16,544,941	17,156,283
Diluted Adjusted net income per share	16,544,941	17,224,608

(1) Represents amounts paid for legal fees and recruiting costs associated with the CEO transition, as well as non-recurring severance costs incurred as part of the Company's strategic organizational realignment undertaken in connection with the transition.

(2) For fiscal 2025 and 2024, income tax expense reflects an income tax rate of 20.0% 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.

# First Quarter Adjusted Net Income Per Share Reconciliation

- The following table sets forth a reconciliation of 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:

	Q1 FY25	Q1 FY24
<b>Income from continuing operations per diluted share</b>	<b>\$ 0.06</b>	<b>\$ 0.50</b>
Impact of adjustments:		
Income tax expense	0.01	0.14
Amortization of acquisition intangibles	0.03	0.03
Share-based compensation	0.03	0.05
CEO transition and organizational realignment costs <sup>(1)</sup>	0.02	0.03
<b>Adjusted Net Income per diluted share before income taxes</b>	<b>\$ 0.15</b>	<b>\$ 0.75</b>
Impact of adjusted income tax expense on net income per diluted share before income taxes <sup>(2)</sup>	(0.03)	(0.15)
<b>Adjusted Net Income per diluted share</b>	<b>\$ 0.12</b>	<b>\$ 0.60</b>

(1) Represents amounts paid for legal fees and recruiting costs associated with the CEO transition, as well as non-recurring severance costs incurred as part of the Company's strategic organizational realignment undertaken in connection with the transition.

(2) For fiscal 2025 and 2024, income tax expense reflects an income tax rate of 20.0% for each period presented.

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