

Investor Presentation

Robert Kamphuis – Chairman, President & CEO

Todd Butz - CFO

August 2019

Disclaimer

Forward-Looking Statements

This presentation contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek,” “anticipate,” “plan,” “continue,” “estimate,” “expect,” “may,” “will,” “project,” “predict,” “potential,” “targeting,” “intend,” “could,” “might,” “should,” “believe” and similar expressions or their negative. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on management’s belief, based on currently available information, as to the outcome and timing of future events. These statements involve estimates, assumptions, known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed in such forward-looking statements. When evaluating forward-looking statements, you should consider the risk factors and other cautionary statements described in “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” in the Company’s final prospectus, dated May 8, 2019, filed with the Securities and Exchange Commission pursuant to Rule 424(b)(4) under the Securities Act of 1933, as amended, on May 10, 2019 (included as part of the Company’s Registration Statement on Form S-1, Registration No. 333-230840). Forward-looking statements should not be unduly relied upon.

Important factors that could cause actual results or events to differ materially from those expressed in forward-looking statements include, but are not limited to: failure to compete successfully in our markets; risks relating to developments in the industries in which our customers operate; our ability to maintain our manufacturing, engineering and technological expertise; the loss of any of our large customers or the loss of their respective market shares; risks related to scheduling production accurately and maximizing efficiency; our ability to realize net sales represented by our awarded business; our ability to successfully identify or integrate acquisitions; risks related to entering new markets; our ability to develop new and innovative processes and gain customer acceptance of such processes; our ability to recruit and retain our key executive officers, managers and trade-skilled personnel; risks related to our information technology systems and infrastructure; manufacturing risks, including delays and technical problems, issues with third-party suppliers, environmental risks and applicable statutory and regulatory requirements; political and economic developments, including foreign trade relations and associated tariffs; volatility in the prices or availability of raw materials critical to our business; results of legal disputes, including product liability, intellectual property infringement and other claims; risks associated with our capital-intensive industry; risks related to our treatment as an S Corporation prior to the consummation of the initial public offering; risks related to our employee stock ownership plan’s treatment as a tax-qualified retirement plan; and our ability to remediate the material weaknesses in internal control over financial reporting identified in preparing our audited consolidated financial statements and to subsequently maintain effective internal control over financial reporting. We undertake no obligation to update or revise any forward-looking statements after the date on which any such statement is made, whether as a result of new information, future events or otherwise, except as required by federal securities laws.

Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures designed to complement the financial information presented in accordance with generally accepted accounting principles in the United States of America because management believes such measures are useful to investors. Investors should not consider non-GAAP financial measures in isolation or as substitutes for financial information presented in compliance with GAAP. These non-GAAP financial measures are not based on any standardized methodologies prescribed by GAAP and are not necessarily comparable to similarly titled measures presented by other companies. Non-GAAP measures that may be contained in this presentation include EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, free cash flow and adjusted free cash flow conversion. EBITDA represents net income before interest expense, provision (benefit) for income taxes, depreciation, and amortization. EBITDA Margin represents EBITDA as a percentage of net sales for each period. Adjusted EBITDA represents EBITDA before transaction fees incurred in connection with the acquisition of Defiance Metal Products Co. and the initial public offering, the loss on debt extinguishment relating to our December 2018 credit agreement, and non-cash purchase accounting charges including costs recognized on the step-up of acquired inventory and contingent consideration fair value adjustments. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of net sales for each period. Free cash flow is defined as net income + depreciation + amortization – change in net working capital – capital expenditures. Adjusted free cash flow conversion is defined as free cash flow divided by Adjusted EBITDA.

These metrics are supplemental measures of our operating performance that are neither required by, nor presented in accordance with, GAAP. These measures should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP as an indicator of our operating performance. We present Adjusted EBITDA and Adjusted EBITDA Margin as management uses these measures as key performance indicators, and we believe they are measures frequently used by securities analysts, investors and other parties to evaluate companies in our industry. These measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP. Please refer to the appendix of this presentation for a reconciliation of these non-GAAP measures to the most directly comparable measure prepared in accordance with GAAP.

MEC Team

Robert D. Kamphuis, Chairman, President and Chief Executive Officer



- Joined as President and CEO in 2005, and has served as Chairman, President and CEO since 2007
- Prior to joining MEC, held various roles with Giddings & Lewis, including as President and CEO of Gilman Engineering and Manufacturing Company; began his career with Ernst & Young
- Graduate of the Executive International Leadership Program at Stanford University, earned a BBA from University of Wisconsin – Whitewater
- Licensed CPA

Todd M. Butz, Chief Financial Officer



- Joined in 2008 and has served as CFO since January 2014
- Prior to joining MEC, served as the Worldwide Financial Reporting Manager and Finance Director at Mercury Marine, Audit Supervisor at Schenck Business Solutions
- BS in Accounting and Business Management from Marian University
- Licensed CPA

Ryan F. Raber, Executive Vice President – Strategy, Sales & Marketing



- Joined in 2009 and has served as EVP – Sales & Marketing, since 2018
- Prior to current position, served as VP – Sales & Marketing, beginning in 2013
- MBA from University of Wisconsin – Madison, BS in Mechanical Engineering from Purdue University

Investment Highlights

1. Largest U.S. Metal Fabricator(1)
2. Significant Addressable Market
3. Stability Through Cycles
4. Diversified End Markets
5. Value-Added Partner
6. Forward-focused
7. Majority Employee-Owned

$524MM 2018A Pro Forma Net Sales(2)	2x Larger Than Next Competitor(1)
Increasing Trend Towards OEM Outsourcing	Proven Ability to Expand Content Per Platform
(10%) Max Peak-to-Trough Sales Volatility(3) *End Market Average Decline(4): (23%)*	Business Designed for Agility
4 Primary Application Categories	6 Primary End Markets
Technologically Advanced Manufacturing Process	11% Pro Forma Adjusted EBITDA Margin(5) & Climbing
Relationships Up to 40+ Years	Highly Engineered Components From Concept to Production to Aftermarket
Strong Employee Alignment to Company's Success	ESOP (Employee Stock Ownership Plan) Since 1985

Source: Company filings, The Fabricator Magazine.

(1) Based on revenue. Peer revenue per The Fabricator Magazine estimates. Reflects 2018 estimated revenue for MEC competitors (latest available). MEC adjusted for acquisition of DMP.

(2) Adjusted for acquisition of DMP, completed in December 2018. Metrics expressed as if DMP acquired on 1/1/2018.

(3) Reflects maximum peak-to-trough revenue decline from 2013 to 2017.

(4) Includes selected Agriculture, Construction, Powersports and Commercial Vehicles companies. Agriculture reflects DE, AGCO and CNHI. Construction reflects CAT, CNHI, OSK and DE. Power Sports reflects HOG. Commercial Vehicles reflects CMI, PCAR, NAV, and CVGI. Reflects simple average. Reflects maximum peak-to-trough revenue decline from 2013 to 2017.

(5) Pro forma for acquisition of DMP. EBITDA margin and adjusted EBITDA are not financial measures calculated in accordance with generally accepted accounting principles in the United States ("GAAP"). MEC defines EBITDA margin as net income before interest expense, provision (benefit) for income taxes, depreciation and amortization, expressed as a percentage of net sales. MEC defines adjusted EBITDA as EBITDA before transaction fees incurred in connection with the acquisition of Defiance Metal Products Co, Inc., our potential initial public offering and the loss on debt extinguishment relating to the refinancing of our credit agreements. Please refer to the appendix in the back of this presentation for a reconciliation of EBITDA margin and adjusted EBITDA to net income, the most comparable measure calculated in accordance with GAAP.

Why MEC? Stability through Cycles – Agility, Adaptability, (Re)Alignment

Ultimate ReSource for Customers' Complex Manufacturing Needs

- #1 largest fabricator in the U.S. with unmatched scale and footprint(1)
- Diverse range of end markets
- Broad range of end-to-end solutions and capabilities
- 'One-stop shop' for contract manufacturing needs

Differentiated Industrial Company

- Agile and adaptable business model drives stability through cycles
- Industry-leading automation, creates high barriers to entry
- Ability to pass through commodity exposure to customers
- Employee-owned, driving culture of pride and personal responsibility

Well Positioned for Long-Term, Profitable Growth

- Variety of long-term secular tailwinds
- Technology and automation investments improve cost, quality and capacity
- Preferred consolidator in a highly fragmented industry
- Low leverage provides flexibility to pursue strategic growth opportunities

Source: Company filings, The Fabricator Magazine.

(1) Based on revenue. Peer revenue per The Fabricator Magazine estimates. Reflects 2018 estimated revenue for MEC competitors (latest available). MEC adjusted for acquisition of DMP.

Market Leader with Unique, Differentiated Competitive Position

MEC is More Than 2x the Size of its Next Largest Competitor(1)

(2)

Able to provide the broadest range of production capabilities…

Prototype & Fabrication



Performance Structures



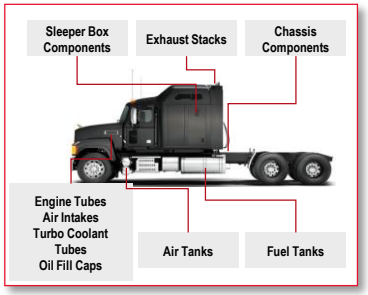
Tubes

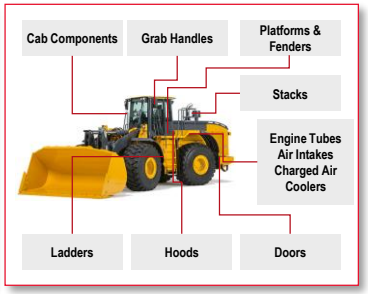


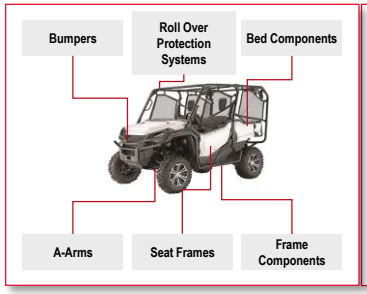
Tanks

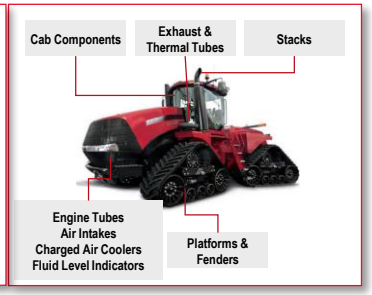


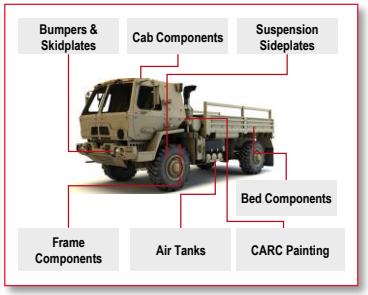
…serving a diverse range of end markets…











…resulting in deep and embedded relationships with customers

JOHN DEERE · CAT · CNH INDUSTRIAL · DAIMLER · VOLVO · MERCURY · HONDA · ISUZU · OSHKOSH · JLG reachingout

Addressing Secular Trend of Outsourcing

Key Drivers



Workforce and Capex Constraints

- ✓ Reduce manufacturing costs
- ✓ Rely on third party expertise and core competency



OEM Strategic Focus on Core Product Development

- ✓ Increase responsiveness & agility
- Asset reduction

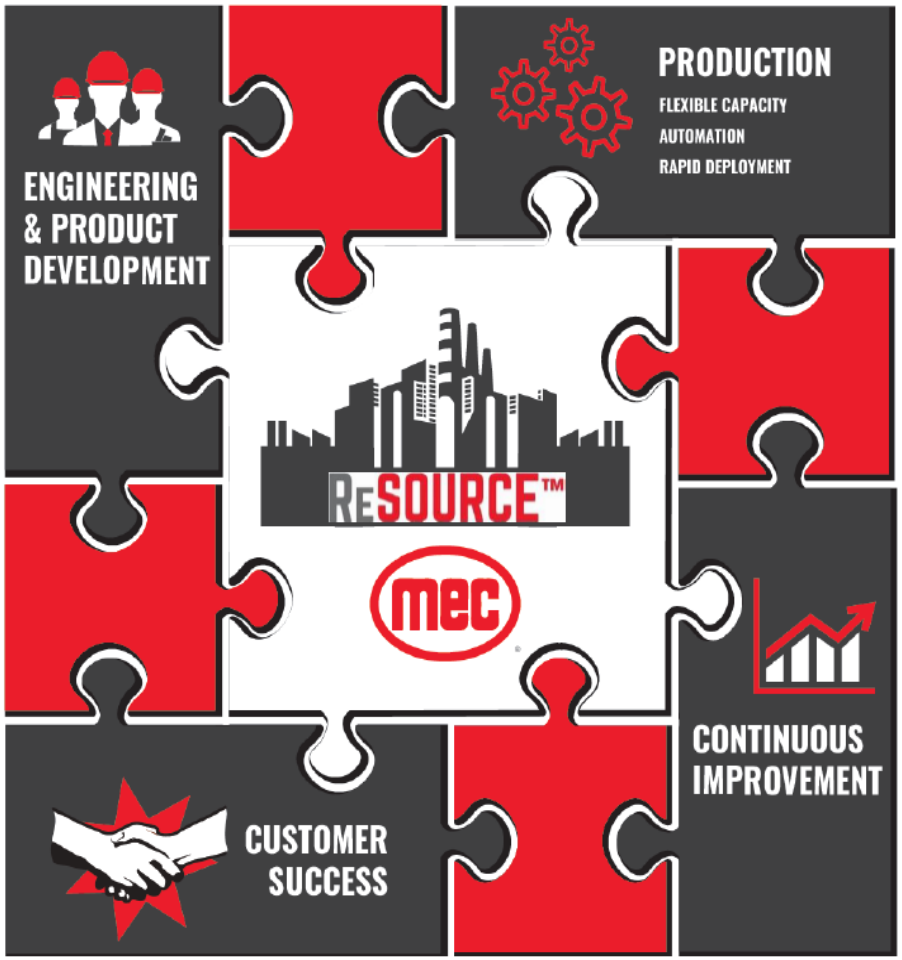


Focus on Manufacturing Efficiencies and Cost Savings

- ✓ Product design expertise
- ✓ Regional / local expansion and focus
- ✓ Supply chain simplification

MEC is THE answer for OEM customers' outsourcing needs

Unique Value Proposition

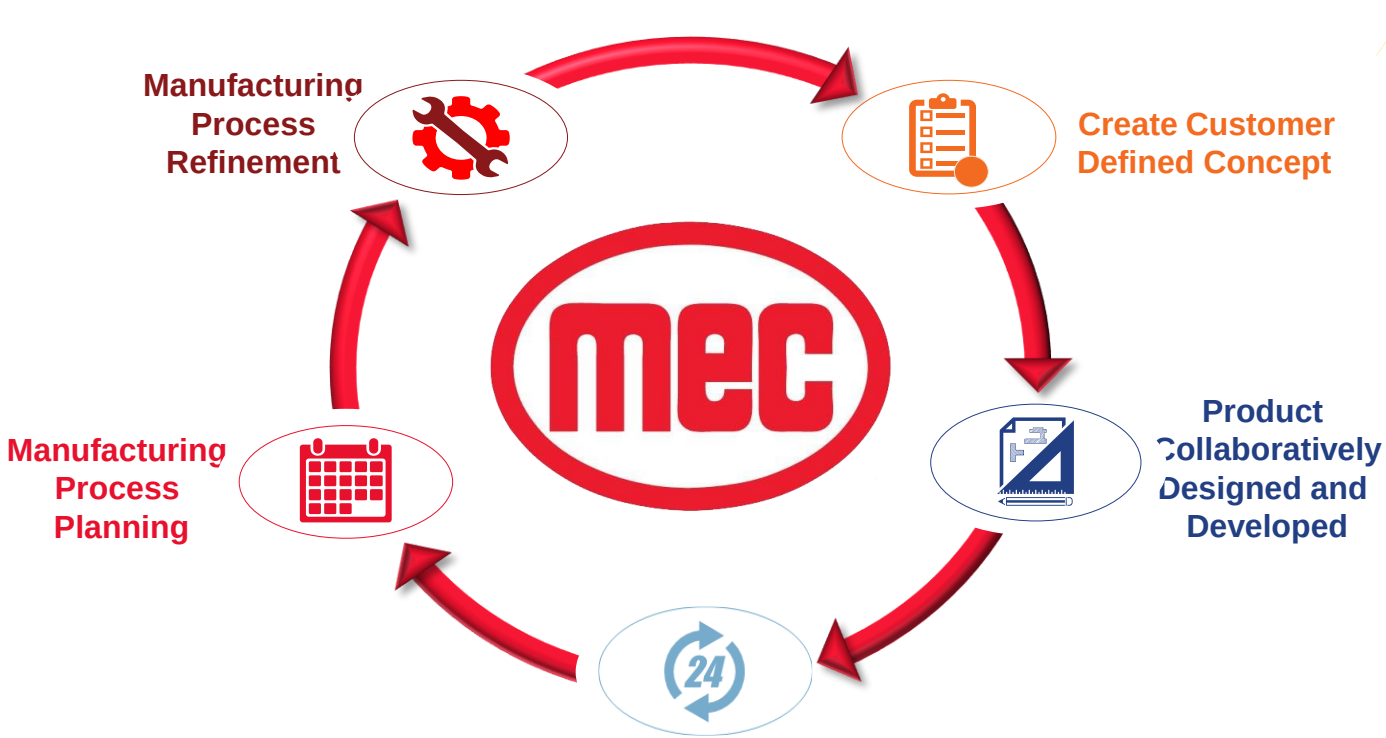


A Single-Source Solution for Customers

- Unmatched Scale and Footprint
- Broad Range of End-to-End Solutions and Capabilities
- Extensive Application Expertise Across Multiple Markets
- Supply Chain Simplification and Reduction
- Strategic Alignment with Customers
- Reduced Working Capital and Fixed Asset Investment
- Improved Quality and Collaboration
- Keen Focus on Continuous Improvement

Full Service Offering

Providing Value-Added Services for Customers
Virtuous Cycle of Continuous Improvement



Large built-in opportunity to drive growth

Longevity of customer relationship = better able to forecast demand

Interjected planning / development / specification process creates barriers to entry

Ongoing Margin Expansion

Benefiting From Continuous Investments and Operating Leverage

Fiber Lasers



- ✓ **Increased Efficiency**
  - Three times faster
  - 1/3 power consumption of CO_2 lasers
- ✓ **Financially Viable**
  - ~47% IRR
  - < 2 year payback period
- ✓ **First Mover Advantage in Industry**

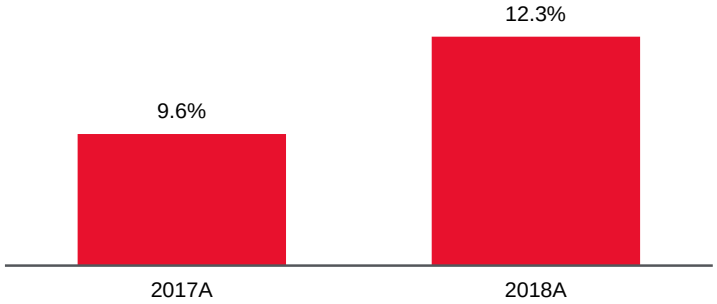
Robotic Brake Presses



- ✓ **Increased Efficiency**
  - Reduces set up procedures and manual employee lifting requirements
  - Additional employee capacity created
- ✓ **Financially Viable**
  - ~55% IRR
  - ~2 year payback period

Strong Adjusted EBITDA Margin Expansion

(Not Adj. for DMP)



260+ bps Adjusted EBITDA Margin Expansion(1)(2)

Main Drivers:

- Asset base productivity
- Automation investments
- Six Sigma continuous improvement initiatives

Long runway of further margin-enhancing productivity investments

(1) Not adjusted for acquisition of DMP.

(2) Adjusted EBITDA margin is not a financial measure calculated in accordance with GAAP. Adjusted EBITDA margin is adjusted EBITDA expressed as a percentage of net sales. Please refer to the appendix in the back of this presentation for a reconciliation of adjusted EBITDA margin to net income, the most comparable measure calculated in accordance with GAAP.

Technology Investments = Customer Retention and Increased Efficiency

Technologically Advanced Automation-Focused Investments



Robotic Brake Presses



Fiber Lasers



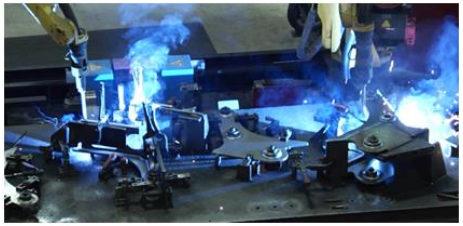
Laser Material Handling



Tube Lasers with Automated Material Feeders



Horizontal Machining Center Automation - Pallet System



Robotic Weld Systems with Automated Clamping

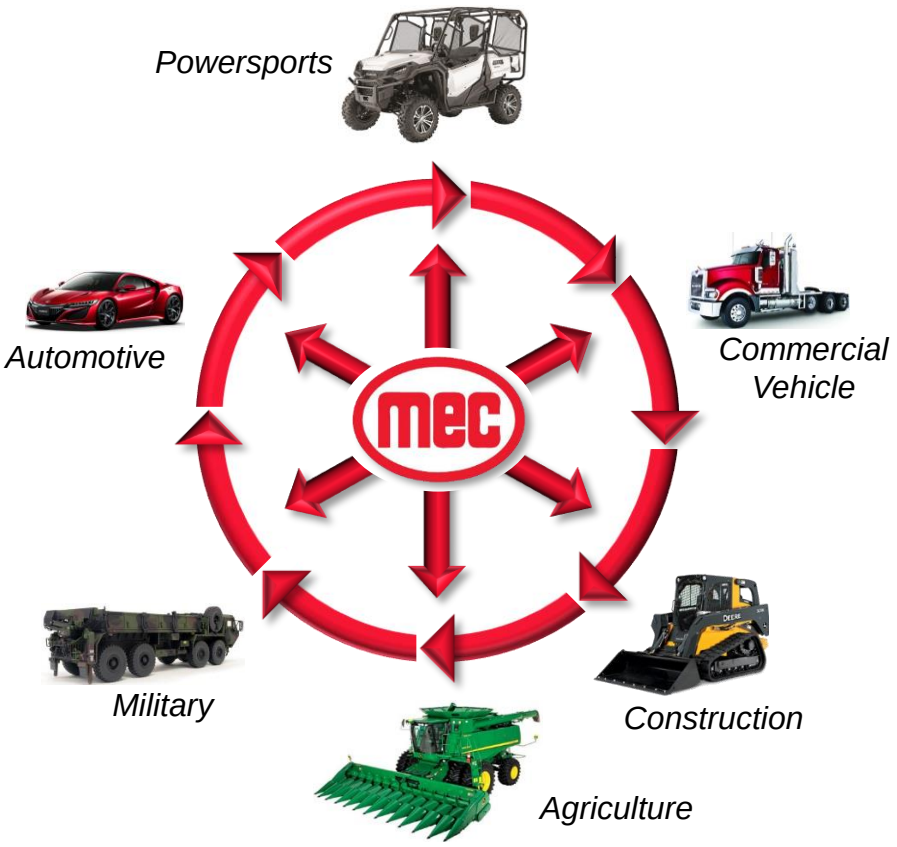


E-Coat Line

Denotes recent investment

Flexible, re-deployable automation capabilities lower costs and improve efficiency & throughput

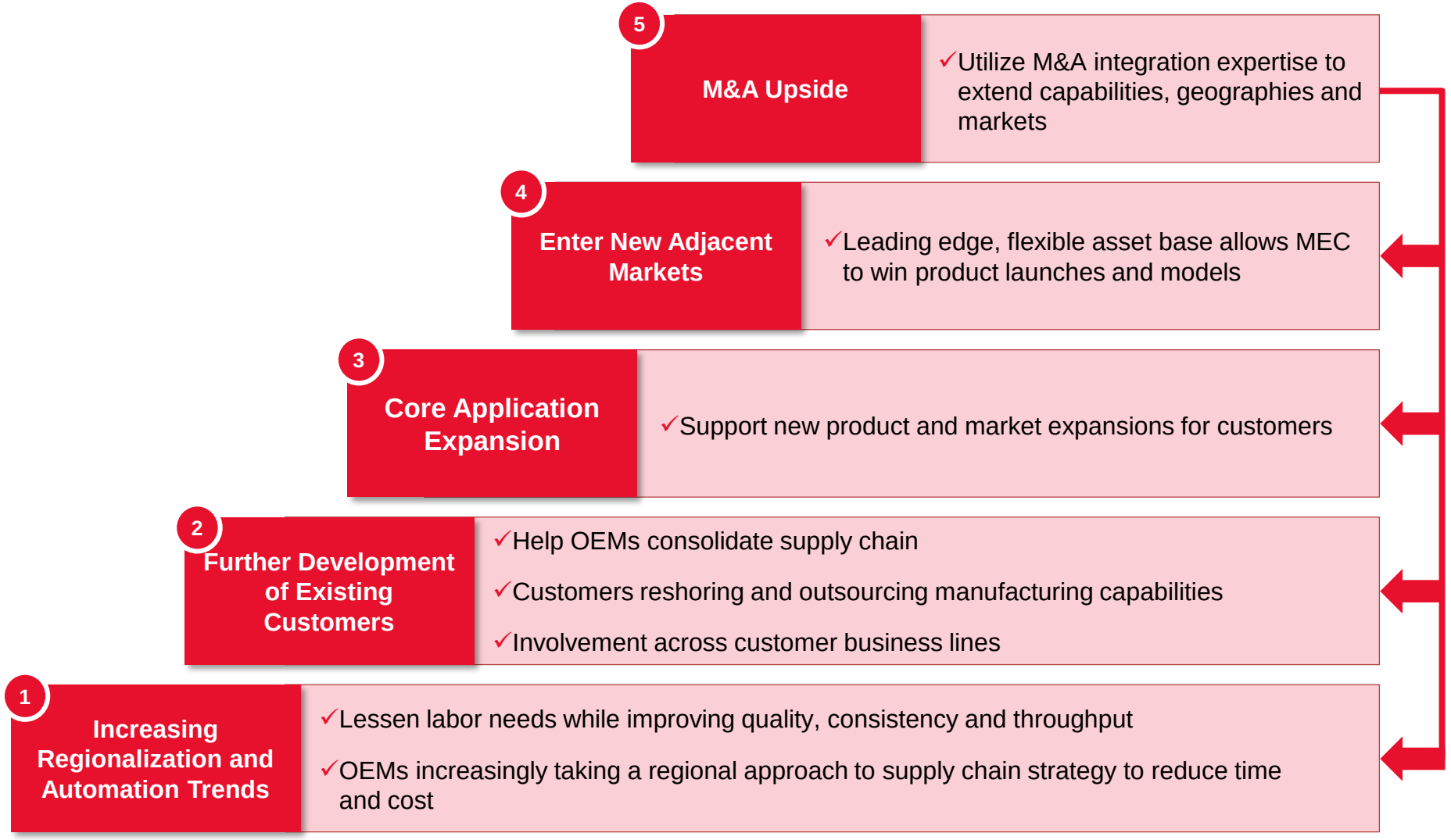
Maximizing Cash Flow Stability



Aligned markets & capacity helps stabilize performance regardless of end market volatility

Agility	Adaptability	Alignment
+		Proprietary customer insights
+		Flexible, re-deployable asset base
+		Diversified breadth of capabilities
=		Preferred manufacturing partner
=		Stability through cycles

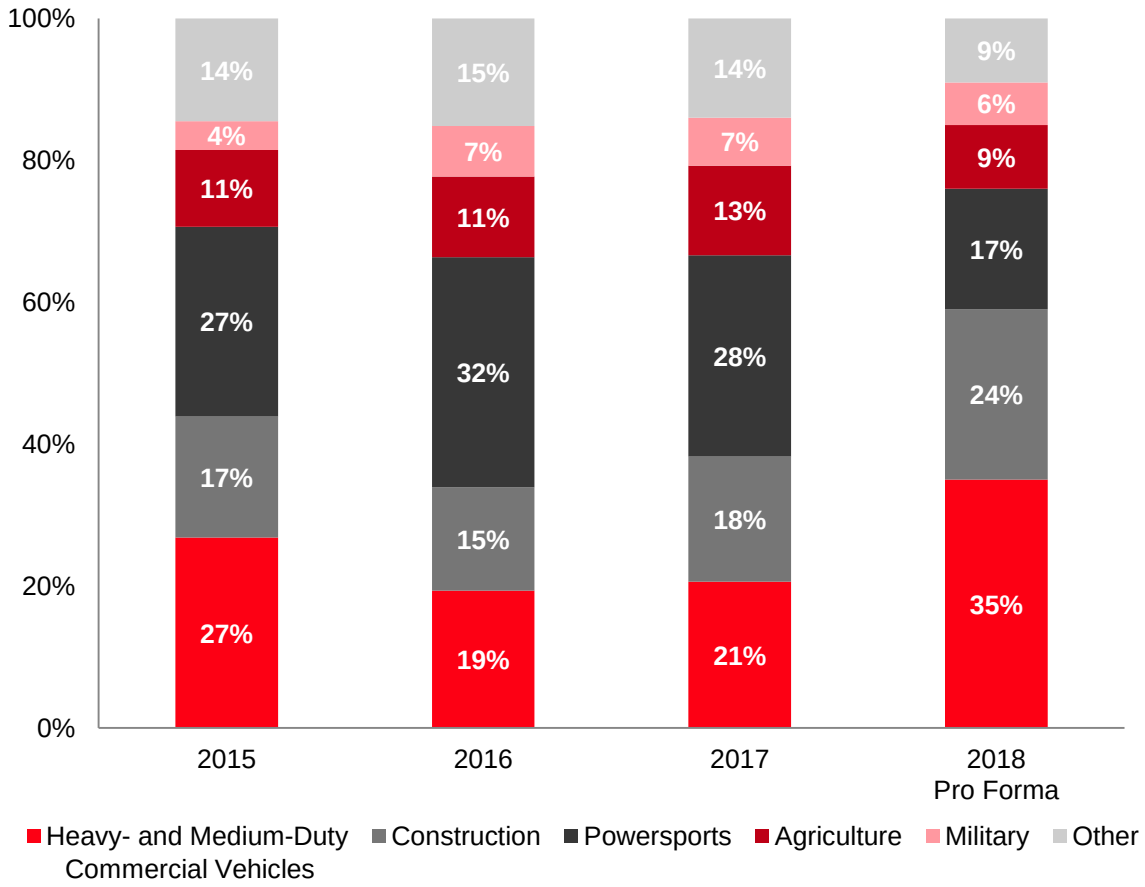
MEC: Growing With Customers



Diverse End Markets and Ability to Shift with Demand

End Market Diversification

(% of Net Sales)



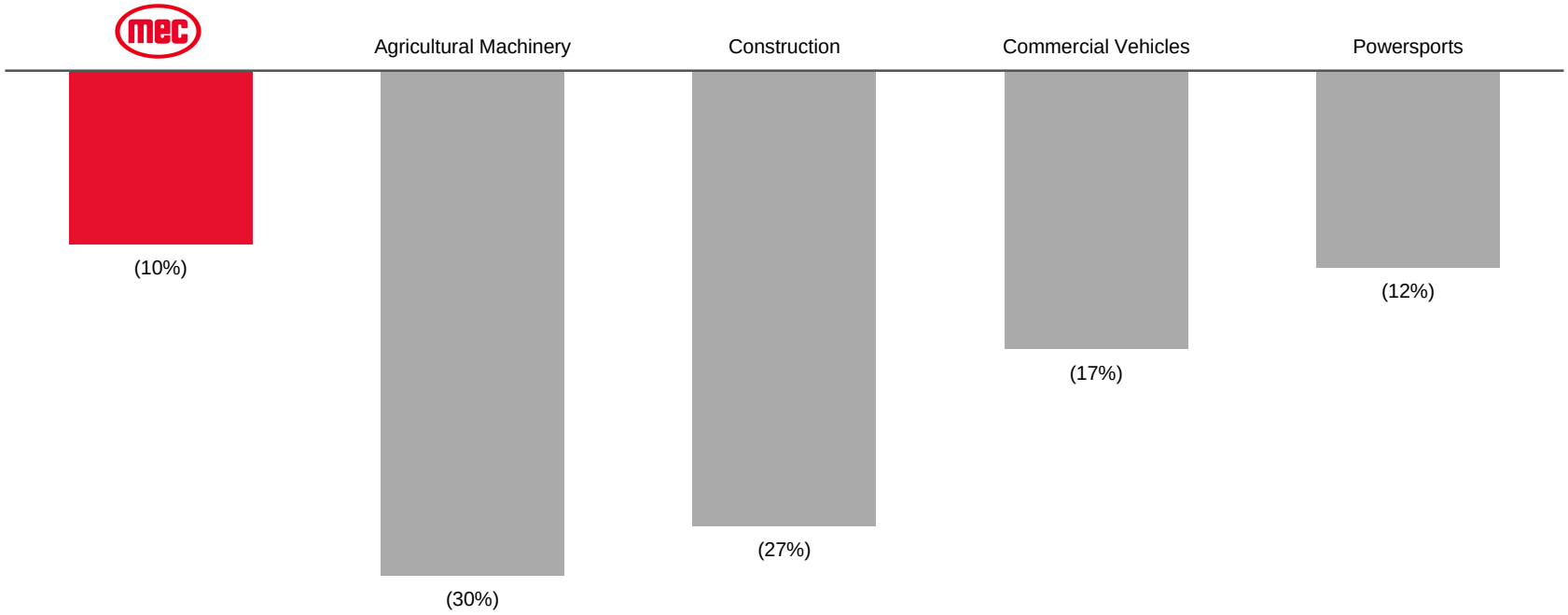
✓ Diverse End Markets

✓ Diversity Within End Markets

MEC is well-positioned to generate cash in every business environment

Demonstrated Ability to Manage Through Industrial Cycle

Peak to Trough Revenue Analysis (2013 – 2017)



- Agile business model allows strategic allocation of capacity to favorable end markets as industry dynamics shift
- While MEC's Ag & Military revenues declined, MEC reallocated capacity to Powersports and Commercial Vehicles, which grew 62% (2013-2016) and 29% (2013-2015), respectively
- Unique flexibility shields exposure to potential end market demand and commodity price volatility

Source: Company 10-K filings, company investor presentations and company press releases.
Note: Agriculture reflects DE, AGCO and CNHI. Construction reflects CAT, CNHI, OSK and DE. Powersports reflects HOG. Commercial Vehicles reflects CMI, PCAR, NAV, and CVGI. Averages reflect simple average.

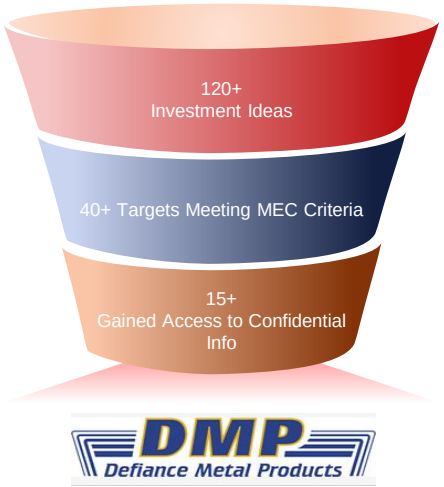
Demonstrated M&A Capabilities

M&A Strategy

To accelerate growth: Prioritize targets that complement MEC from a capability, market or geographic perspective

- ✓Attractive purchase multiples
- ✓Strong synergy capture

Preferred Consolidator in a Fragmented Market



Acquisition of Defiance Metal Products ("DMP")

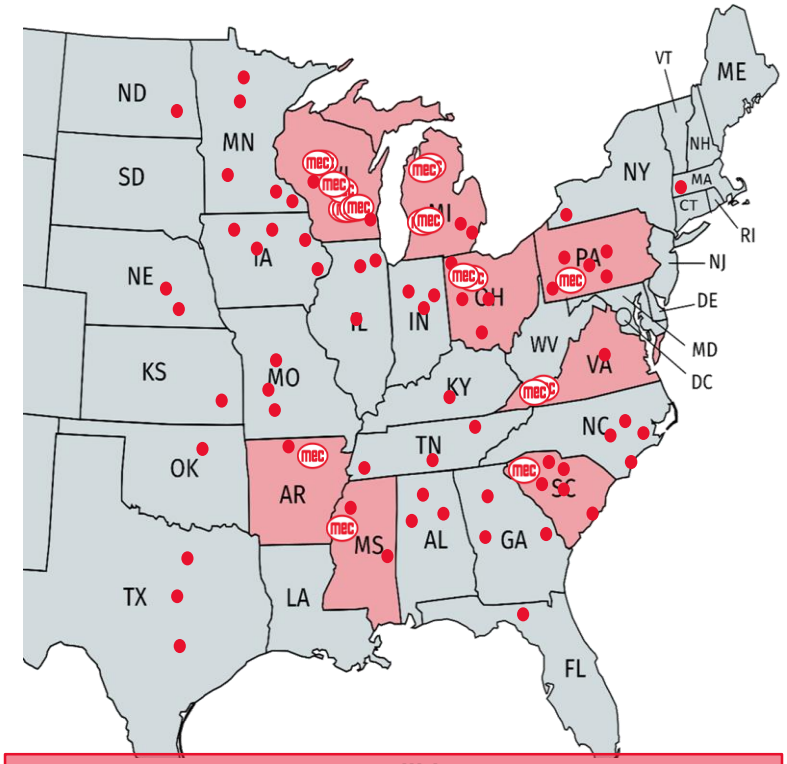
- Acquired DMP for $115M - December 2018
- Ohio-based manufacturer of metal products for the heavy- and medium- duty commercial vehicles, construction, agriculture and military industries

Significant Synergy Opportunity

- ✓ Back office
- ✓ Operational best practices
- ✓ Purchasing optimization
- ✓ Cross-sell MEC capabilities to DMP customers

Leading Platform Built Over Time

Strategically Located Facilities To Best Serve Customers



21 Facilities
~3MM square feet

Facility

Selected Customer Locations

https://www.mecinc.com/our-company/about-us/history

Year	Acquisition	Capability Extension
2004	Custom Metal Products	Military products, complex fabrication
2004	Phoenix Coaters	CARC painting
2009	Fabricating Specialists	Tube bending, forming and welding
2012	center manufacturing, inc.	Powersports and CV products
2013	APEX CLAY TRAPS	Outdoor Sports products
2018	DMP Defiance Metal Products	Construction, CV and Military products

Significant Acquisition

Additional capabilities allows MEC to grow and deepen customer relationships



Financial Overview

Financial Highlights

$524MM
2018A Pro Forma Net Sales

13%
Sales Growth
('17A – '18A(1))

(10%)
Max Peak-to-Trough Sales Volatility Since 2013
End Market Average Decline(2): (23%)

~11%
2018A Pro Forma Adjusted EBITDA(3)(4) Margin

260+ bps
Adjusted EBITDA(3) Margin Expansion
('17A – '18A(1))

>50%
2018A Adjusted Free Cash Flow(3) Conversion
(Pre-ESOP Obligation)

Strong fundamentals provide MEC with a compelling financial profile that will continue to drive value

(1) Not adjusted for acquisition of DMP.

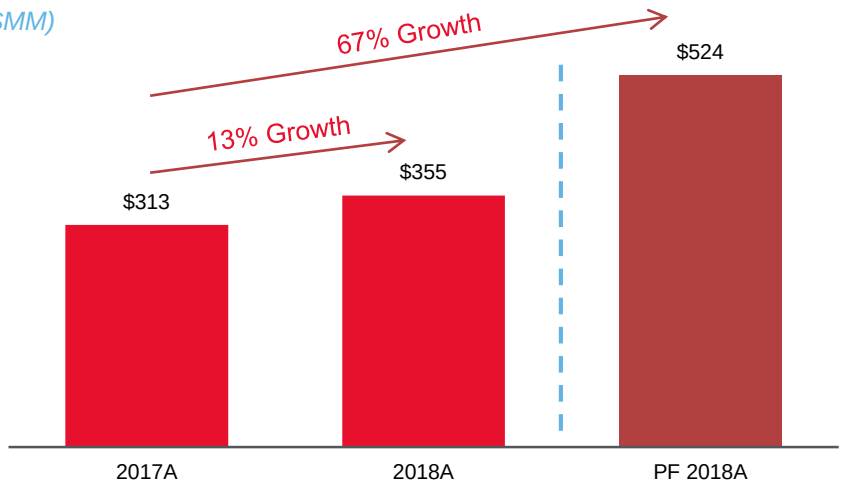
(2) Includes selected Agriculture, Construction, Powersports and Commercial Vehicles companies. Agriculture reflects DE, AGCO and CNHI. Construction reflects CAT, CNHI, OSK and DE. Power Sports reflects HOG. Commercial Vehicles reflects CMI, PCAR, NAV, and CVGI. Reflects simple average.

(3) Adjusted EBITDA, adjusted EBITDA margin, free cash flow and adjusted free cash flow conversion are not financial measures calculated in accordance with GAAP. MEC defines adjusted EBITDA as EBITDA before transaction fees incurred in connection with the acquisition of Defiance Metal Products Co, Inc. in December 2018, the potential initial public offering and the loss on debt extinguishment relating to the refinancing of MEC's credit agreements. Adjusted EBITDA margin represents adjusted EBITDA expressed as a percentage of net sales. Free cash flow is defined as net income + depreciation + amortization – change in net working capital – capital expenditures. Adjusted free cash flow conversion is defined as free cash flow expressed as a percentage of adjusted EBITDA. Please refer to the appendix in the back of this presentation for a reconciliation of adjusted EBITDA, adjusted EBITDA margin, free cash flow and adjusted free cash flow conversion to net income, the most comparable measure calculated in accordance with GAAP.

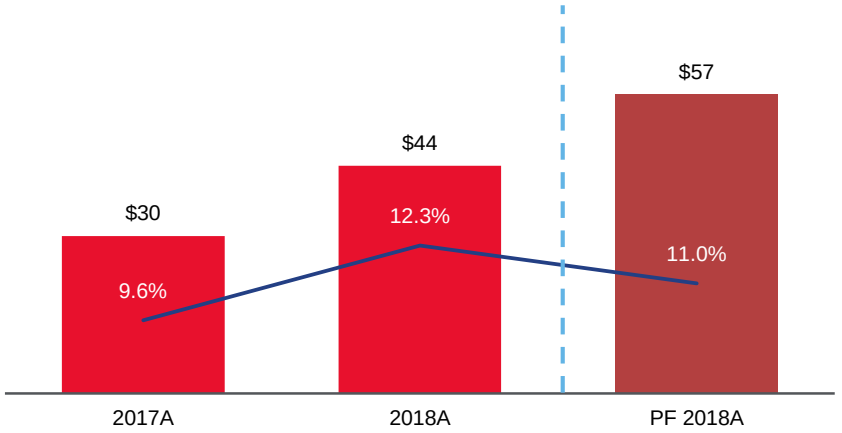
(4) MEC 2018 standalone adjusted EBITDA margin: 12.3%.

Strong Financial Momentum and Trajectory for Growth

Revenue
($MM)

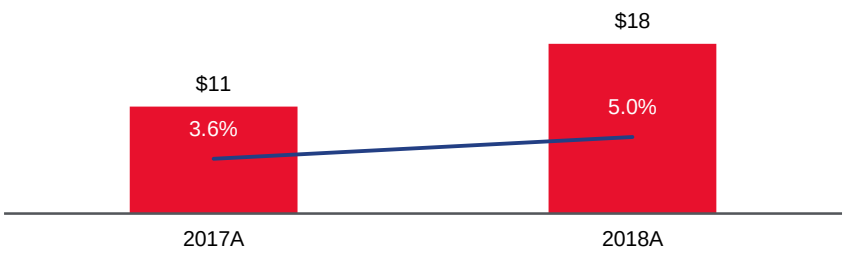


Adjusted EBITDA(1) & Adjusted EBITDA Margin(1)
($MM)

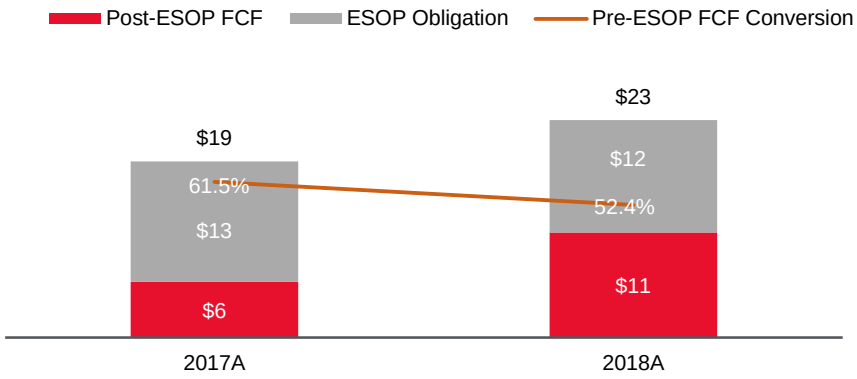


Capex & Percentage of Sales
($MM)

2018: High return growth investments in advanced automation equipment



Free Cash Flow(1)
($MM)



Note: 2018A not adjusted for acquisition of DMP; PF 2018A are adjusted for the acquisition of DMP.

(1) Free cash flow, adjusted EBITDA and adjusted EBITDA margin are not financial measures calculated in accordance with GAAP. MEC defines free cash flow as net income + depreciation + amortization – change in net working capital – capital expenditures. Please refer to the Appendix in the back of this presentation for a full reconciliation of free cash flow to net income, the most comparable financial measure calculated in accordance with GAAP.

Long-Term Strategic Targets: Significant Potential

- Grow & Maintain Deeply Embedded Relationships with Leading #1 or #2 Blue Chip OEMs
- Further Geographic and Market Expansion Opportunities to Grow OEM Customer Base

Organic Revenue Growth CAGR: High Single Digits

- Leverage Core Product Capabilities to Identify Adjacencies and Enhance One-Stop Solution Offering
- Continue Investment in the Business, Prioritizing Strategic, High-Return Investments
- Continue to Execute on Strategic Acquisition Opportunities

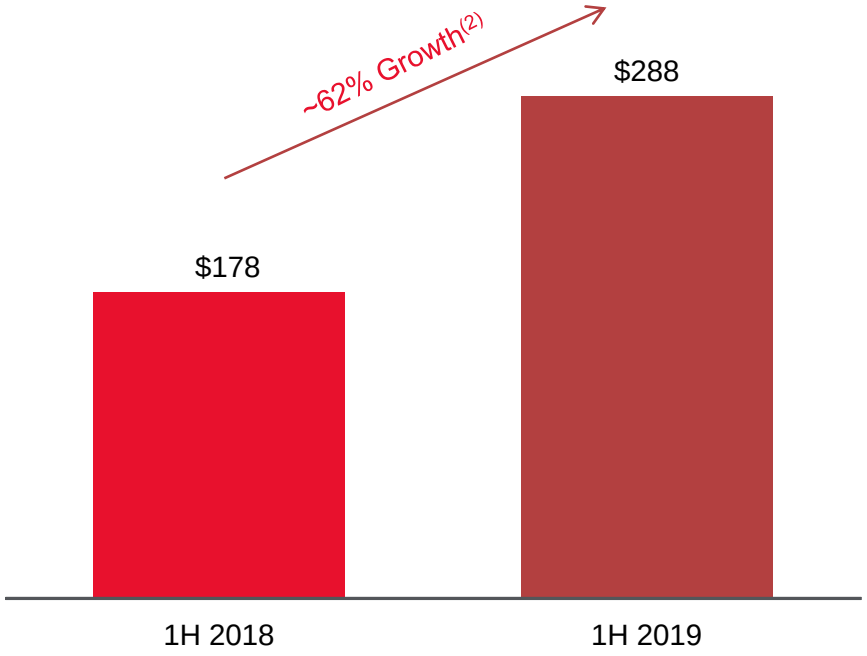
Targeted Adjusted EBITDA Margin of 15%+(1)

Note: These targets are forward-looking, are subject to significant business, economic 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 may vary and these 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.

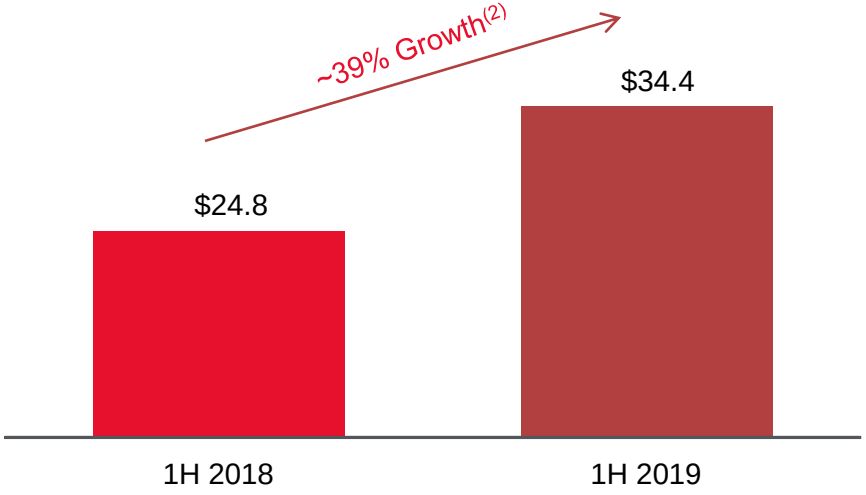
(1) Adjusted EBITDA margin is not a financial measure calculated in accordance with GAAP. MEC defines adjusted EBITDA as EBITDA before transaction fees incurred in connection with the acquisition of Defiance Metal Products Co, Inc. in December 2018, the potential initial public offering and the loss on debt extinguishment relating to the refinancing of MEC's credit agreements. Adjusted EBITDA margin represents adjusted EBITDA expressed as a percentage of net sales.

MEC 1H19 Results

Net Sales ($MM)



Adjusted EBITDA ($MM)(1)



Note:

Q1 2018 not adjusted for DMP

Our independent registered public accounting firm has not reviewed, audited or performed any procedures on these preliminary financial results and, as a result, expresses no opinion thereon. This summary is not meant to be a comprehensive presentation of our unaudited consolidated financial position for the three months then ended Q1 2019E. Our actual results may change from those set forth above as a result of the completion of our consolidated financial statements, financial adjustments and other developments that may arise between now and the time the financial results for this period are finalized.

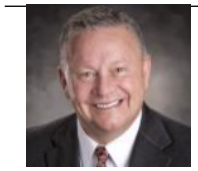
(1) Adjusted EBITDA is not a financial measure calculated in accordance with GAAP. MEC defines adjusted EBITDA as EBITDA before transaction fees incurred in connection with the acquisition of Defiance Metal Products Co, Inc., our potential initial public offering and the loss on debt extinguishment relating to the refinancing of our credit agreements. Please refer to the appendix in the back of this presentation for a reconciliation of adjusted EBITDA to net income, the most comparable measure calculated in accordance with GAAP.

(2) Adjusted EBITDA for 1H 2019 includes ~$30 million of addbacks ($10.2 million for the Deferred Compensation one-time adjustment specific to the IPO, $10.6 million for the Long Term Incentive Plan one-time adjustment specific to the IPO, $3.5 million for the DMP contingent consideration fair value adjustment, and the remainder mostly specific to one-time IPO and acquisition related expenses and charges).



Appendix

Experienced Team

		Age	Years at MEC	Prior Experience
	**Robert D. Kamphuis** Chairman, President and CEO	61	14	Gidding & Lewis, EY
	**Todd M. Butz** Chief Financial Officer	47	10	Mercury, Schenck
	**Stephen P. Mance** Chief Operating Officer	60	8	Bendix, Hendrickson
	**Ryan F. Raber** Executive Vice President – Strategy, Sales and Marketing	36	9	Morton, Metalcraft
	**Eric J. Welak** Executive Vice President – Fabrication	43	24	mec
	**Clifford O. Sanderson** Vice President – Human Resources	61	5	CCI, USG, Wheeling Pittsburgh Steel Corporation

EBITDA and Adjusted EBITDA Reconciliation

(US$ in millions)	For the Year Ended December 31, 2018: Pro Forma	2018	2017
Net Income	**$18.1**	**$17.9**	**$5.2**
Interest Expense	8.9	3.9	4.2
Provision (Benefit) from Income Taxes	1.0	(0.5)	--
Other	--	--	0.0
Depreciation and Amortization	29.4	20.5	20.7
EBITDA	**$57.4**	**$41.8**	**$30.2**
Transaction Fees[(1)]	--	0.5	--
Inventory Fair Value Step-up[(2)]	--	0.6	--
Loss on Debt Extinguishment[(3)]	--	0.8	--
Adjusted EBITDA	**$57.4**	**$43.7**	**$30.2**
Net Sales	**$523.7**	**$354.5**	**$313.3**
EBITDA Margin	*11.0%*	*11.8%*	*9.6%*
Adjusted EBITDA Margin	*11.0*	*12.3*	*9.6*

Source: Company filings.
(1) Includes transaction fees incurred in connection with the DMP acquisition and the IPO. No transaction fees were incurred in 2017.
(2) Relates to the purchase accounting for the one-time fair value step up inventory.
(3) Related to the refinancing of MEC's credit agreements.

Free Cash Flow Reconciliation

(US$ in millions)	For the Year Ended December 31, 2018	2017
Net Income	**$17.9**	**$5.2**
Depreciation and Amortization	20.5	20.7
Change in Net Working Capital	(7.5)	3.8
Capital Expenditures	(17.9)	(11.3)
Purchase Accounting Related Adj.	9.9	0.0
Pre-ESOP Free Cash Flow	**$22.9**	**$18.6**
ESOP Obligation	(11.8)	(12.7)
Post-ESOP Free Cash Flow	**$11.1**	**$5.9**
Adjusted EBITDA	**$43.7**	**$30.2**
Pre-ESOP FCF Conversion	*52.4%*	*61.5%*
Post-ESOP FCF Conversion	*25.3*	*19.5*

Source: Company Filings.



Investor Presentation

Robert Kamphuis – Chairman, President & CEO

Todd Butz - CFO

August 2019