4Q23 Results Presentation

March 6, 2024



SAFE HARBOR STATEMENT

Safe Harbor Statement under the U.S. Private Securities Litigation Reform Act of 1995: This presentation contains statements that are forward-looking in nature which express the beliefs and expectations of management including statements regarding the Company's expected results of operations or liquidity; statements concerning projections, predictions, expectations, estimates or forecasts as to our business, financial and operational results and future economic performance; and statements of management's goals and objectives and other similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by terminology such as "anticipate," "estimate," "plan," "project," "continuing," "ongoing," "expect," "we believe," "we intend," "may," "will," "should," "could," and similar expressions. Such statements are based on current plans, estimates and expectations and involve a number of known and unknown risks, uncertainties and other factors that could cause the Company's future results, performance or achievements to differ significantly from the results, performance or achievements expressed or implied by such forward-looking statements. These factors and additional information are discussed in the Company's filings with the Securities and Exchange Commission and statements in this presentation should be evaluated in light of these important factors. Although we believe that these statements are based upon reasonable assumptions, we cannot guarantee future results. Forward-looking statements speak only as of the date on which they are made, and the Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments
or otherwise.

4Q23 FINANCIAL PERFORMANCE

Successful strategic execution delivers continued organic revenue growth and record quarterly free cash flow

Successful commercial growth execution and continued MBX implementation resulted in topline growth and record free cash flow

- The ramp-up of new projects, the MSA acquisition and successful execution on MBX initiatives offset slowing macro demand and the impact of Labor Union strikes
- Adjusted EBITDA margin of 11.9% includes 70bp impact from Labor Union Strikes and an 85bp impact from the ongoing ramp-up of Hazel Park

4Q23 Performance Highlights

- Net sales +15.6% y/y including organic growth of 6.1% y/y, due to the acquisition of MSA and supported by stable demand and new project volumes
- Adjusted EBITDA increased 53% y/y to $17.7 million primarily due to improved organic volumes and the impact of the MSA acquisition
- UAW Strikes impacted multiple customers, resulting in an estimated impact of $5 million to net sales and $1.6 million to Adjusted EBITDA
- The ramp-up of production at the Hazel Park facility unfavorably impacted Adjusted EBITDA by $1.3 million during 4Q23, as compared to an impact of $1.8 million in 4Q22
- Adjusted EBITDA margin was 11.9% for 4Q23, an increase of 290 basis points y/y as a result of increased organic volumes, the MSA acquisition, MBX execution and improved cost-absorption at Hazel Park
- Delivered record quarterly Free Cash Flow of $19.9 million and repaid $21.8 million of debt during the quarter resulting in net leverage at 12/31/23 of 2.1x.

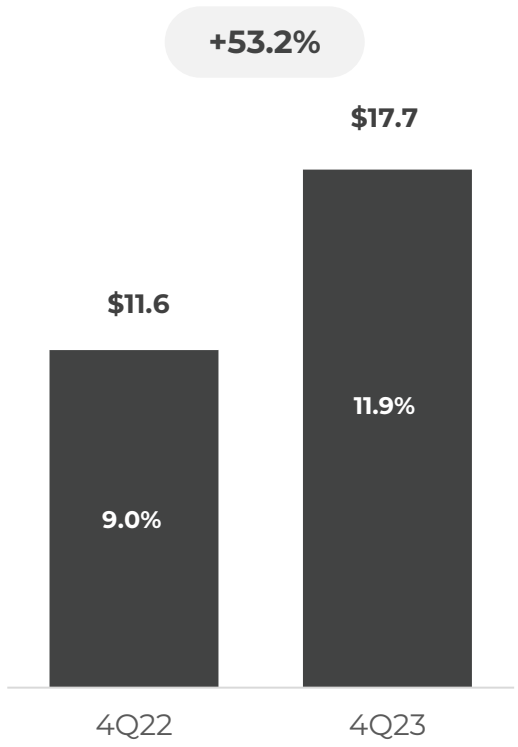
See the appendix for a reconciliation of Adjusted EBITDA and Free Cash Flow to their most directly comparable GAAP financial measure.

FOURTH QUARTER FINANCIAL PERFORMANCE

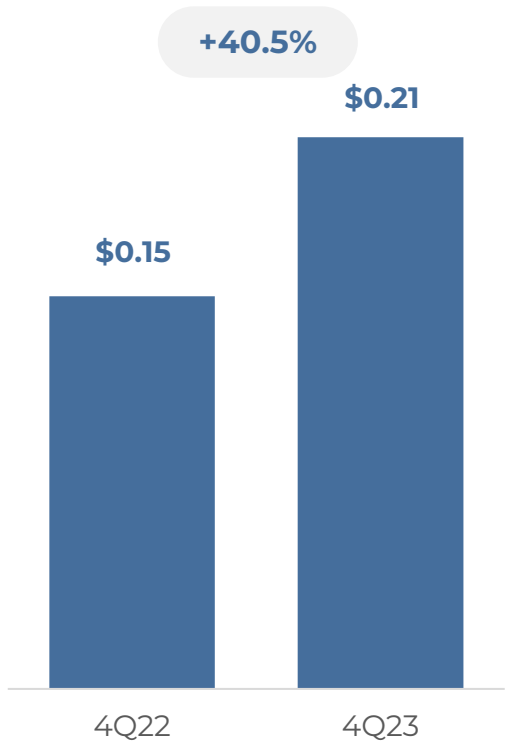
Net Sales
($MM)



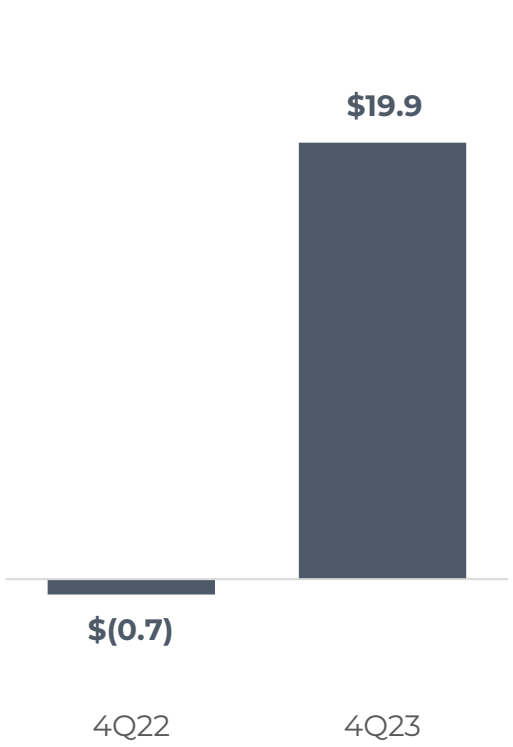
Adj. EBITDA & Margin
($MM & % of Net Sales)



Adjusted Diluted EPS
($/share)



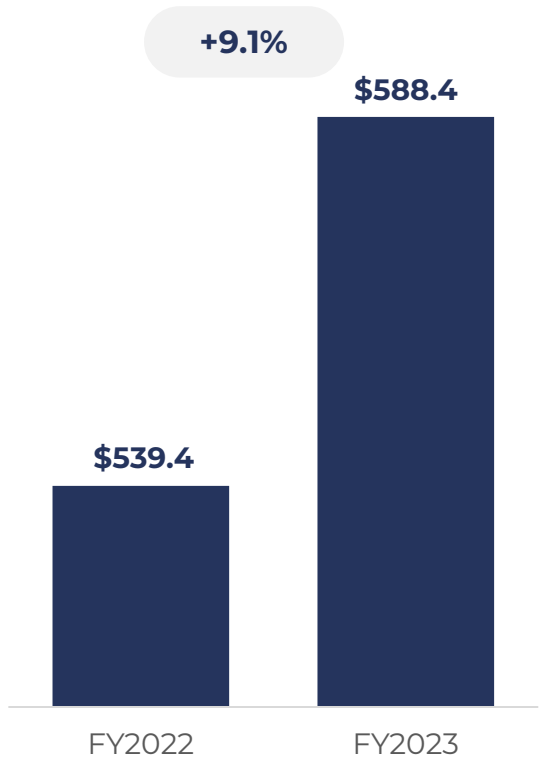
Free Cash Flow
($MM)



See the appendix for reconciliations of Adjusted EBITDA, Adjusted Diluted EPS and Free Cash Flow to their most directly comparable GAAP financial measures.

FULL YEAR FINANCIAL PERFORMANCE

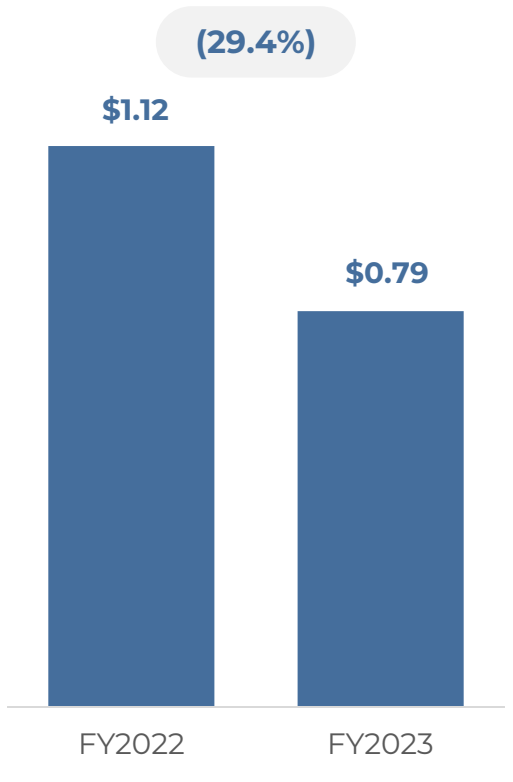
Net Sales
($MM)



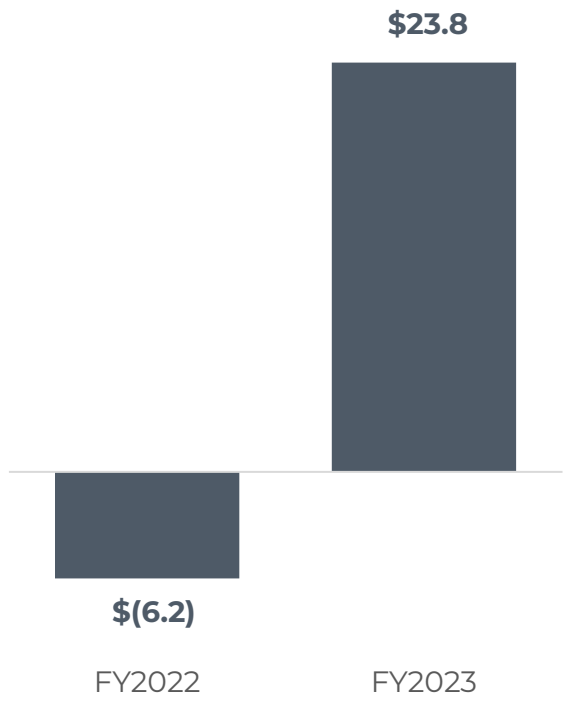
Adj. EBITDA & Margin
($MM & % of Net Sales)



Adjusted Diluted EPS
($/share)



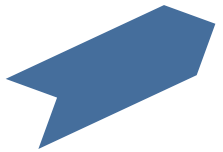
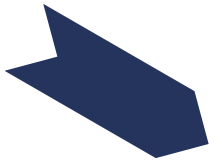
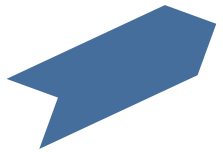
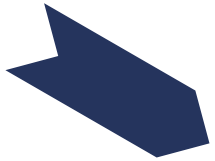
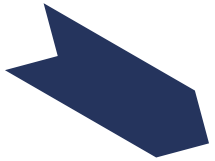
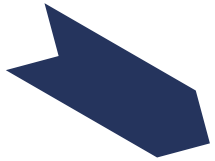
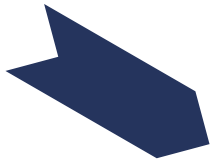
Free Cash Flow
($MM)



See the appendix for reconciliations of Adjusted EBITDA, Adjusted Diluted EPS and Free Cash Flow to their most directly comparable GAAP financial measures.

2024 END-MARKET OUTLOOK

End-market demand is softening but market-share gains will offset in 2024

	Commercial Vehicle	Construction & Access	Powersports	Agriculture	Military	Other
MEC						
Macro						
Assumptions:	• Demand slowing in 4Q23 and into 2024 as the industry navigates an emissions regulation change along with general slowing in economic activity offset by Company new project launches • 2024 ACT projections reflect 16.2% y-o-y decline	• Soft residential new construction demand • Demand remains steady across non-residential, infrastructure and energy markets	• Growth deceleration as dealer inventories have normalized • Recent share gains outpacing softness occurring due to discretionary nature of consumer spending	• Softening end user demand to overall ag industry and excess levels of dealer inventory within large ag offset by Company market share gains	• Solid backlog for U.S. government contracts and strong volumes based on new program introductions • Volume down due to final fulfillment of expiring projects	• Incremental MSA acquisition revenues • New business development focus in energy transition related technologies • End of life production parts replaced with service part orders

4Q NET SALES & ADJUSTED EBITDA PERFORMANCE HIGHLIGHTS

Organic growth tailwinds remain prevalent, while self-help initiatives build momentum

Organic growth remains stable

Revenues grew 6.1% organically y/y as Powersports, Construction & Access & Military net sales increased Y-o-Y by 27.7%, 1.7% and 12.9%, respectively. Growth was driven by market share gains and new program launches (including the ramp-up at Hazel Park). Excluding the impact of the UAW strike, Commercial Vehicle would have also grown ~ 8%

MBX Continues to Build Momentum

While 4Q23 continued to be burden by on-going cost under-absorption from the ramp-up of Hazel Park, MBX self-help initiatives continue to ramp-up and drove ratable margin improvement and $1.3 million in Adj. EBITDA improvement during the quarter

SG&A Costs impacted by non-recurring costs

SG&A costs were flat y/y when excluding $1.2 million in non-recurring costs associated with legal and acquisition fees. SG&A is targeted to be in the range of 5.0% to 5.5% of net sales in the near term and 4.5% - 5.0% by 2026.

Raw Material Pass-Through:

Net sales growth reflects $0.4 million Y-o-Y decrease in material price pass-throughs.

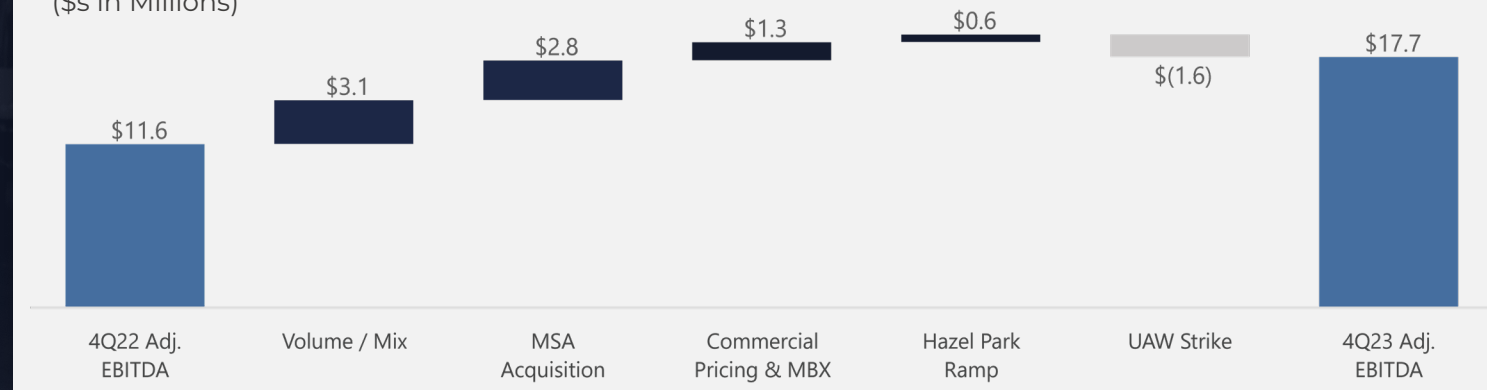
4Q Net Sales Reconciliation

($s in Millions)



4Q Adjusted EBITDA Reconciliation

($s in Millions)



See the appendix for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP financial measure.

2023 NET SALES & ADJUSTED EBITDA PERFORMANCE HIGHLIGHTS

Annual net sales and Adjusted EBITDA growth driven by commercial growth and operational excellence

Organic growth accelerated through the year
Revenues grew 4.3% organically y/y driven by strong demand in Commercial Vehicle (+5.8%), and new project launches in Powersports (+11.7%) and Military (+50.3%). These growth drivers were the result of effective commercial sales efforts gaining market share and the ramp-up of production at the Hazel Park facility.

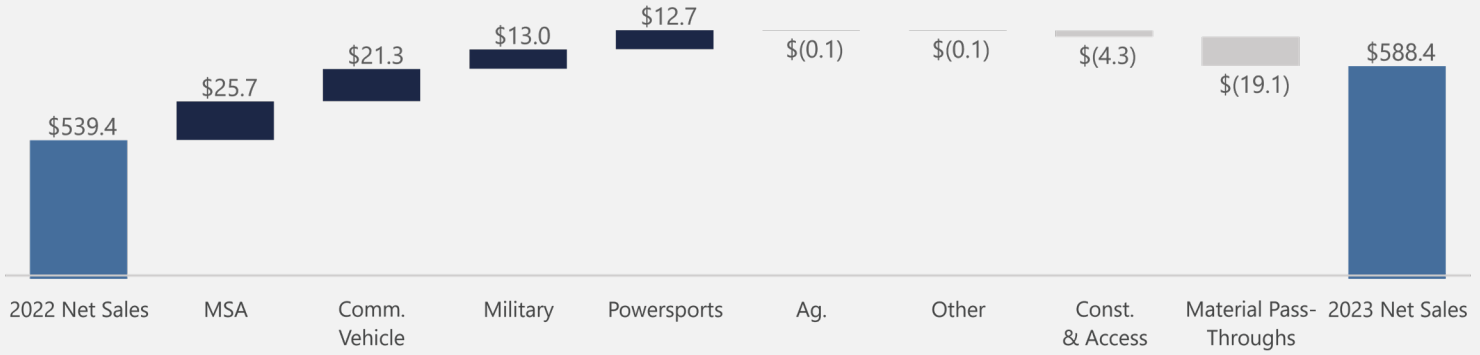
Hazel Park ramp-up is on track
The launch of the Hazel Park facility continued to result in fixed cost under-absorption, reducing Adj. EBITDA and Adj. EBITDA margins for the year by $2.9 million and 50 basis point, respectively. The facility is on-pace to achieve full run-rate capacity by the end of 2024, in accordance with expectations.

Operational & commercial excellence takes hold
After launching MBX in late 2022, there has been diligent focus on lean implementation and strategic execution. Topline growth and margin improvements were particularly evident in 2H as commercial pricing and MBX initiatives took hold, driving $1.8 million in Adjusted EBITDA improvement.

Raw Material Pass-Through:
Net sales growth reflects $19.1 million Y-o-Y decrease in material price pass-throughs.

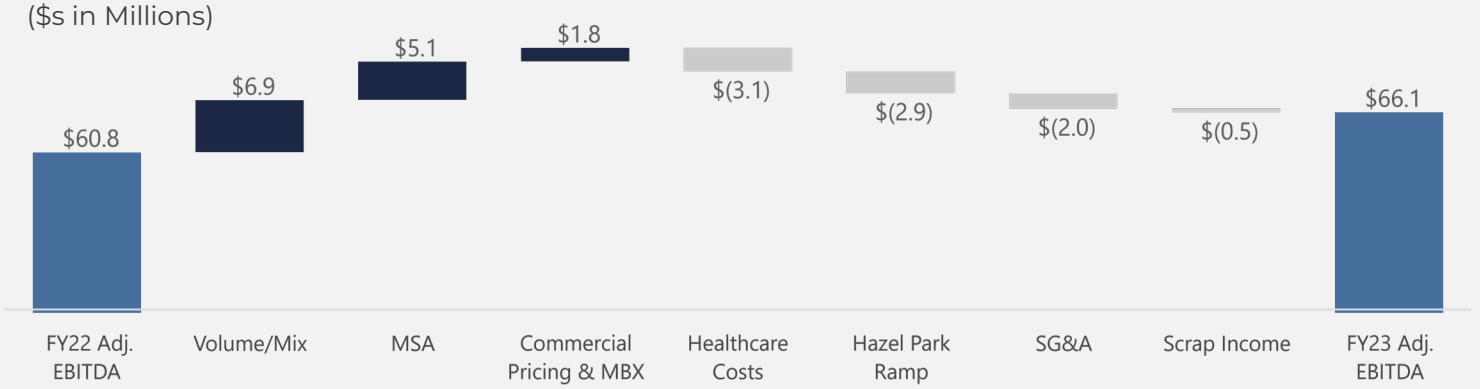
2023 Net Sales Reconciliation

($s in Millions)



2023 Adjusted EBITDA Reconciliation

($s in Millions)



See the appendix for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP financial measure.

CAPITAL ALLOCATION PRIORITIES

Capital allocation priorities focused on maximizing cash flow and return on invested capital

Balanced approach to capital allocation

Consistent Debt Paydown

- Net leverage of 2.1x as of December 31, 2023
- Targeting leverage of 1.5x – 2.0x by year-end 2024

Return-of-capital program

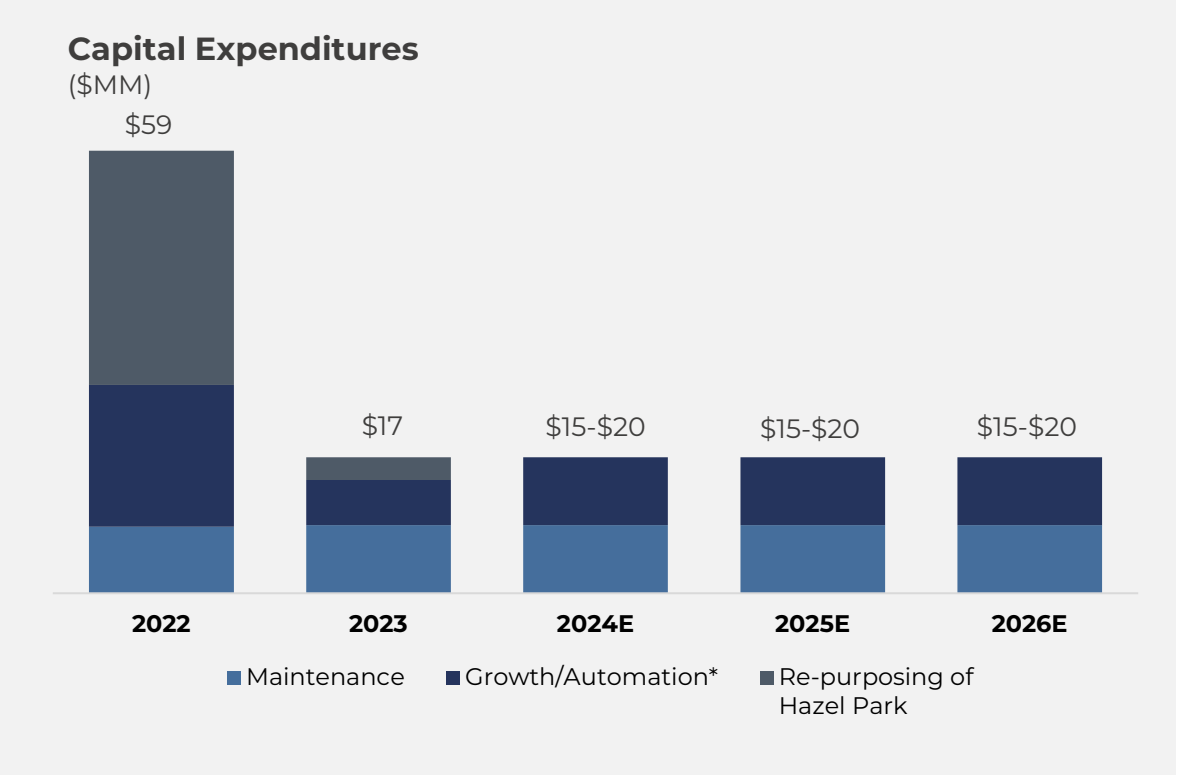
- Renewed our share repurchase authorization program allowing up to $25M of shares through 2026
- Repurchased $2.0M of Company stock during 2023
- Evaluating additional, potential opportunities to return capital to shareholders

Bolt-on acquisitions in complementary vertical markets

Targeting immediately accretive opportunities in complementary markets such as aluminum, plastics and composites fabrications capabilities, and opportunistic additions to entrench our position in steel fabrication

Sustaining growth investments

Prioritizing $7-$10M of investment in numerous high-return, capital-light growth/automation advancements with payback periods of less than 18 months



Hazel Park Capital Expenditures

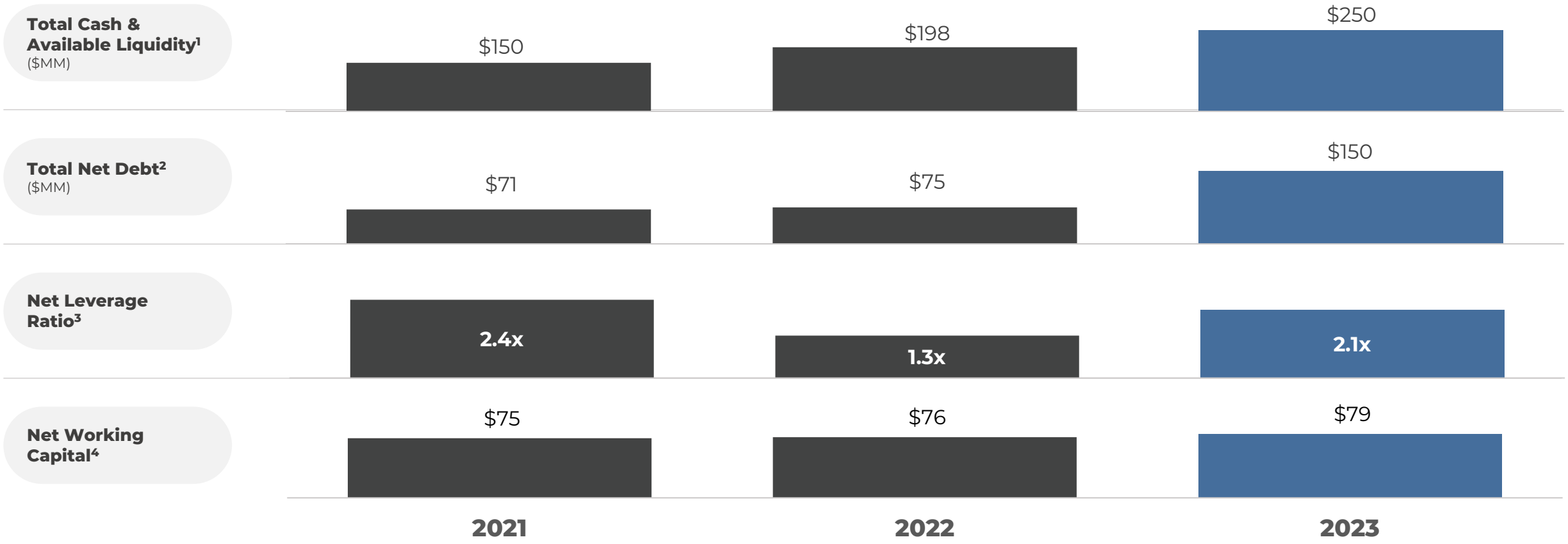
($MM)

FY21	FY22	FY23
$20	$31	$3

* Includes Capital Expenditures associated with MSA

DISCIPLINED CAPITAL MANAGEMENT

Flexible balance sheet with ample liquidity to support long term growth



1) Assumes continued compliance with covenants associated with the current Credit Agreement. This amount would be reduced by the Company's outstanding borrowings under the Credit Agreement and is exclusive of the $100M accordion feature.
2) Comprised of the Company's revolver, finance lease liabilities, and equipment financing agreements minus cash and cash equivalents
3) Net Leverage Ratio equals Net Debt divided by Adjusted EBITDA. See the appendix for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP financial measure.
4) The Company calculates Net Working Capital as accounts receivable plus inventory minus accounts payable

2024 FINANCIAL GUIDANCE

As of March 5, 2024

Business Outlook

- End-market demand is expected to soften through the year in many key end-markets
- Continued discipline in executing organic commercial growth initiatives and project launches
- Continue to maintain balance sheet optionality to support growth
- Leveraging newly acquired aluminum extrusion capabilities to drive multi-year growth through revenue synergies
- Driving price discipline and operational enhancements to support improved margin realization

Financial Assumptions

- Organic net sales growth of 1.5% to 2.5% due to new project launches, including the ramp-up of Hazel Park, offset by slowing macro-demand and project end-of-life
- MSA pro-rata contribution of $20 to $30 million in net sales and $4 to $6 million in Adj. EBITDA
- Capital expenditures of $15 to $20 million
- Strategic value-based pricing initiatives totaling $1 to $2 million, net of inflationary pressures in Adj. EBITDA
- MBX/labor productivity initiatives totaling $2 to $4 million in Adj. EBITDA

($MM)	2023A	2024E	YoY Change (%)
Revenue	$588.4	$620 – $640	5% – 9%
Adjusted EBITDA	$66.1	$72 – $76	9% – 15%
Free cash flow	$23.8	$35 – $45	47% – 89%

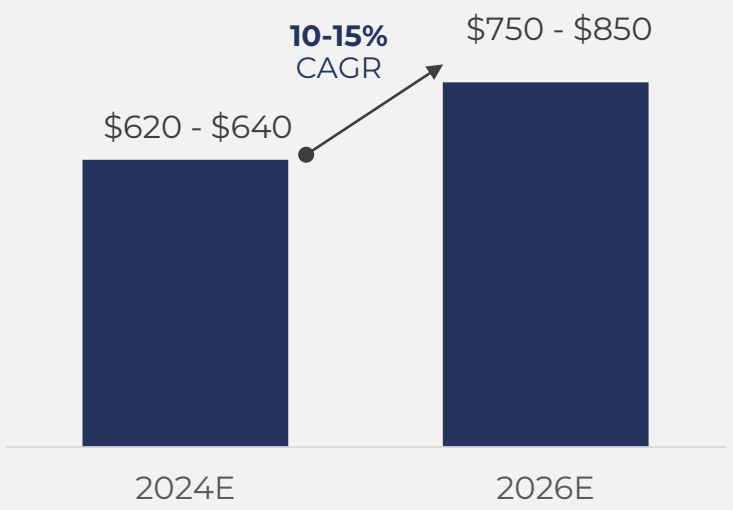
See the appendix for a reconciliation of Adjusted EBITDA and Free Cash Flow to the most directly comparable GAAP financial measure.

Value Creation Roadmap (1)

MBX Framework expected to drive substantial financial value and shareholder returns

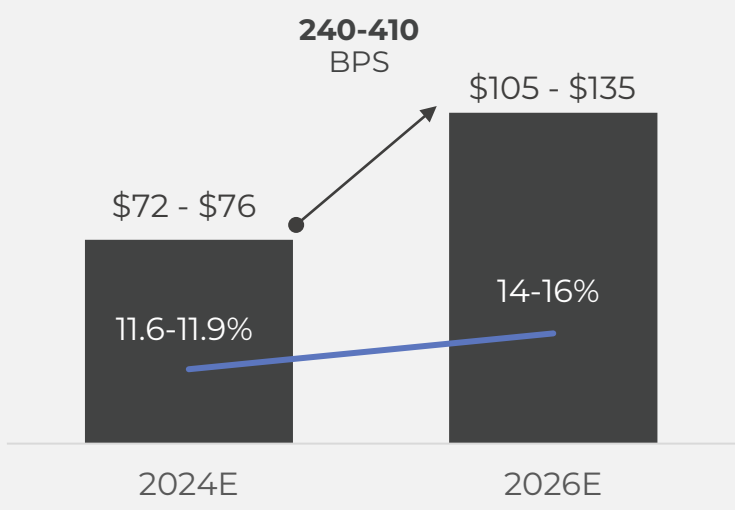
Sales Performance

$s in Millions



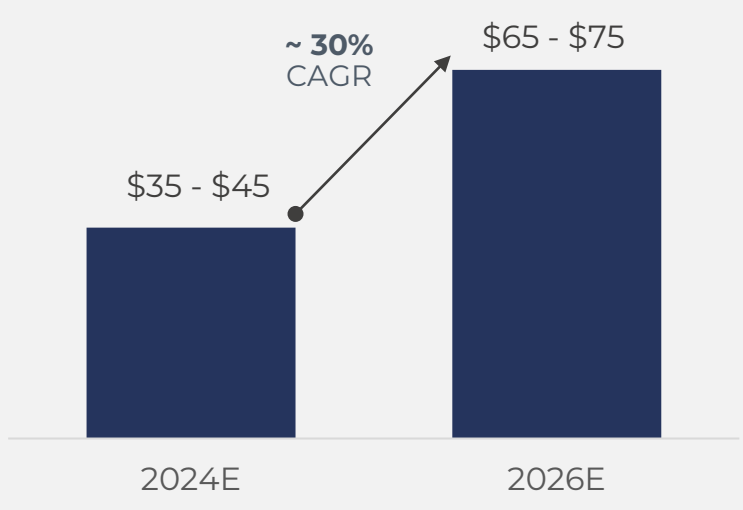
Adjusted EBITDA Performance

$s in Millions and as a % of Sales



Free Cash Flow Performance

$s in Millions



MBX value creation framework | **Organic revenue acceleration** | **Adj. EBITDA margin expansion** | **Cash flow & capital deployment strategy**

1. Inclusive of Mid-States Aluminum

Organic Growth Acceleration [1]

2-Year Organic Revenue CAGR of 10% - 15%, before incremental M&A

Two Year Sales Reconciliation [1]

$s in Millions



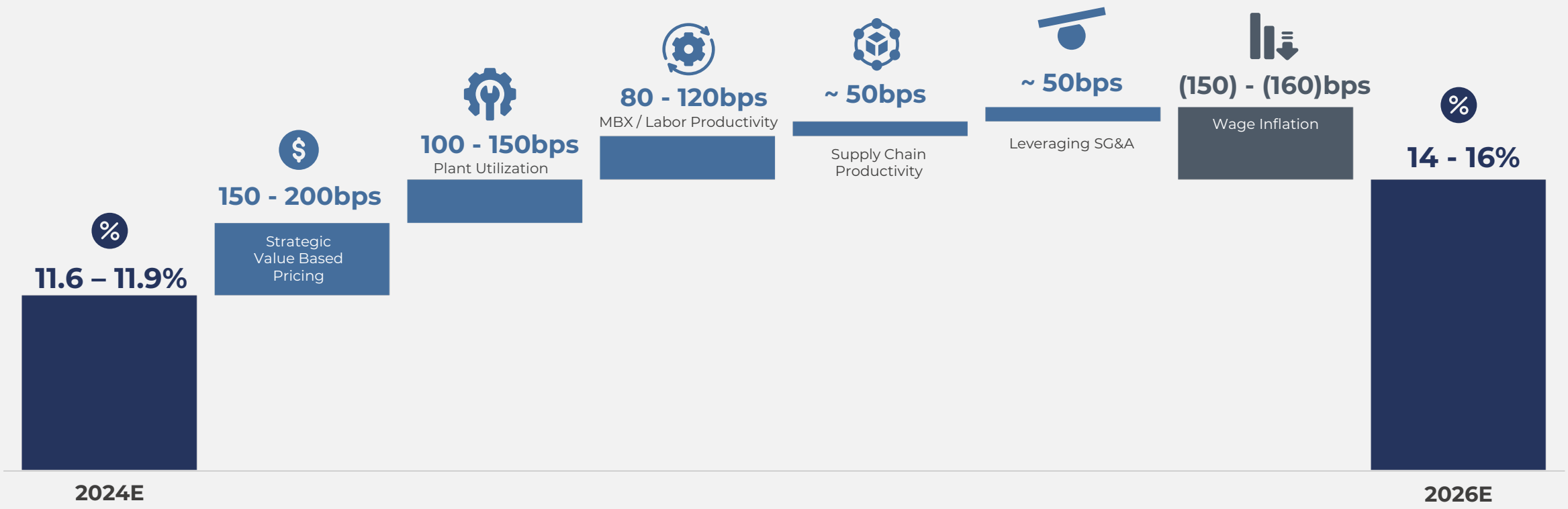
(1) Inclusive of Mid-States Aluminum

Accelerated Margin Expansion

Targeting 2-Year Adjusted EBITDA margin expansion of 250bps – 400bps

2-Year Adjusted EBITDA Margin Reconciliation

Adjusted EBITDA as a % of Sales



Note: Assumes stable material pricing (CRU of $700-$900/ton)

INVESTMENT THESIS

Strategic evolution story supported by attractive re-shoring and outsourcing mega trends



Business Transformation to Drive Margin Expansion & Profitable Growth

Strategic Business Transformation

- Strong demand fundamentals across our end markets, supporting profitable growth
- Value creation platform expected to drive Adjusted EBITDA margins to 14% - 16% and organic revenue growth of 8% - 12% per year over the next 3-years
- Evaluating opportunistic, bolt-on acquisitions in complementary adjacent markets, in support of energy transition and renewables demand
- Attractive free cash flow profile to support de-leveraging and provide capacity for self-funded growth

Favorable Macro-Secular Trends

- Our robust domestic manufacturing footprint positions MEC to capitalize on multi-year reshoring and outsourcing trends by OEMs
- Our skilled workforce provides a one stop on-demand solution for OEMs
- Well positioned to capitalize on incremental energy transition and renewables fabrication solutions

APPENDIX



HISTORICAL MATERIAL PRICE PASS-THROUGH

(Y-o-Y Change in $MMs)	Material Price Pass-Throughs				
	1Q	2Q	3Q	4Q	Full Year
2021	$ —	$ 2.8	$ 5.6	$ 15.0	**$ 23.4**
2022	$ 14.6	$ 10.4	$ 2.5	$ 0.5	**$ 28.0**
2023	$ (9.9)	$ (8.3)	$ (0.5)	$ (0.4)	**$ (19.1)**

Non-GAAP Reconciliation of Adjusted EBITDA

	Full Year		Q4	
($MM)	2023	2022	2023	2022
Net income and comprehensive income	$ 7.8	$ 18.7	$ 2.2	$ 2.4
Interest expense	11.1	3.4	3.6	1.2
Provision for income taxes	1.0	3.7	(0.4)	(0.8)
Depreciation and amortization	35.1	29.3	9.6	7.8
EBITDA	**$ 55.1**	**$ 55.1**	**$ 14.9**	**$ 10.6**
CEO transition costs	—	1.5	—	—
Loss on extinguishment of debt	0.2	—	—	—
MSA acquisition related costs	1.4	—	0.0	—
Stock-based compensation expense	4.5	3.8	0.7	0.9
Field replacement claim	0.5	—	—	—
Hazel Park transition and legal costs due to former fitness customer	2.7	4.8	1.2	0.1
Costs recognized on step-up of MSA acquired inventory	0.9	—	—	—
Impairment of long-lived assets and gain on contracts	—	(4.3)	—	—
COO restructuring costs	0.9	—	0.9	—
Adjusted EBITDA	**$ 66.1**	**$ 60.8**	**$ 17.7**	**$ 11.6**
Net sales	$ 588.4	$ 539.4	$ 148.6	$ 128.5
EBITDA margin	9.4%	10.2%	10.1%	8.2%
Adjusted EBITDA margin	11.2%	11.3%	11.9%	9.0%

Non-GAAP Reconciliation of Adjusted Net Income & Diluted EPS

($MM, except share amounts and per share values)	Full Year 2023	Full Year 2022	Q4 2023	Q4 2022
Net income and comprehensive income	$ 7.8	$ 18.7	$ 2.2	$ 2.4
CEO transition costs	—	1.5	—	—
Loss on extinguishment of debt	0.2	—	—	—
MSA acquisition related costs	1.4	—	0.0	—
Stock-based compensation expense	4.5	3.8	0.7	0.9
Field replacement claim	0.5	—	—	—
Hazel Park transition and legal costs due to former fitness customer	2.7	4.8	1.2	0.1
Costs recognized on step-up of MSA acquired inventory	0.9	—	—	—
Impairment of long-lived assets and gain on contracts	—	(4.3)	—	—
COO restructuring costs	0.9	—	0.9	—
Tax affect of above the adjustments	(2.5)	(1.3)	(0.6)	(0.2)
Adjusted net income and comprehensive income	**$ 16.3**	**$ 23.1**	**$ 4.4**	**$ 3.1**
Adjusted Diluted EPS	**$ 0.79**	**$ 1.12**	**$ 0.21**	**$ 0.15**
Weighted average diluted shares outstanding	**20,698,970**	**20,682,628**	**20,673,443**	**20,552,054**

Non-GAAP Reconciliation of Free Cash Flow

	Full Year		Q4	
($MM)	**2023**	**2022**	**2023**	**2022**
Net cash provided by operating activities	$ 40.4	$ 52.4	$ 26.7	$ 19.1
Purchase of property, plant and equipment	(16.6)	(58.6)	(6.8)	(19.8)
Free cash flow	**$ 23.8**	**$ (6.2)**	**$ 19.9**	**$ (0.7)**