



MARINE PRODUCTS
CORPORATION



CORPORATE
OVERVIEW
MARCH 2024

MARINE PRODUCTS CORPORATION

FORWARD LOOKING STATEMENTS

NON-GAAP DISCLOSURE



Certain statements and information included in this presentation constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include statements that look forward in time or express management’s beliefs, expectations or hopes. In particular, such statements include, without limitation: our belief that adjustments to our production schedules, variable cost structure, and retail incentive programs will align with future volume levels; our expectation for near-term industry softness and overall channel de-stocking; and our expectation to continue paying dividends to shareholders and to assess acquisitions.

Additional discussion of factors that could cause the actual results to differ materially from management’s projections, forecasts, estimates and expectations is contained in Marine Products’ Annual Report on Form 10-K, filed with the U.S. Securities and Exchange Commission (the “SEC”) for the year ended December 31, 2023.

Marine Products Corporation has used the non-GAAP financial measures of EBITDA, EBITDA margin, and free cash flow in this presentation. These measures should not be considered in isolation or as a substitute for performance or liquidity measures prepared in accordance with GAAP. Management believes that presenting these non-GAAP measures enables investors to compare our operating performance consistently over various time periods, and in the case of EBITDA, without regard to changes in our capital structure.

A non-GAAP financial measure is a numerical measure of financial performance, financial position, or cash flows that either 1) excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statement of operations, balance sheet or statement of cash flows, or 2) includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented.

Set forth in the appendix of this presentation are reconciliations of these non-GAAP measures with their most directly comparable GAAP measures. These reconciliations also appear on Marine Products Corporation's investor website, which can be found on the Internet at www.marineproductscorp.com

CORPORATE PROFILE



- NYSE: MPX
- Headquartered in Atlanta
- Manufacturing Facility in Nashville, GA
- \approx 700 employees
- Market Capitalization: \$350+ million
- Annualized cash dividend: \$0.56 per share
- No debt, clean balance sheet



Marine Products Corporation has been building high-quality fiberglass powerboats for more than 60 years.



MPX AT-A-GLANCE

MPX is a leading manufacturer of recreational powerboats, with leading market shares across key brands, poised to continue to grow and expand its franchise

- ✓ One of the largest manufacturers of fiberglass powerboats in the U.S., with leading market positions across its Chaparral and Robalo brands
- ✓ Brands are oriented toward recreational and coastal fishing categories
- ✓ Highly regarded for innovation with products known for performance, features, function and value
- ✓ Conservative financial management and disciplined capital stewardship



KEY STATS

40

**Boat
Models**

≈300

**Global Dealer
Network**

≈24%

**2023
Gross Margin**

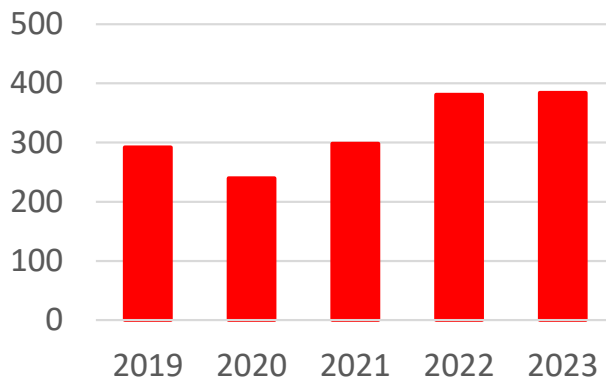
≈13%

**2023
EBITDA Margin**

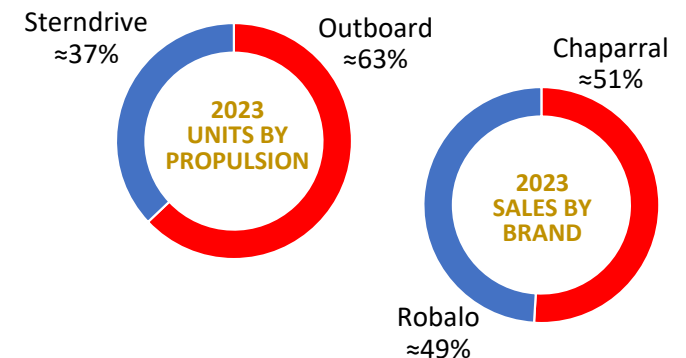
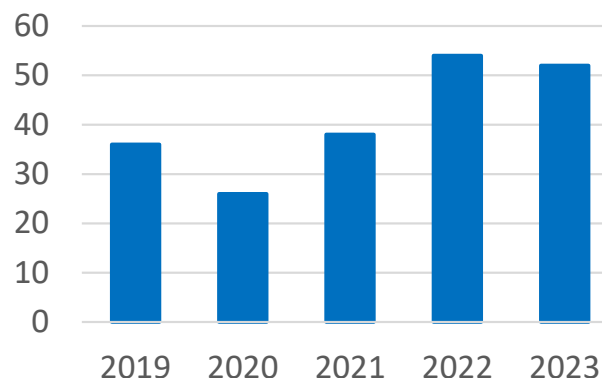
FINANCIAL SNAPSHOT

(\$ IN MILLIONS)

SALES



EBITDA



INVESTMENT HIGHLIGHTS

1

Powerful Brand Heritage and Market Leadership

- ≈ 60-year heritage fostering brand awareness for manufacturing high-quality powerboats
- In their size range and competitive market, Chaparral holds the #1 market position and Robalo holds the #3 market position for outboard boats



2

Recognized Industry Innovator

- Strong competence to leverage existing designs and innovate across the platform



3

Broad Dealer Network

- Nearly 300 dealers globally, including many of the largest and most reputable dealers in top boating regions
- Developed long-term partnerships over decades of providing sales and service, inventory management, financial and operational support



4

Efficient Operations

- Vertical integration (e.g., upholstery, cabinetry, canvas in-house) enables highly controllable cost structure with the ability to enhance quality
- Constant adjustment of model mix and production scheduling to maximize throughput and optimize profitability



5

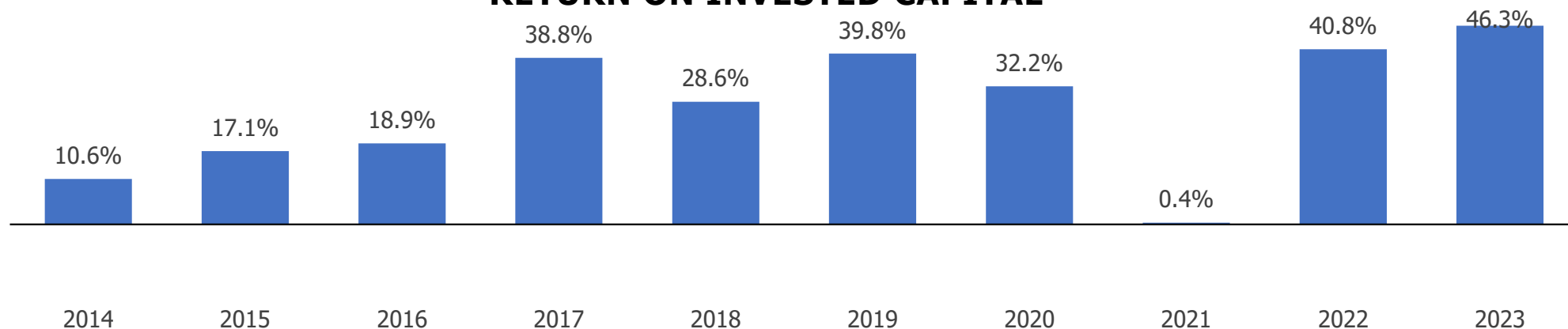
Attractive Financial Profile

- Demonstrated ability to generate double digit return on invested capital over the long term
- Fortress balance sheet with no leverage mitigates impact of financial downturns, ample liquidity for growth investments

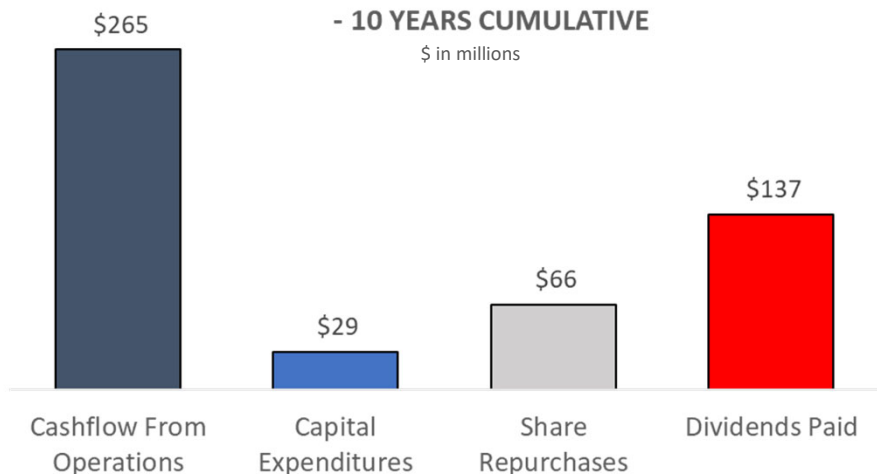


CAPITAL STEWARDSHIP TAILORED TOWARD SHAREHOLDERS

RETURN ON INVESTED CAPITAL⁽¹⁾



SELECTED CASH FLOW MEASURES - 10 YEARS CUMULATIVE \$ in millions



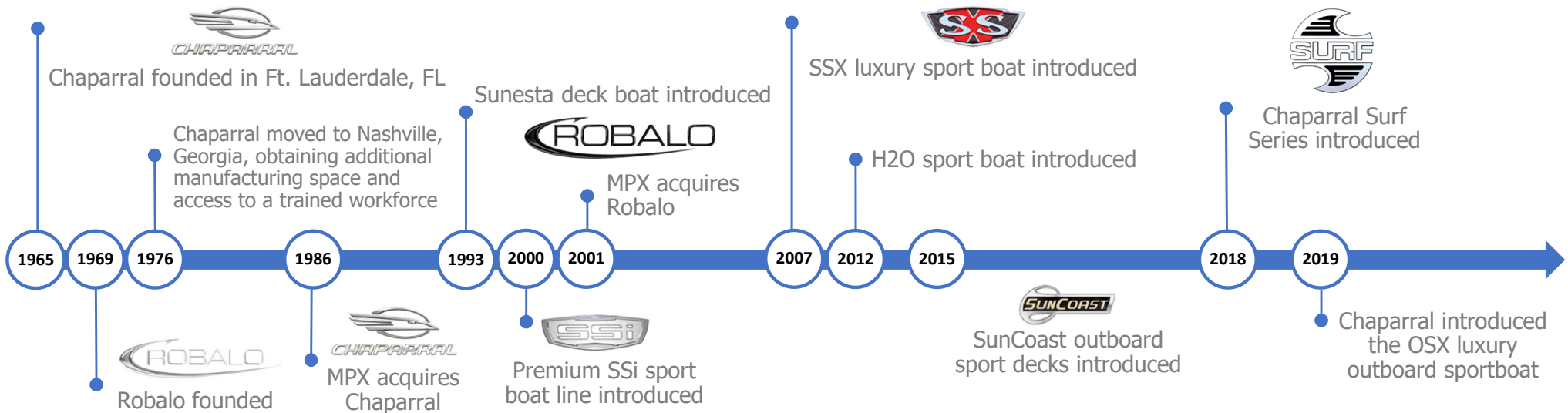
INVESTOR-ORIENTED CAPITAL PHILOSOPHY

- ✓ 10-year average return on invested capital $\approx 27\%$
- ✓ Strong ROIC has led to significant cash flow generation
- ✓ Proven track record of long-term shareholder returns
- ✓ Since 2014, MPX has returned approximately \$200+ million to shareholders
- ✓ Paid dividends in all but two years of history as public company

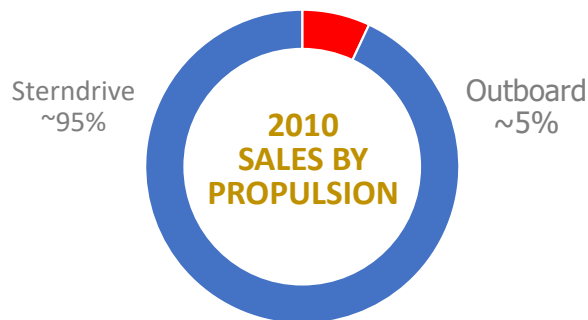
(1) Defined as net cash provided by operations / average total invested capital.

MPX's EVOLUTION

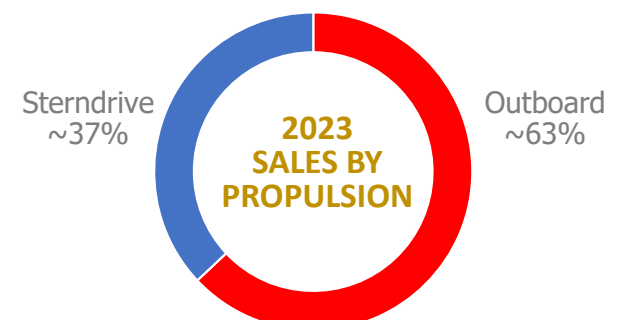
MPX has evolved by utilizing its design and manufacturing expertise and dealer network to capture attractive market opportunities



DEMONSTRATED ABILITY TO EVOLVE WITH CONSUMER PREFERENCES



MPX has evolved with the market into faster growing, premium outboard categories

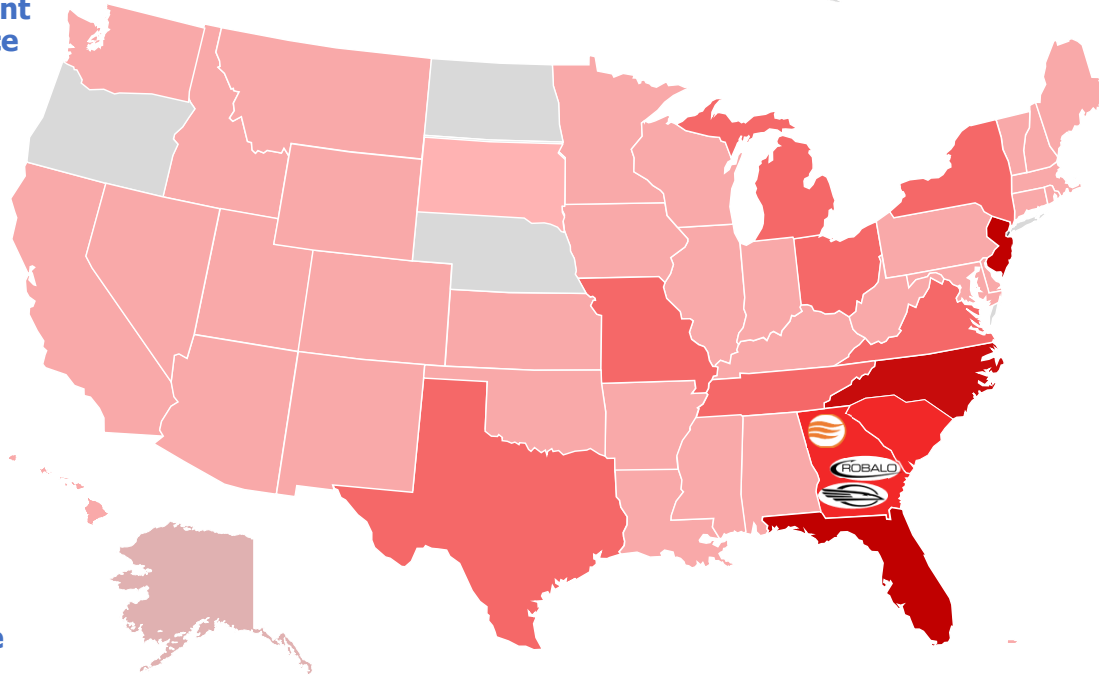


MPX's DEALER FOOTPRINT

Significant
Presence



No
Presence



(Marine Products)
Atlanta, GA



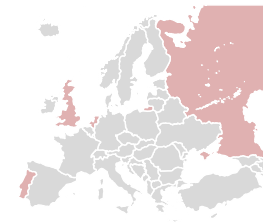
(Chaparral)
Nashville, GA



(Robalo)
Nashville, GA



Canada



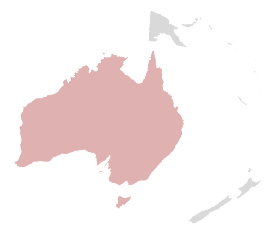
Europe



Africa



Asia



Australia

HIGHLIGHTS

- Premier dealer network with 203 domestic and 88 international, independent dealers
- Expanded Dealer network from ≈ 200 in 2010 to ≈ 300 today.
- MPX's largest dealers are exclusive, allowing them to focus on selling MPX's products

10+ Years

Average Dealer Relationship

INNOVATIVE TECHNOLOGY LEADER

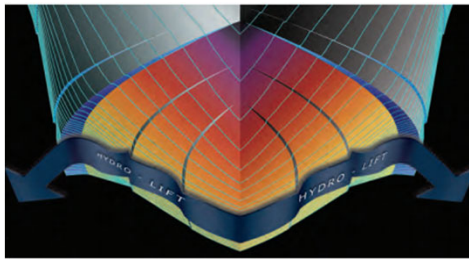
MPX has a track record of being a leading innovator in the recreational boating industry.

EXTENDED V-PLANE HULL



- Running surface spans the length of the entire boat in contrast to standard sterndrive boats
- Allows for more deck space, better planing performance and a more comfortable ride
- Creates superior stability under low speeds
- Utilized on the Company's Chaparral and Robalo boating lines

HYDRO LIFT HULL



- Variable dead rise hull design allows for a smooth ride in rough water conditions
- Increases the maximum speed obtainable by a given horsepower and weight of a boat
- Enhances fuel efficiency
- Smooth design supplements cornering agility

INFINITY POWER STEP



- Located on the boat's stern, Power Step lowers into the water at the touch of a button
- Utilized by passengers to easily board or exit the boat
- Ideal for all age groups and pets
- Creates one of the most accessible boats in the industry

INNOVATIVE SEATING



- Chaparral's Vista View lounge that can change position from sitting upright to full-length lounging at the touch of a button
- Chaparral's Oasis Lounge features an adjustable back rest and the ability to face forward or the rear
- Ability to fold flat to create a sun pad

COMMITMENT TO INNOVATION AND SERVICE



marine industry
CSI

J.D. POWER

70+ Awards
for Product
Excellence and
Customer Service

NMMA

National Marine
Manufacturers Association®



 **MARINE PRODUCTS**
CORPORATION

HIGHLY REGARDED & LONG-TENURED BRANDS

MPX's brands are recognized as some of the best on the water!



“The Chaparral 310 OSX will meet many of your family’s boating needs with a length overall of approximately 31 feet, and the deep bow offers one of the biggest and most elegant rides that Chaparral has to offer. The Chaparral 310 OSX represents a blend of luxury, innovation, and performance, designed to meet the high standards and expectations of day boaters looking for an exceptional maritime experience.”
Product Tour (February 2024)



“The Robalo R230 is designed to satisfy all of your fishing and performance needs. Outfitted with our Hydro Lift™ multi-angle hull design, horizontal tubed rod storage, SeaStar tilt hydraulic steering, and a 25-gallon live well. The R230 is perfect for those with the desire for endless possibilities.” - Capt. Trip Smith BoatTEST.com (November 2023)



CUSTOMER ENGAGEMENT ACROSS SOCIAL MEDIA PLATFORMS



285K+ Followers



44K+ Followers



**MARINE PRODUCTS
CORPORATION**

BROAD LINE-UP OF FIBERGLASS BOATS

2024 MODEL YEAR



STERNDRIVE AND OUTBOARD PLEASURE BOATS



21
Models

19–34 ft.
Length Range

\$48k–\$564k
Price Range



OUTBOARD SPORT FISHING BOATS



19
Models

18–36 ft.
Length Range

\$46k–\$654k
Price Range



SSI



Surf



OSX



Dual Console



Center Console



Bay Boat

FACILITIES OVERVIEW

MPX operates out of five state-of-the-art manufacturing facilities

KEY METRICS

≈1.2M

Total Square Feet

≈700

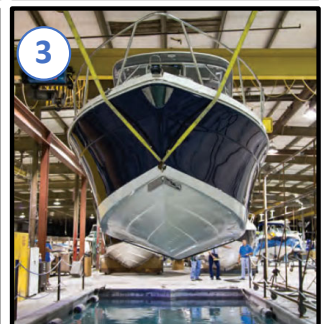
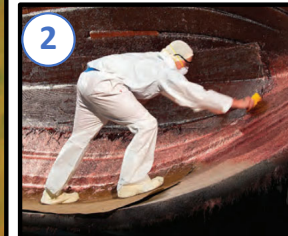
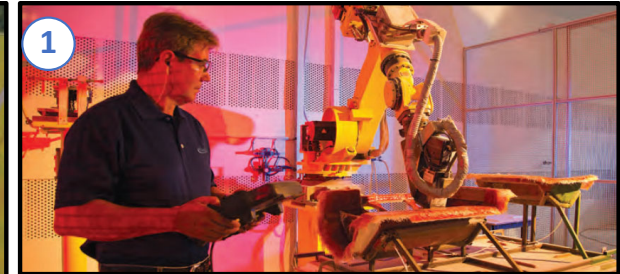
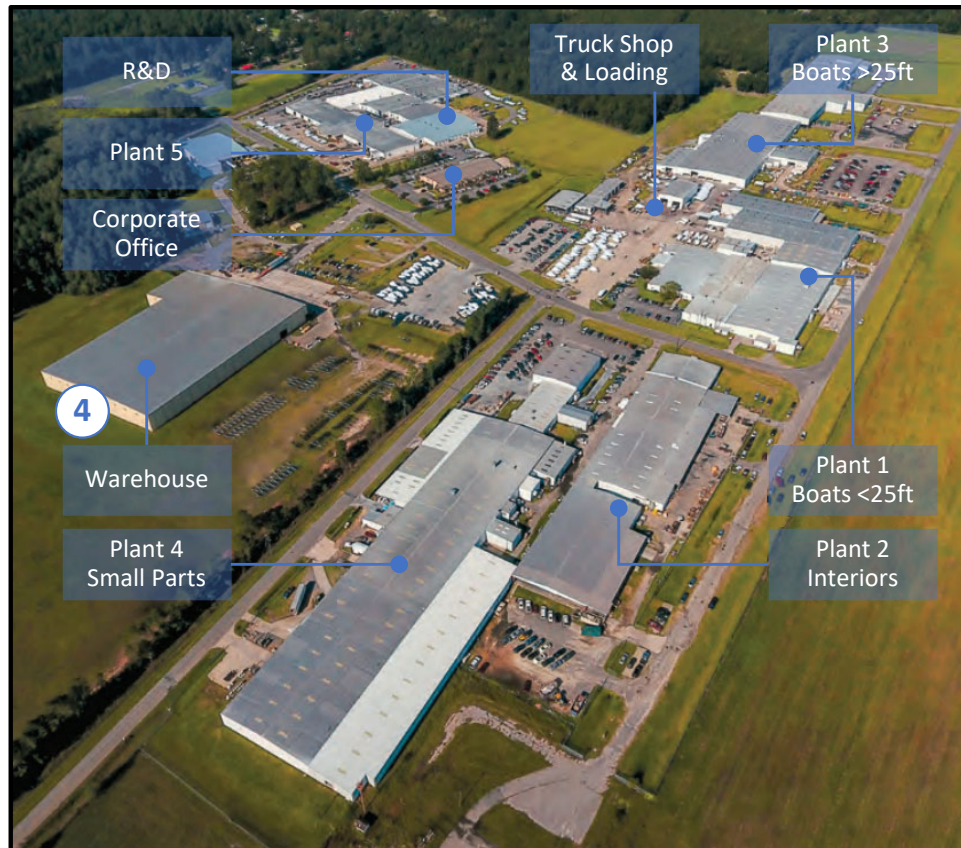
Total Employees

KEY FUNCTIONS

- 1 Engineering / R&D
- 2 Manufacturing
- 3 Assembly and Final Testing
- 4 Warehouse

- MPX's facilities include 5 manufacturing plants in Nashville, Georgia
- Facilities are utilized to design new models, fabricate hulls, decks and small fiberglass parts, manufacture interiors and assemble and test end products before shipping to dealers

FACILITY SNAPSHOTS



4TH QUARTER 2023 FINANCIAL SUMMARY

- Net sales declined 35% compared to 4Q:22 as industry normalized after post-COVID surge... excess channel inventory, higher interest rates, economic uncertainty
- Gross margin as a percent of net sales was 19.0% in 4Q:23 compared to 25.2% in 4Q:22.
- \$0.14 Quarterly Dividend declared.
- Cash at the end of the year was \$72.0 million.
- Full year operating cash flow was \$56.8 million, free cash flow was \$46.7 million



4TH QUARTER 2023 FINANCIAL SUMMARY

MARINE PRODUCTS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS *(In thousands except per share data)*

Periods ended December 31,	Three Months Ended		Years Ended	
	2023	2022	2023	2022
	(Unaudited)	(Unaudited)	(Unaudited)	
Net sales	\$ 70,871	\$ 108,509	\$ 383,729	\$ 380,995
Cost of goods sold	57,408	81,189	293,350	287,278
Gross profit	13,463	27,320	90,379	93,717
Selling, general and administrative expenses	7,718	12,472	43,213	41,921
Gain on disposition of assets, net	(74)	—	(2,036)	—
Operating income	5,819	14,848	49,202	51,796
Interest income, net	794	286	2,860	338
Income before income taxes	6,613	15,134	52,062	52,134
Income tax provision	1,191	3,277	10,367	11,787
Net income	\$ 5,422	\$ 11,857	\$ 41,695	\$ 40,347
EARNINGS PER SHARE				
Basic	\$ 0.16	\$ 0.35	\$ 1.21	\$ 1.18
Diluted	\$ 0.16	\$ 0.35	\$ 1.21	\$ 1.18
AVERAGE SHARES OUTSTANDING				
Basic	34,467	34,218	34,443	34,183
Diluted	34,467	34,218	34,443	34,183

APPENDIX – NON-GAAP RECONCILIATION

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Set forth below are reconciliations of these non-GAAP measures with their most directly comparable GAAP measures. These reconciliations also appear on Marine Products Corporation's investor website, which can be found on the Internet at marineproductscorp.com.

(Unaudited)				
Periods ended December 31,	Three Months Ended		Years Ended	
<i>(In thousands)</i>	2023	2022	2023	2022
Reconciliation of Net Income to EBITDA				
Net income	\$ 5,422	\$ 11,857	\$ 41,695	\$ 40,347
Adjustments:				
Add: Income tax provision	1,191	3,277	10,367	11,787
Add: Depreciation and amortization	666	489	2,416	1,905
Less: Interest income, net	794	286	2,860	338
EBITDA	\$ 6,485	\$ 15,337	\$ 51,618	\$ 53,701
Net income margin	7.7%	10.9%	10.9%	10.6%
EBITDA margin	9.2%	14.1%	13.5%	14.1%
Reconciliation of Operating Cash Flow to Free Cash Flow				
<i>(In thousands)</i>	Years Ended		2023	2022
Net cash provided by operating activities			\$ 56,846	\$ 49,348
Capital expenditures			(10,174)	(2,500)
Free cash flow			\$ 46,672	\$ 46,848



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CHAPARRAL 

ROBALO