



BAIRD 777 EAST WISCONSIN AVENUE, MILWAUKEE, WI 53202

Date Printed: 5/6/2020

MasterCraft Boat Holdings, Inc.

Fiscal Year End June

Quarterly Income Statement

Recent Price: \$9.82

Segment Revenue	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20E	1Q21E	2Q21E	3Q21E	4Q21E
Total Mastercraft Units	848	893	868	826	741	716	713	165	593	644	713	661
Average revenue per unit	\$89.90	\$85.55	\$91.51	\$96.57	\$98.40	\$94.63	\$98.92	\$99.47	\$99.87	\$96.05	\$99.91	\$99.47
Mastercraft revenue	\$76,234	\$76,397	\$79,431	\$79,768	\$72,913	\$67,757	\$70,531	\$16,432	\$59,205	\$61,896	\$71,236	\$65,729
Hydra-Sports revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total NauticStar Units	426	480	485	440	396	337	313	220	297	327	329	308
Average revenue per unit	\$40.86	\$39.99	\$44.64	\$44.86	\$45.44	\$46.22	\$45.23	\$45.76	\$46.35	\$47.14	\$46.13	\$46.68
NauticStar revenue	\$17,407	\$19,196	\$21,652	\$19,740	\$17,995	\$15,576	\$14,156	\$10,067	\$13,766	\$15,411	\$15,161	\$14,376
Income Statement	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20E	1Q21E	2Q21E	3Q21E	4Q21E
Net Revenue	\$93,641	\$121,541	\$128,390	\$122,809	\$109,789	\$99,628	\$102,562	\$30,204	\$86,453	\$90,213	\$106,954	\$94,415
Cost of Revenue	70,438	94,467	97,033	91,316	84,256	78,486	81,288	25,432	68,257	72,704	84,580	71,650
Gross Profit	23,203	27,074	31,357	31,493	25,533	21,142	21,274	4,772	18,196	17,508	22,374	22,765
Selling and Marketing	4,290	4,257	5,210	3,913	4,064	4,343	4,933	3,171	4,409	4,511	5,134	3,871
General and Administrative	6,772	7,108	6,696	7,130	7,785	5,477	6,094	5,309	6,891	5,536	5,957	5,257
Amortization	530	987	987	988	987	987	987	987	987	987	987	987
Total Operating Expenditures	11,592	12,352	12,893	43,031	12,836	10,807	68,451	9,467	12,287	11,034	12,078	10,115
EBIT	11,611	14,722	18,464	(11,538)	12,697	10,335	(47,177)	(4,695)	5,909	6,474	10,296	12,649
Other income (expense)	-	-	-	-	-	-	-	-	-	-	-	-
Net interest income (expense)	(920)	(2,042)	(1,867)	(1,684)	(1,344)	(1,237)	(1,086)	(1,457)	(1,493)	(1,486)	(1,440)	(1,330)
Income Before Income Taxes	10,691	12,680	16,597	(13,222)	11,353	9,098	(48,263)	(6,151)	4,415	4,989	8,857	11,319
Taxes	2,226	2,492	3,834	(3,160)	2,730	2,219	(11,550)	(1,415)	1,015	1,147	2,037	2,603
Net Income	8,465	10,188	12,763	(10,062)	8,623	6,879	(36,713)	(4,737)	3,400	3,841	6,820	8,716
GAAP EPS - Diluted	\$0.45	\$0.54	\$0.68	(\$0.54)	\$0.46	\$0.37	(\$1.96)	(\$0.25)	\$0.18	\$0.20	\$0.36	\$0.46
Diluted Shares	18,769	18,772	18,757	18,659	18,771	18,771	18,739	18,758	18,777	18,796	18,815	18,833
Adjusted Net Income	10,211	12,097	14,641	16,067	10,112	8,160	8,622	(3,535)	4,293	4,734	7,713	9,609
Adjusted EPS	\$0.54	\$0.64	\$0.78	\$0.85	\$0.53	\$0.43	\$0.46	(\$0.19)	\$0.23	\$0.25	\$0.41	\$0.51
Adjusted EBITDA	\$15,028	\$18,613	\$21,890	\$23,791	\$15,888	\$13,557	\$13,955	-\$1,691	\$8,521	\$9,408	\$13,178	\$15,295
Margin Analysis	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20E	1Q21E	2Q21E	3Q21E	4Q21E
Gross Margin	24.8%	22.3%	24.4%	25.6%	23.3%	21.2%	20.7%	15.8%	21.0%	19.4%	20.9%	24.1%
Operating Expenses	12.4%	10.2%	10.0%	35.0%	11.7%	10.8%	66.7%	31.3%	14.2%	12.2%	11.3%	10.7%
Operating Margin	12.4%	12.1%	14.4%	-9.4%	11.6%	10.4%	-46.0%	-15.5%	6.8%	7.2%	9.6%	13.4%
Pretax Margin	11.4%	10.4%	12.9%	-10.8%	10.3%	9.1%	-47.1%	-20.4%	5.1%	5.5%	8.3%	12.0%
Tax Rate	20.8%	19.7%	23.1%	23.9%	24.0%	24.4%	23.9%	23.0%	23.0%	23.0%	23.0%	23.0%
Net Margin	9.0%	8.4%	9.9%	-8.2%	7.9%	6.9%	-35.8%	-15.7%	3.9%	4.3%	6.4%	9.2%
Adjusted Net Margin	13.4%	15.8%	18.4%	20.1%	13.9%	12.0%	12.2%	-21.5%	7.3%	7.6%	10.8%	14.6%
Adjusted EBITDA Margin	16.0%	15.3%	17.0%	19.4%	14.5%	13.6%	13.6%	-5.6%	9.9%	10.4%	12.3%	16.2%
Net Revenue	44.0%	55.0%	36.9%	28.7%	17.2%	-18.0%	-20.1%	-75.4%	-21.3%	-9.5%	4.3%	212.6%
Cost of Revenue	50.2%	61.5%	39.8%	35.2%	19.6%	-16.9%	-16.2%	-72.1%	-19.0%	-7.4%	4.0%	181.7%
Gross Margin %	-314bp	-314bp	-157bp	-358bp	-152bp	-105bp	-368bp	-984bp	-221bp	-181bp	18bp	831bp
Operating Expenses	63.3%	35.0%	40.4%	381.0%	10.7%	-12.5%	430.9%	-78.0%	-4.3%	2.1%	-82.4%	6.8%
Operating Margin %	-461bp	-163bp	-182bp	-2924bp	-83bp	-174bp	-6038bp	-615bp	-473bp	-320bp	5563bp	2894bp
Pretax Margin %	-484bp	-186bp	-232bp	-2962bp	-108bp	-130bp	-5998bp	-960bp	-523bp	-360bp	5534bp	3235bp
Tax Rate	-1254bp	271bp	319bp	-304bp	323bp	474bp	83bp	-90bp	-105bp	-139bp	-93bp	bp
Net Income	20.1%	27.2%	11.4%	-176.6%	1.9%	-32.5%	-387.7%	-52.9%	-60.6%	-44.2%	-118.6%	-284.0%
GAAP EPS - Diluted	20.3%	27.3%	11.3%	-176.9%	1.9%	-32.5%	-387.9%	-53.2%	-60.6%	-44.2%	-118.5%	-283.3%
Diluted Shares	-0.2%	-0.1%	0.2%	-0.4%	0.0%	0.0%	-0.1%	0.5%	0.0%	0.1%	0.4%	0.4%
Adjusted Net Income	22.5%	46.9%	31.7%	25.9%	-1.0%	-32.5%	-41.1%	-122.0%	-57.5%	-42.0%	-10.5%	-371.8%
Adjusted EPS	22.0%	45.8%	31.5%	25.6%	-1.4%	-32.9%	-41.7%	-122.1%	-57.1%	-41.5%	-9.9%	-370.7%
Adjusted EBITDA	16.0%	35.7%	25.0%	19.9%	5.7%	-27.2%	-36.2%	-107.1%	-46.4%	-30.6%	-5.6%	-1004.4%

Source: Company reports and Robert W. Baird & Co. estimates

Research disclosures can be accessed at <http://www.rwbaird.com/research-insights/research/coverage/research-disclosure.aspx>.



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MasterCraft Boat Holdings, Inc.

Fiscal Year End June

Quarterly Balance Sheet

Recent Price: \$9.82

Balance Sheet	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20E	1Q21E	2Q21E	3Q21E	4Q21E
Cash and cash equivalents	\$6,093	\$18,494	\$5,461	\$5,826	\$6,411	\$5,448	\$40,991	\$49,293	\$58,928	\$64,206	\$38,401	\$58,288
Trade receivables, net	9,310	6,394	17,669	12,463	9,287	4,383	10,148	3,098	7,313	3,969	10,583	9,685
Inventories	21,729	27,685	30,000	30,660	34,914	29,486	37,159	8,567	28,284	27,314	38,664	24,136
Deferred tax assets	-	-	-	-	-	-	5,703	-	-	-	5,947	-
Prepaid expenses and other	4,263	4,562	4,976	5,415	5,975	6,021	4,979	1,362	4,705	5,452	5,192	4,257
Total Current Assets	41,395	57,135	58,106	54,364	56,587	45,338	98,980	62,320	99,230	100,940	98,787	96,366
Net property, plant & equipment	23,929	27,540	30,804	33,636	35,982	41,562	41,669	42,266	42,853	43,119	43,438	43,992
Other intangibles	50,516	84,773	83,786	79,799	78,811	77,824	64,836	64,816	64,796	64,776	64,756	64,736
Deferred tax assets	-	-	-	6,240	-	5,559	13,792	-	-	-	14,383	-
Goodwill	65,792	101,389	101,760	74,030	74,030	74,030	29,593	29,593	29,593	29,593	29,593	29,593
Other long-term assets	614	760	733	704	11,824	1,505	1,398	1,398	1,398	1,398	1,398	1,398
Total Assets	182,246	271,597	275,189	248,773	257,234	245,818	250,268	200,392	237,870	239,826	252,354	236,085
Accounts payable	18,609	13,945	20,684	17,974	16,974	9,637	14,008	5,007	13,755	8,931	14,580	14,111
Accrued expenses and other	29,555	39,491	42,337	41,421	41,581	38,803	42,912	10,187	32,743	35,136	44,749	31,844
Income taxes payable	-	-	1,213	426	-	-	-	302	865	902	1,070	944
Other current liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Current portion of long-term debt	5,521	10,645	9,495	8,725	8,734	8,994	9,004	5,503	5,503	5,503	5,103	4,703
Total Current Liabilities	53,685	64,081	73,729	68,546	67,289	57,434	65,924	20,999	52,864	50,472	65,501	51,602
Long-term debt	68,084	135,520	116,422	105,016	105,121	96,683	129,429	132,062	132,062	132,062	122,462	112,862
Payable pursuant to tax receivable a	-	-	-	-	-	-	-	-	-	-	-	-
Other long-term liabilities	2,302	3,271	3,179	2,895	3,715	3,791	3,559	712	2,925	3,433	3,711	2,226
Total Liabilities	124,071	202,872	193,330	176,457	176,125	157,908	198,912	153,773	187,851	185,966	191,675	166,689
Total stockholders' equity	58,175	68,725	81,859	72,316	81,109	87,910	51,356	46,619	50,019	53,860	60,680	69,395
Total liabilities and stockholders' e	\$182,246	\$271,597	\$275,189	\$248,773	\$257,234	\$245,818	\$250,268	\$200,392	\$237,870	\$239,826	\$252,354	\$236,085
Balance Sheet Ratios	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20E	1Q21E	2Q21E	3Q21E	4Q21E
Current Ratio	0.8x	0.9x	0.8x	0.8x	0.8x	0.8x	1.5x	3.0x	1.9x	2.0x	1.5x	1.9x
Total Debt / Total Capital (Debt+Equ	53.9%	66.4%	58.7%	59.2%	56.4%	52.4%	71.6%	73.9%	72.5%	71.0%	66.9%	61.9%
Net Debt/Total Capital	51.6%	63.0%	57.5%	57.8%	54.9%	50.9%	63.3%	64.0%	59.4%	55.7%	58.1%	44.0%
Inventory Days	28.1	26.7	28.2	30.6	37.8	34.3	41.7	30.7	37.8	34.3	41.7	30.7
Receivable Days	9.1	4.8	12.6	9.3	7.7	4.0	9.0	9.4	7.7	4.0	9.0	9.4
Payable Days	24.1	13.5	19.5	18.0	18.4	11.2	15.7	18.0	18.4	11.2	15.7	18.0
Cash Cycle Days	13.1	18.1	21.3	21.9	27.1	27.1	35.0	22.1	27.1	27.1	35.0	22.1
Inventory Turnover	13.0x	13.6x	12.9x	11.9x	9.7x	10.6x	8.8x	11.9x	9.7x	10.6x	8.8x	11.9x
Working Capital (excluding cash)	(\$18,383)	(\$25,440)	(\$21,084)	(\$20,008)	(\$17,113)	(\$17,544)	(\$7,935)	(\$7,972)	(\$12,562)	(\$13,737)	(\$5,116)	(\$13,524)
Working Capital (ex. cash) as % LTM r	-5.1%	-6.3%	-4.8%	-4.3%	-3.5%	-3.8%	-1.8%	-2.3%	-3.9%	-4.4%	-1.6%	-3.6%
Cash per share	\$0.32	\$0.99	\$0.29	\$0.31	\$0.34	\$0.29	\$2.19	\$2.63	\$3.14	\$3.42	\$2.04	\$3.09
Book Value	\$3.12	\$3.68	\$4.39	\$3.88	\$4.33	\$4.69	\$2.74	\$2.49	\$2.66	\$2.87	\$3.23	\$3.68
Book Value - Tangible	-\$0.44	-\$1.79	-\$1.11	-\$0.13	-\$0.25	\$0.66	\$1.09	\$0.83	\$1.01	\$1.22	\$1.58	\$2.04
DuPont Analysis												
Net Margin (N/S)	11.4%	10.7%	10.2%	4.6%	4.5%	4.0%	-7.2%	-7.6%	-9.8%	-11.1%	3.0%	6.0%
Asset Turnover (S/A)	205.0%	200.2%	193.8%	201.9%	183.3%	179.4%	173.6%	142.3%	136.5%	133.3%	134.9%	162.0%
Leverage (A/E)	398.1%	369.8%	346.7%	347.9%	346.3%	317.8%	342.4%	357.2%	396.1%	459.9%	440.6%	413.0%
Return on Equity - LTM	92.8%	79.2%	68.2%	32.2%	28.3%	22.5%	-42.7% NM	NM	NM		17.7%	40.3%



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MasterCraft Boat Holdings, Inc.

Fiscal Year End June

Quarterly Cash Flow

Recent Price: \$9.82

Cash Flow Statement	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20E	1Q21E	2Q21E	3Q21E	4Q21E
Net Income	\$8,465	\$10,187	\$12,763	-\$10,061	\$8,623	\$6,879	-\$36,713	-\$4,737	\$3,400	\$3,841	\$6,820	\$8,716
Adjustments to net income:												
Depreciation & Amortization	1,435	1,924	2,091	2,337	2,371	2,682	2,632	2,403	2,413	2,734	2,681	2,446
Deferred Income Taxes / Other N	416	1,909	744	25,036	1,321	961	(14,168)	16,648	2,213	507	(20,051)	18,844
Working Capital	(6,949)	10,474	(3,907)	(978)	(7,073)	4,080	(3,916)	(2,165)	4,590	1,175	(2,274)	2,861
Cash Flow From Operations	3,367	24,494	11,691	16,334	5,242	14,602	(52,165)	12,150	12,616	8,257	(12,824)	32,867
Capital expenditures	(3,425)	(2,597)	(4,365)	(3,677)	(4,328)	(7,163)	(5,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Other	3	(81,727)	-	2	14	-	57,532	20	20	20	20	20
Cash Flow From Investment Activity	(3,422)	(84,324)	(4,365)	(3,675)	(4,314)	(7,163)	52,532	(2,980)	(2,980)	(2,980)	(2,980)	(2,980)
Increase (Decrease) in Interest Bearir	(1,656)	72,272	(19,349)	(12,573)	-	(8,292)	32,756	(869)	-	-	(10,000)	(10,000)
Increase (Decrease) in Equity Accoun	(105)	(41)	68	(799)	(343)	(110)	159	-	-	-	-	-
Cash Flow From Financing Activity	(1,761)	72,231	(19,281)	(13,372)	(343)	(8,402)	32,915	(869)	-	-	(10,000)	(10,000)
Beginning Cash Balance	7,909	6,093	18,494	5,461	5,826	6,411	5,448	40,991	49,293	58,928	64,206	38,401
Additions to (Subtractions from) Cash	(1,816)	12,401	(11,955)	(713)	585	(963)	33,282	8,302	9,636	5,277	(25,804)	19,887
Ending Cash Balance	6,093	18,494	6,539	4,748	6,411	5,448	38,730	49,293	58,928	64,206	38,401	58,288

Free Cash Flow	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20E	1Q21E	2Q21E	3Q21E	4Q21E
Method 1 (FCFE):												
Net Income (LTM)	\$41,072	\$43,251	\$44,560	\$21,354	\$21,512	\$18,203	(\$31,273)	(\$25,948)	(\$31,171)	(\$34,209)	\$9,324	\$22,776
+CAPEX-D&A (LTM)	(2,436)	(3,618)	(6,221)	(6,277)	(6,244)	(10,052)	(10,146)	(9,403)	(8,033)	(3,818)	(1,769)	(1,726)
+Change in WC (LTM)	(5,327)	2,215	(3,682)	(1,360)	(1,484)	(7,878)	(7,887)	(9,074)	2,590	(316)	1,326	6,352
+Change in debt (LTM)	40,832	50,497	41,512	38,694	40,350	(40,214)	11,891	23,595	23,595	31,887	(10,869)	(20,000)
Free Cash Flow (LTM)	\$74,141	\$92,345	\$76,169	\$52,411	\$54,134	(\$39,941)	(\$37,415)	(\$20,828)	(\$13,019)	(\$6,455)	(\$1,987)	\$7,402
Yield (MV)	11.0%	50.1%	18.0%	28.6%	19.3%	-21.7%	-20.3%	-11.3%	-7.1%	-3.5%	-1.1%	4.0%
Yield (EV)	10.1%	30.6%	14.3%	18.6%	14.3%	-14.5%	-13.7%	-7.8%	-5.1%	-2.6%	-0.7%	3.1%
Method 2:												
Change in cash (LTM)	(\$6,587)	\$12,244	(\$3,039)	(\$2,083)	\$318	(\$13,046)	\$35,530	\$43,467	\$52,517	\$58,758	(\$2,590)	\$8,995
+Dividends (LTM)	0	0	0	0	0	0	0	0	0	0	0	0
+Buybacks (LTM)	0	0	0	0	0	0	0	0	0	0	0	0
-Change in debt (LTM)	(40,832)	(50,497)	(41,512)	(38,694)	(40,350)	40,214	(11,891)	(23,595)	(23,595)	(31,887)	10,869	20,000
Free Cash Flow (LTM)	(\$47,419)	(\$38,253)	(\$44,551)	(\$40,777)	(\$40,032)	\$27,168	\$23,639	\$19,871	\$28,922	\$26,870	\$8,279	\$28,995
Yield (MV)	-7.0%	-20.8%	-10.5%	-22.3%	-14.3%	14.7%	12.8%	10.8%	15.7%	14.6%	4.5%	15.7%
Yield (EV)	-6.4%	-12.7%	-8.3%	-14.4%	-10.6%	9.9%	8.7%	7.4%	11.2%	10.6%	3.1%	12.1%