



NASDAQ: LYTS

**INVESTOR
PRESENTATION**
AUGUST 2024

DISCLAIMER

Forward-Looking Statements



This presentation contains “forward-looking statements”—that is, statements related to future events within the meaning of the Private Securities Litigation Reform Act of 1995. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. In this context, forward-looking statements often address our expected future business, financial performance, financial condition and results of operations, often contain words such as “estimates,” “targets,” “anticipates,” “hopes,” “projects,” “plans,” “expects,” “intends,” “believes,” “seeks,” “may,” “will,” “see,” “should” and similar expressions and the negative versions of those words, and may be identified by the context in which they are used.

Such statements, whether expressed or implied, are based upon current expectations of LSI and speak only as of the date made. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed or implied. Forward-looking statements include statements that address activities, events or developments that LSI expects, believes or anticipates will or may occur in the future, such as earnings estimates (including projections and guidance) and other predictions of financial performance. Forward-looking statements are based on LSI’s experience and perception of current conditions, trends, expected future developments and other factors it believes are appropriate under the circumstances and are subject to numerous risks and uncertainties, many of which are beyond LSI’s control.

These risks and uncertainties include, but are not limited to the following: the impact of competitive products and services; product and pricing demands, and market acceptance risks; LSI’s reliance on third-party manufacturers and suppliers; substantial changes to the refueling and convenience store and grocery markets; LSI’s stock price volatility; potential costs associated with litigation, other proceedings and regulatory compliance; LSI’s ability to develop, produce and market quality products that meet customers’ needs; LSI’s ability to adequately protect intellectual property; information technology security threats and computer crime; reliance on customers and partner relationships; financial difficulties experienced by customers; the cyclical and seasonal nature of our business; the adequacy of reserves and allowances for doubtful accounts; the failure of investments, acquisitions or acquired companies to achieve their plans or objectives generally; unexpected difficulties in integrating acquired businesses; the inability to effectively execute our business strategies; the ability to retain key employees, including key employees of acquired businesses; labor shortages or an increase in labor costs; changes in shift in product mix; unfavorable economic, political, and market conditions, including interest rate fluctuations; changes in U.S. trade policy; the results of asset impairment assessments; risks related to disruptions or reductions in business operations or prospects due to international conflicts and wars, pandemics, epidemics, widespread health emergencies, or outbreaks of infectious diseases such as the coronavirus disease COVID-19; price increases of materials; significant shortages of materials; shortages in transportation; increases in fuel prices; sudden or unexpected changes in customer creditworthiness; not recognizing all revenue or not receiving all customer payments; write-offs or impairment of capitalized costs or intangible assets in the future or restructuring costs; anti-takeover provisions in LSI’s organizational documents and in Ohio law; and the other risk factors LSI describes from time to time in SEC filings. There may be additional risks of which we are not presently aware or that we currently believe are immaterial which could have an adverse impact on our business.

You are cautioned to not place undue reliance on these forward-looking statements. LSI does not guarantee any forward-looking statement, and actual results may differ materially from those projected. LSI undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, circumstances or otherwise. Additional descriptions of risks, uncertainties and other matters can be found in our annual reports on Form 10-K and quarterly reports on Form 10-Q that we file with the SEC and are incorporated herein by reference. Our public communications and other reports may contain forward-looking projected financial information that is based on current estimates and forecasts. Actual results could differ materially.



COMPANY OVERVIEW

COMPANY OVERVIEW – FY2024 REVENUE \$470M



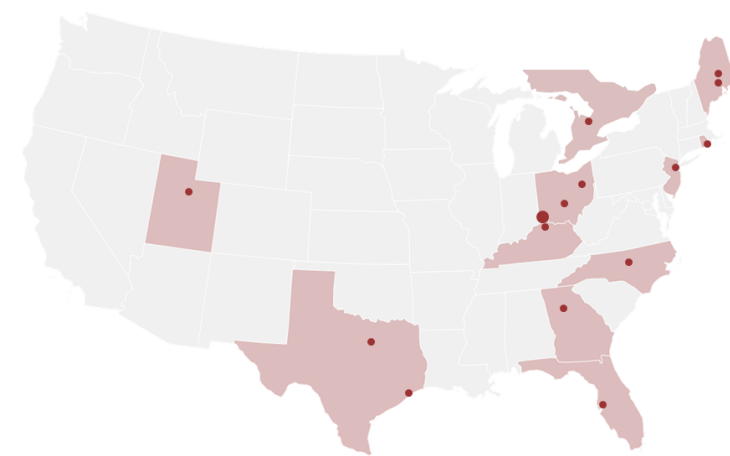
Leading Integrated Lighting and Display Solutions Company

Our Progress

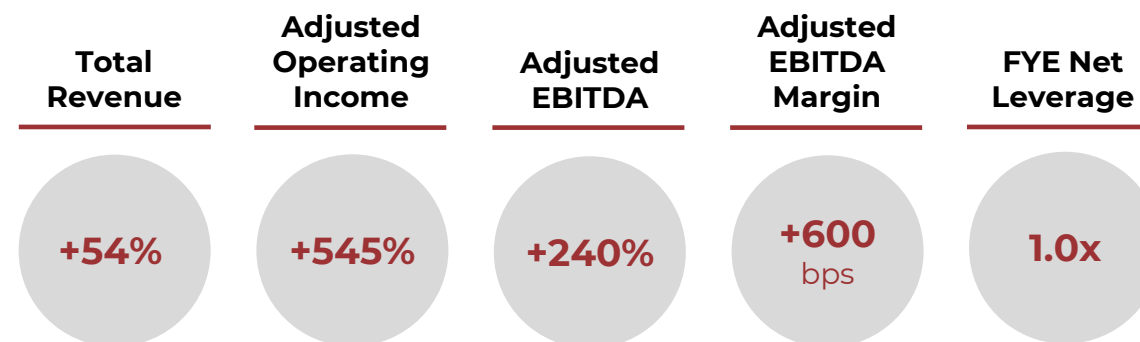
- Expanded market leadership by driving targeted vertical acquisitions (EMI and JSI) and advanced solution development.
- Leading vertically integrated commercial indoor/outdoor lighting and display solutions company – strong foundation with entrenched position in growing vertical markets
- Multi-year focus on migration to higher-value solutions culminated in substantial multi-year improvements, highlighted by sustained revenue growth, margin expansion, EBITDA and free cash flow conversion
- Built high-performance organization throughout the business
- Dual-track organic / inorganic growth strategy to support stair-step increase in operating performance and profitability
- Robust return of capital program, including quarterly cash dividend and share repurchase authorization

Our Footprint

Serving Our Marketplace From 16 Manufacturing Locations



Our 4-Year Performance⁽¹⁾



Multi-Year Business Transformation Positioned LSI to Expand within New, Higher-Margin Growth Markets

(1) Results for the twelve months ended June 30, 2024 as compared to the FY20 period

VERTICAL MARKET FOCUS

Customize Solutions Serving High-Value Applications



Vertical Markets



Market Driven
Portfolio

Lighting Solutions

Indoor

- High Bay
- Downlights
- Linear
- Troffer
- Retrofit Kits
- Decorative

Outdoor

- Area
- Canopy
- Garage
- Wall Mount
- Flood
- Bollards

Controls

- Sensors
- Photocontrols
- Dimmers
- Motion Detection
- Bluetooth Systems
- Wireless IoT Systems

Display Solutions

- Printed Graphics
- Facades and Cladding
- Digital Signage
- Menu Board Systems
- Display Fixtures
- Refrigerated Displays
- Custom Millwork

Services

- Creative Services
- Site Surveys
- Permitting
- Construction / Installation
- Rebrands / Change-Outs
- Content Management
- Post-Implementation

INNOVATION

New Products / New Markets



REDiMount™

International PCT Application No.
PCT/US2022/031165



Revitalized
Portfolio
V-Locity™



Environmentally
Friendly
Refrigerants
R290



Enabling Safety
thru Technology

Customer / Market Driven Opportunities

Strong Vertical Alignment

- **40+** New or Improved Products Launched Annually
- **100+** New or Improved Products Over the Last 4 Years
- **30+% of Sales** Come from New Products
- **Robust** Product Development Process
- Developing **Enhanced Services** Business
- Developing **RMR** (Reoccurring Monthly Revenue)
- Specific Innovation
 - REDiMount Mounting System
 - Environmentally Friendly Refrigerated Displays
 - Enhanced Environmental Safety
 - Expanded Warehouse and Sports Offerings
 - Controls for Energy Conservation and Title 24 Compliance

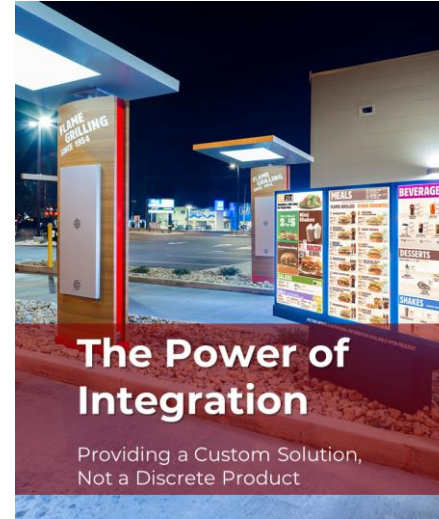
PROFESSIONAL SERVICES

Adapt – Fully Scalable Offering



Program Management

- Surveys
- Take-Offs / Specifications
- Permit Sets / Permitting
- Warehousing / Logistics
- Construction Management
- Installation
- Information / Data Management
- Program Reporting



- Program Managed LSI Digital Menu Boards at More than **6,500 Locations** for One of the Largest Fast-Food Chains in North America
- **\$100 Million**, Three-Year Award Through Calendar Year-End 2022. Positioned LSI for **\$30 Million** Digital Menu Board Indoor Program
- Under The Terms of the Award, LSI Manufactured the Menu Boards and Performed the Lead **System Integrator** Function, Which Included Program Management and Installation Responsibilities
- LSI's Digital Menu Boards Replaced the Majority of the Customer's Traditional **Indoor and Outdoor Signage**

Site Tracking

Project Management

ID	Task Name	Duration	Start	Finish	Progress
1	Review Purchase Order From Coke	1 day	Mon 8/1/2024	Mon 8/1/2024	100%
2	Attend a Coke / Burger King Team Meeting	1 day	Tue 8/14/24	Tue 8/14/24	100%
3	Develop Contract for Wireless Tracking System	1 day	Tue 8/14/24	Tue 8/14/24	100%
4	Test Wireless Tracking System	20 days	Wed 8/14/24	Tue 10/1/24	100%
5	Make Necessary Changes to the Wireless Tracking System	10 days	Wed 10/2/24	Tue 11/2/24	100%
6	Enter Preliminary Production Schedule into One World	1 day	Tue 8/14/24	Tue 8/14/24	100%
7	Place Order for Materials	1 day	Wed 8/14/24	Wed 8/14/24	100%
8	Obtain & Install the Latest Location List from Coke / Burger King	7 days	Tue 8/14/24	Wed 8/22/24	100%
9	Provide the Restaurant Locations	8 days	Thu 8/22/24	Wed 8/29/24	100%
10	Provide a Finalized Listing of Restaurants to Adapt	2 days	Tue 8/20/24	Wed 8/22/24	100%
11	Develop Field Testing Quality Plan	8 days	Wed 8/14/24	Mon 8/21/24	100%
12	Adapt Provide a Listing of Restaurants Identifying Type of Order by Distribution Center	1 day	Thu 8/30/24	Thu 8/30/24	100%
13	Finalize the Distribution Center Locations	9 days	Fri 10/1/24	Tue 10/8/24	100%
14	Finalize Installers	1 day	Wed 10/9/24	Wed 10/9/24	100%
15	Obtain Sites from Coke / Burger King to Train Installers	11 days	Thu 10/10/24	Thu 10/24/24	100%
16	Obtain Sites from Coke / Burger King to Train Installers	10 days	Thu 10/10/24	Wed 10/23/24	100%
17	Train Installers to Distribute the Center	10 days	Tue 10/22/24	Thu 10/24/24	100%
18	Meet with Dealer to Discuss Finalized Program	1 day	Mon 10/14/24	Thu 10/14/24	100%
19	Training and Documentation Plan for Distribution Centers and Installers for Wireless System	20 days	Fri 10/11/24	Thu 11/14/24	100%
20	Train Installers on the Installation of Teaser, Inside Light Box, and Enclosures	2 days	Fri 10/25/24	Thu 11/1/24	100%

ExxonMobil Payment Updates

- 11,700+ Locations
- 2 ½ Month Rollout
- Apple & Google Pay Pump Updates
- Included Design / Planning / Printing / Installation
- 24 Installation Technicians

7-Eleven Lighting Upgrades

- 6,900+ Sites Over 2 Years
- Upgrade Lighting to LED
- Area, Canopy, Soffit, & Wall Pack Lighting
- Survey, Permitting, Installation

Phillips 66 Site Assessment

- 7,519 Location Field Surveyed in 107 days
- 36 Survey Crews
- Project-Specific Information
- General Site Information

STRONG CUSTOMER ENGAGEMENT



Target Verticals with End-User Specific Lighting & Display Solutions

Strong Value Proposition

- We provide integrated lighting and display solutions to a growing base of long-tenured customer brands
- Our marketing, technical and program management expertise provide customers with a one-stop solution that is unique in the markets we serve
- Our customer contracts range from 100s to 1,000s of customer locations, often spanning over a multi-year period
- Balanced revenue across both the Lighting and Display Solutions segments, and multiple vertical markets

We Serve Leading Global Brands



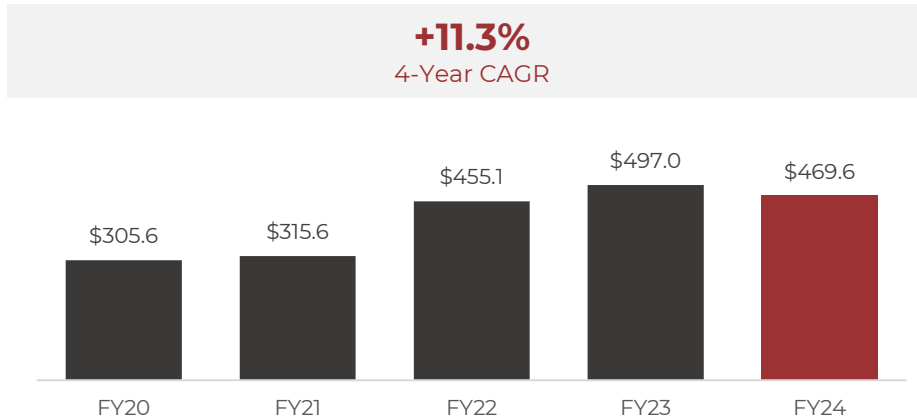
SUSTAINED MULTI-YEAR GROWTH

Strong Track Record of Operational and Financial Execution

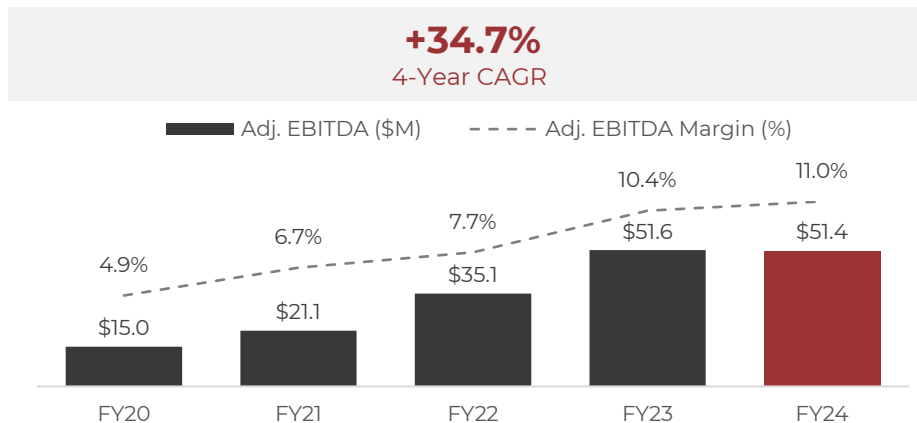


- Sales growth in refueling, C-store, QSR, and other higher-margin targeted verticals, driven by improved operational execution and disciplined capital deployment, successfully offset the significant disruption in Grocery vertical demand
- Invested in commercial and operations initiatives during which improved earnings performance; positioning LSI for stair-step improvement in profitable growth
- Built higher-quality business as a platform to build a bigger, more profitable business

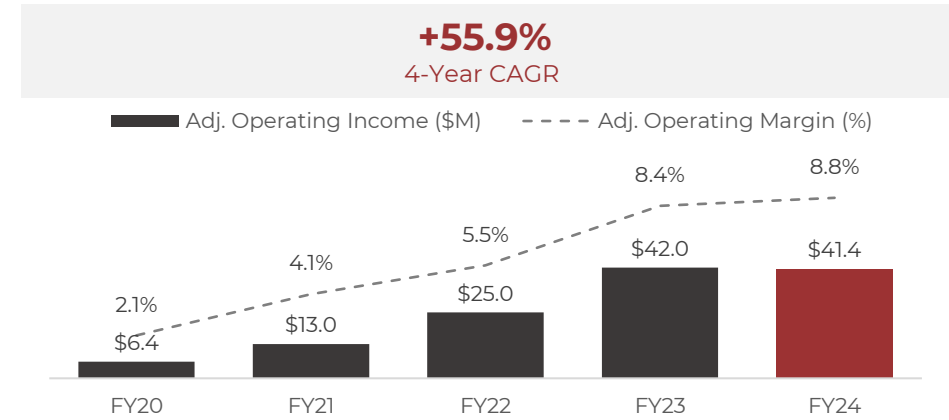
Total Net Sales (\$M)



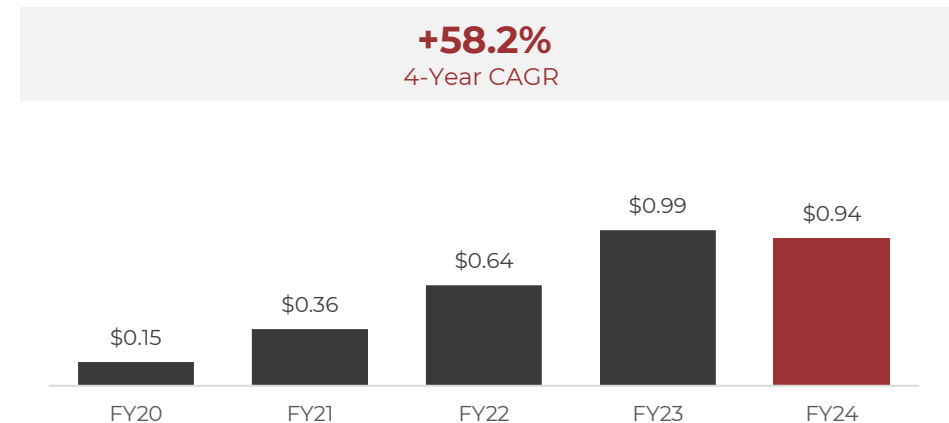
Total Adjusted EBITDA



Total Adjusted Operating Income



Total Adjusted EPS (\$ per diluted share)



LSI Fiscal Year (FY) July 1st, Through June 30th

KEY MESSAGES

Fiscal Fourth Quarter 2024 Results



Sound execution, quality of earnings, acquisition of EMI Industries underscores Q4 performance

Focus on high-value applications and consistent price discipline supports Q4 Adj. EBITDA margin of 10.9%

Results include partial quarter impact of EMI Industries which was acquired in April

Free cash flow generation over \$10 million in Q4, exit FY24 with net leverage of 1.0x



Strong commercial and operational execution

F4Q24 sales 4% above PY driven by partial quarter impact of EMI. Comparable sales down 10% with growth in several vertical markets offset by continued softness in grocery demand. Q4 culminates successful year for LSI as we continued to expand our vertical market capabilities.



Sustained earnings performance

Q4 Adj. EBITDA margin rate of 10.9% consistent with full year rate of 11.0%. Full year FY24 Adj. EBITDA margin increased +60 bps versus PY. Full year Adj. EBITDA of \$51.4 million nearly equal to FY23, achieved on lower sales.



Solid cash flow generates strong Balance Sheet, supporting ongoing investment

Q4 cash flow contributed to full year cash generation of \$38 million. Net leverage of 1.0x; total cash and availability of approximately \$50 million.



Display Solutions realized much improved Q4 book-to-bill ratio

Enter FY25 with strong backlog in refueling/c-store driven by large programs won in FY24. Grocery B-t-B in Q4 was over 1.0 and favorability continued through July, suggesting resumption in grocery demand.



Lighting quote levels remain equal to PY, order conversion period remains lengthened

Demand levels fluctuate by market vertical. Experiencing more expiring/re-quoting due to lengthened Q-t-O cycle. Our multiple price point offering provides customers budget options.



Executing on Fast Forward value creation initiative

Underlying demand fundamentals for our key markets supports multi-year secular growth. Acquisition of EMI expands portfolio of products and solutions, providing significant cross-selling opportunities to both new and existing customers.

CONSOLIDATED FINANCIAL RESULTS



Focus on High-Value Applications and Solid Execution Supports Quality of Earnings

Solid Q4 concludes successful FY2024

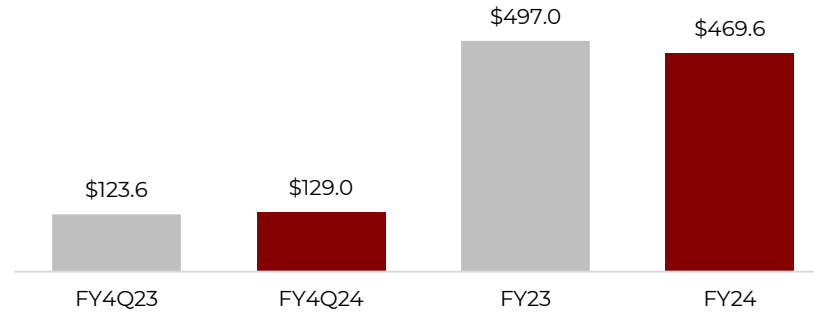
Sales growth in refueling/C-store, QSR and other markets offset by the significant disruption in Grocery vertical demand

Achieved full year Adj. EPS of \$0.95 vs. \$0.99 PY despite sales disruption

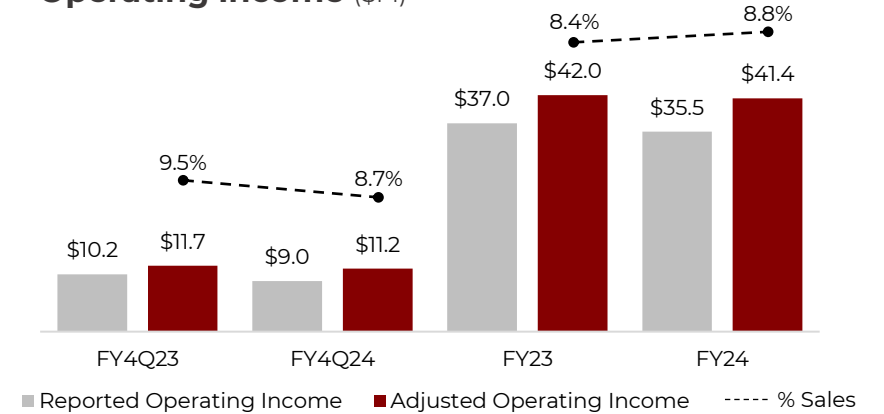
Full year margin rate expansion across all Adj. Earnings metrics

Full year Adj. EBITDA of \$51.4 million virtually equal to PY on lower sales

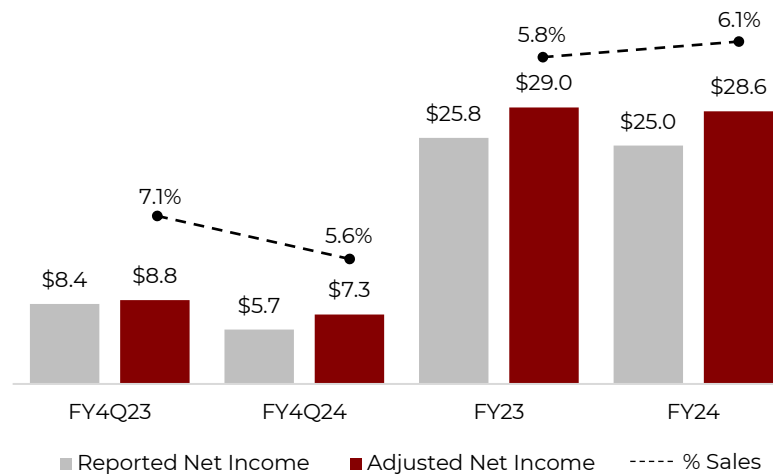
Total Net Sales (\$M)



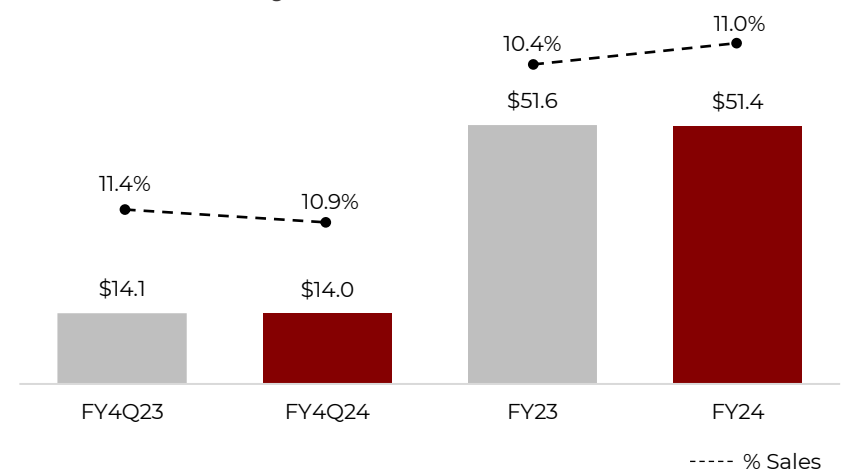
Operating Income (\$M)



Net Income (\$M)



Non-GAAP Adjusted EBITDA (\$M)



DISCIPLINED WORKING CAPITAL MANAGEMENT



Favorable Working Capital Trends Continue; Inventory Aligned with Demand Levels

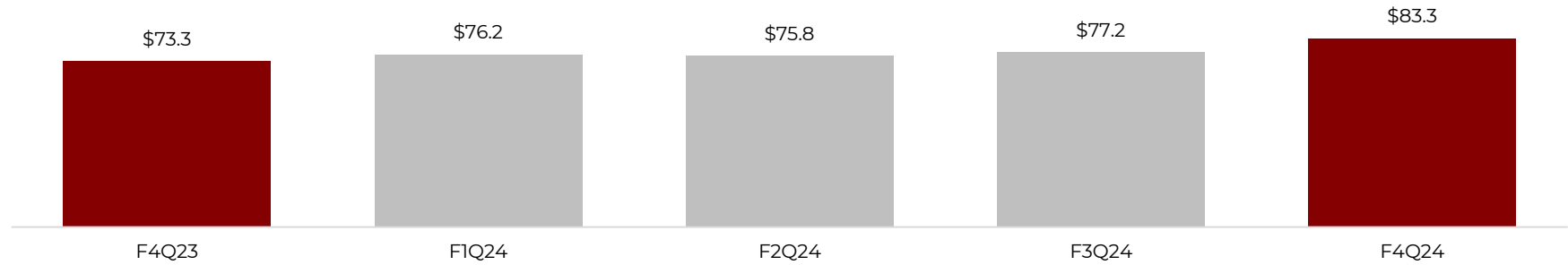
Reduced comparable working capital (excl. EMI) by 2% in Q4 and 4% for full year FY24

Days of Working Capital and Inventory (DIO) remain stable reflecting solid planning and stable supply chain

Maintain critical component inventory levels to capitalize on short lead-time business

Continue to effectively manage new product phase-in/phase-out inventory process

Total Working Capital (\$M)



Total Inventory (\$M)



STRONG CASH GENERATION, BALANCE SHEET DISCIPLINE



Steady Cash Flow Trend Continues; Enabled Acquisition of EMI and Capex Investments

Free cash flow \$10 million on in Q4 and \$38 million for full year

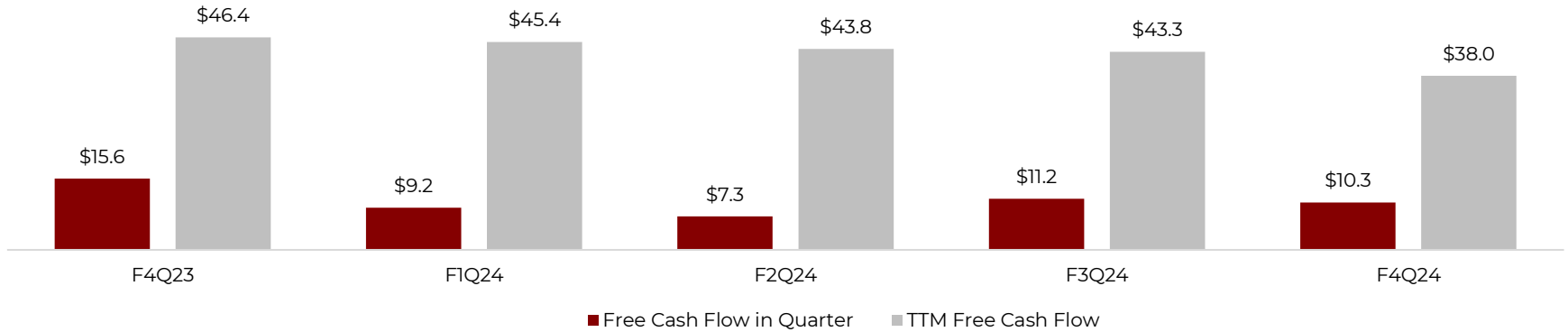
Exit the year with net debt of \$50 million and net leverage ratio of 1.0x

Capex of \$5.5 million in FY24, highest level in five years

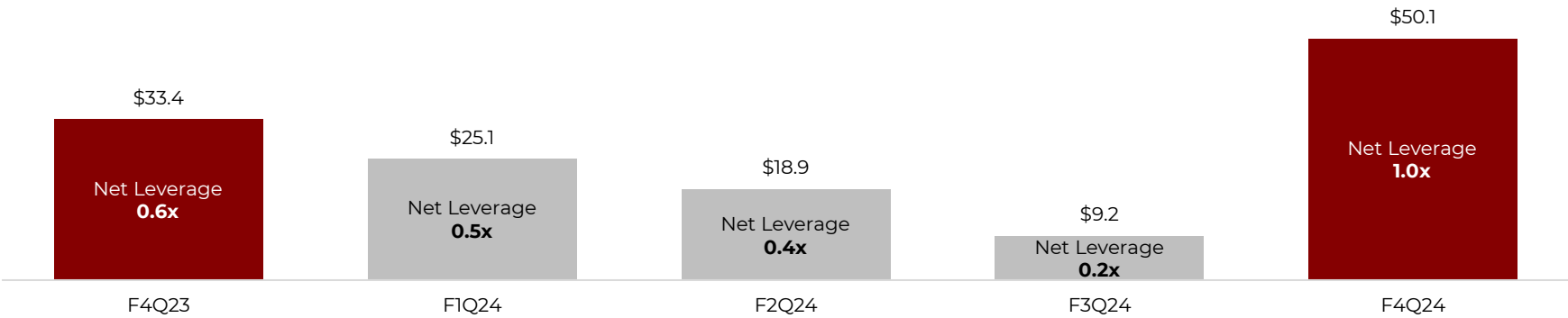
Enter FY25 with strong balance sheet supporting investments in growth

Expect solid cash flow in FY25, prioritizing capital deployment toward debt reduction, return of capital, and growth

Free Cash Flow (\$M)⁽¹⁾



Net Debt Outstanding (\$M)⁽²⁾



(1) Free cash flow (FCF) defined as cash flow from operating activities less capital expenditures

(2) Net leverage defined as net debt divided by trailing 12-month Adjusted EBITDA



FAST FORWARD

Roadmap to FY28

INTRODUCING OUR *FAST FORWARD* INITIATIVE

The Five-Year Roadmap to FY28



Accelerating Markets

Current Focus

- ✓ Applications Outside and Inside the Building
- ✓ Entrenched Presence in Attractive End-Market Verticals Growing Well Above Industry Average
- ✓ Strategically Aligned Around Clean Energy Megatrends
- ✓ Uniquely Positioned to Improve the Increasingly Demanding Experience of our Customers' Customer

Forward Focus

- ✓ Vertical and Horizontal Application Specific New Products
- ✓ Complementary Bolt-on Vertical M&A
- ✓ Increase Customer Mindshare and Share-of-Wallet
- ✓ New Customers Within Existing Verticals



Incremental Growth Drivers

- ✓ Adjacent Opportunities Tied to Our Vertical Market Strategy
- ✓ Leverage Trends in Energy, Infrastructure and Evolving Consumer Habits
- ✓ Identify and Grow New Vertical Markets
- ✓ Pilot New Ideas / Applications

- ✓ Expansion in Services
- ✓ Safety & Security
- ✓ Apply Technological Developments
- ✓ Solar Applications
- ✓ Infrastructure – Leaner, Cleaner, and Greener
- ✓ Complementary Bolt-on Horizontal M&A



Leveraging Unique Operating Model

- ✓ Onshore Manufacturing and Supply Chain Model
- ✓ Custom Design Services and Production Capabilities
- ✓ Utilize Installation Network to Differentiate from Competitors

- ✓ Significantly Scale our Broad Service Model and Provider Capability Ecosystem
- ✓ Expand Role as Turnkey Integrator, Building Competitiveness in Program Management
- ✓ Single-Source Provider Supporting Multiple Customer Requirements / Applications
- ✓ Unmatched Cross-Selling Advantage

FAST FORWARD EXPAND END-MARKET FOCUS



Incremental Growth Drivers: Leveraging Integrated Solutions in Higher Value Markets

Current Focus

- ✓ Adjacent Opportunities Tied to Our Vertical Market Strategy
- ✓ Leverage Trends in Energy, Infrastructure and Evolving Consumer Habits
- ✓ Identify and Grow New Vertical Markets
- ✓ Pilot New Ideas / Applications

Forward Focus

- ✓ Expansion in Services
- ✓ Safety & Security
- ✓ Apply Technological Developments
- ✓ Solar Applications
- ✓ Infrastructure – Leaner, Cleaner, and Greener
- ✓ Complementary Bolt-on Horizontal M&A

Refrigeration



- ✓ Next-Gen. Refrigerants
- ✓ Hot / Cold Food
- ✓ Static and Environmentally Controlled Display
- ✓ Fixtures

Safety & Security



- ✓ Employee & Customer Safety
- ✓ Fraud & Loss Prevention
- ✓ Compliance Enforcement
- ✓ Leverage Existing Site Presence

Solar & EV



- ✓ Fast Forward for Petroleum
- ✓ Uniquely Position for System Integration
- ✓ Execute Role as Integrator

Professional Services



- ✓ Design – Build - Installation
- ✓ Project Management
- ✓ Aftermarket Service Contracts – Repair / Replace
- ✓ Reoccurring Revenue – Content Management

Infrastructure

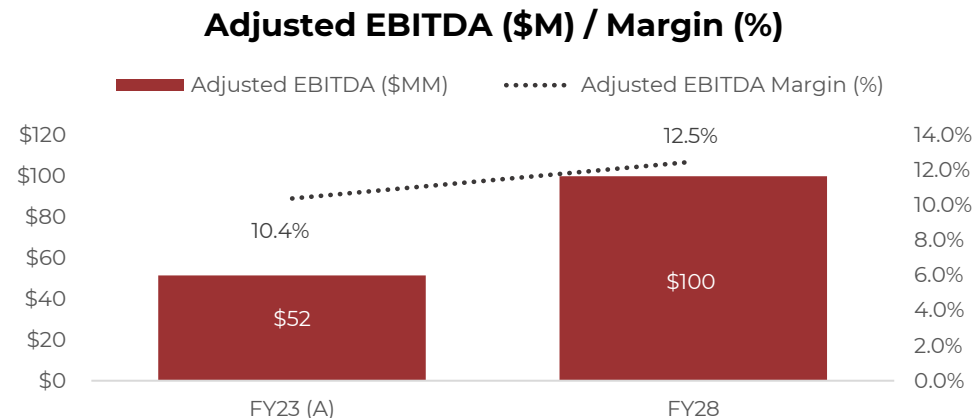
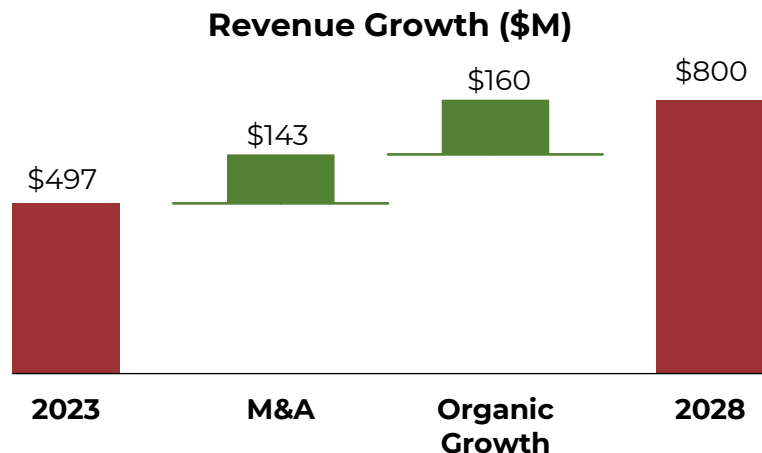


- ✓ Replace / Upgrade Infrastructure
- ✓ “Smart” Products and Solutions
- ✓ US Domestic Manufacturing
- ✓ Rapid Development

FAST FORWARD FINANCIAL TARGETS [FY23-FY28]



Introducing our New, Five-Year Financial Targets



Targeted Commercial Expansion

Durable Revenue Growth

- ✓ High-single-digit organic revenue growth; ~5-7% CAGR
- ✓ Balanced inorganic growth; \$150+ M in acquisition-related revenue by 2028
- ✓ Organic market expansion through product expansion and enhanced commercialization

Focused Operational Excellence

Stable Margin Expansion

- ✓ Drive increased asset optimization
- ✓ Drive ratable cost reductions; targeting annualized cost of reduction of 2-3%
- ✓ Deliver at least 50 basis points of margin expansion annually

Long-Term Value Creation

Driving Profitable Growth

- ✓ Drive Ratable Annualized Growth in Adjusted EPS
- ✓ Deliver consistent free cash flow conversion; targeting 100% of Adjusted Net Income
- ✓ Committed to consistent payment of quarterly cash dividend

*LSI Fiscal Year (FY) July 1st, Through June 30th



LSI Industries Acquisition of EMI Industries



TRANSACTION OVERVIEW

EMI Industries Acquisition Demonstrates Further Execution of Vertical Market Strategy



Transaction Highlights

LSI has acquired EMI Industries (“EMI”) for \$50 million cash on April 18, 2024

Transaction funded through availability on existing credit facility

Transaction is immediately accretive to LSI’s earnings per share on a pre-synergy basis

EMI to become part of LSI’s Display Solutions Segment

Pro-forma for the transaction, LSI expects net leverage of approximately 1.3x

EMI generated calendar year 2023 revenue and adjusted EBITDA of \$87 million and \$5.5 million, respectively

EMI leadership team to remain with the combined organization

Strategic Highlights



The bolt-on acquisition of EMI is a “strategic sequel” to the platform acquisition of JSI store fixtures in 2021

Significantly expands our presence in the C-Store, Grocery, and Restaurant verticals where we have a strong, established position

Provides significant cross-selling opportunities, increasing our importance, value, and relationships with key customers.

Execution of *Fast Forward* Strategy - Over the next five years, LSI intends to drive more than 60% growth in net sales, half of which is to come from strategic acquisitions, including EMI

LEADING RETAIL DISPLAY SOLUTIONS COMPANY

A Leading Metal and Millwork Manufacturer of Standard and Custom Retail Displays



EMI provides vertically integrated design, manufacturing, and installation of store fixtures and food service equipment.

For more than 40 years, EMI has been a trusted supplier to national convenience store, grocery, and restaurant chains, offering a wide array of standardized and custom solutions.

EMI has decades-long relationships with a diverse base of established national customer accounts ranging in size from several hundred to thousands of locations

EMI is well-positioned to capitalize on continued customer investments required to achieve targeted growth in food and beverage revenues.

EMI's unique value proposition merges product design, engineering and manufacturing capabilities with installation and post-sale support

Products



Millwork



Metal & Refrigeration Products

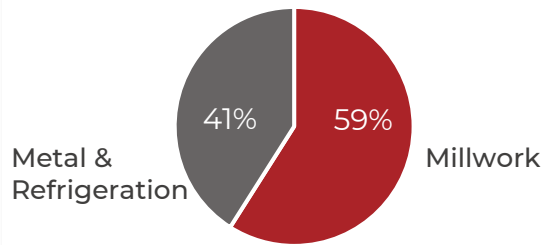
Services



Design

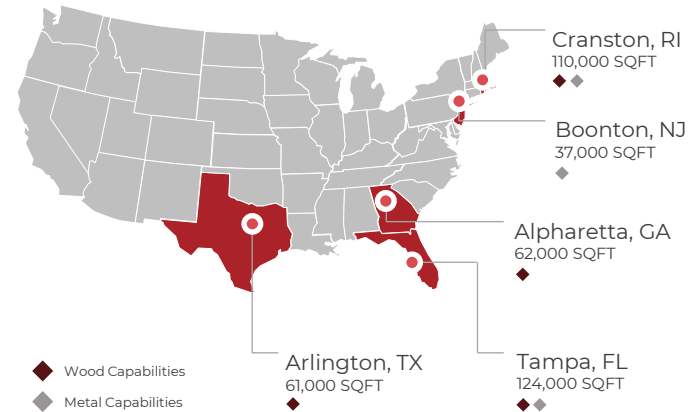


Installation & Program Management



Sales are balanced between Millwork, Metal / Refrigeration – supported by services.

EMI operates five U.S. based facilities that house design, engineering and manufacturing activities



5

Manufacturing Locations

394,000

Total Square Footage

320

Employees Nationwide

Serves multiple markets led by convenience store, grocery, and restaurant markets.



Convenience Store
Expanded Offering



Grocery
Expanded Offering



Restaurant
Market Expansion

HIGHLY COMPLEMENTARY SOLUTIONS OFFERING

One-Stop Integrated Solution for Unique Value Proposition



Product Offering



Millwork Products

EMI produces custom millwork with expertise across multiple material surfaces.



Metal Products

EMI designs and engineers metal-based fixtures using stainless steel, sheet metal, and aluminum, among others.



Refrigeration

EMI is experienced in both custom and conventional refrigeration in a variety of commercial food environments



Customer Testimonial

"EMI has become a true partner with Wawa. The product that they provide is first class. Both companies share similar value which enables Wawa to provide its customers a warm and inviting shopping experience"



C-Store

Grocery

Restaurants

Solutions Offering

- Concept Phase
- Design & Engineering
- Custom manufacturing
- Installation & Program Management
- Post Sales Service

EXPANDING SOLUTION SET WITHIN TARGET VERTICALS

Through Acquisition, LSI Continues to Enhance the Value Proposition to the Customer



Grocery Case Study

LSI

has strong presence within the store interior, led by grocery display case products, dimensional graphics and lighting...



While **EMI**

has a strong presence in grocery interior, led by millwork solutions, refrigeration and checkout counters.



C-Store Case Study

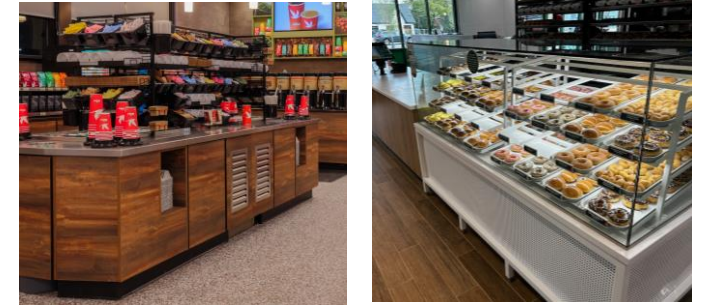
LSI

has a strong presence in the exterior refueling station and within select indoor displays...



While **EMI**

has a strong presence across a breadth of indoor display solutions, including countertops and food and beverage dispensing fixtures.






LSI + EMI provides a comprehensive solution set that enhances customer-specific branding and overall customer experience

SIGNIFICANT MULTI-YEAR SYNERGY POTENTIAL

LSI Expects to Drive 400+ Basis Points of EBITDA Margin Expansion Within EMI



			 
Facilities	11	5	16
Employees	1525	320	1845
Annual Revenue ⁽¹⁾	\$473.6 million	\$87.0 million	\$560.6 million
Annual Adj. EBITDA ⁽¹⁾	\$51.5 million	\$5.5 million	\$57.0 million
TTM Adj. EBITDA Margin ⁽¹⁾	10.9%	6.3%	10.2%

⁽¹⁾ Reflects LSI TTM performance through 2QFY24 and EMI performance for the full-year calendar 2023



VERTICAL APPLICATIONS

REFUELING & CONVENIENCE STORE

Lead with Display Solutions and Lighting



GROCERY

Lead with Display Solutions



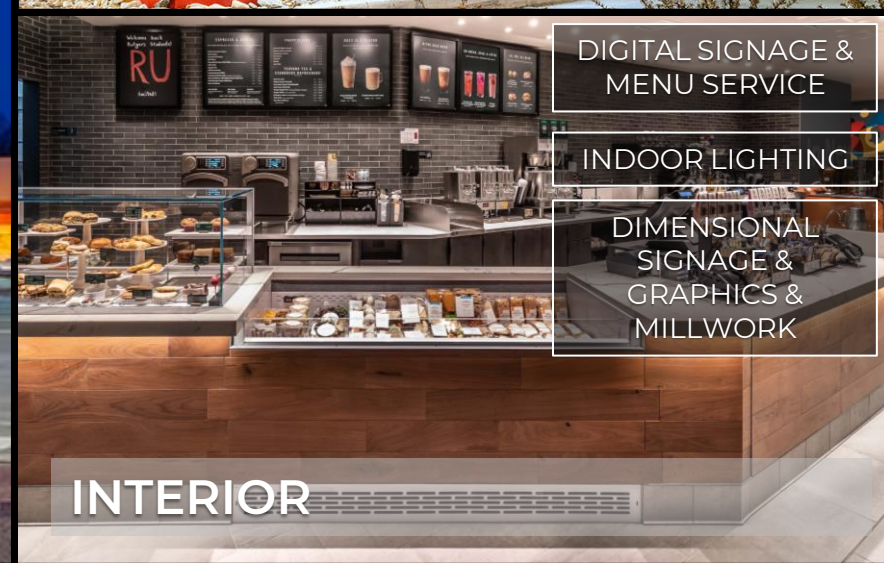
AUTOMOTIVE

Lead with Outdoor Lighting



QUICK SERVE RESTAURANTS (QSR)

Lead with Digital Menu Boards and Lighting





INVESTMENT CONCLUSION

INVESTMENT SUMMARY



Building Upon a Foundation of Commercial Growth and Operational Execution

Enterprise Growth

Expand Our Vertical Markets and Solutions Offering

- ✓ Deeper Penetration in Existing Verticals
- ✓ New Adjacent Solutions for Existing and New Verticals
- ✓ Market Driven New Product / Solutions Development
- ✓ M&A: Expand our Vertical Presence in New and Existing Segments

Partner of Choice

Build & Leverage Partners and Ecosystems

- ✓ Educate and Empower our Independent Sales Network
- ✓ Collaborate with Partners and End-Customer to Understand Unique Requirements
- ✓ Expand Integrator and Service Capabilities for Broad Solutions Offering
- ✓ Shared Incentives for Success

Business Excellence

Focus on Total Value Creation

- ✓ Provide Excellent Customer Service Throughout the Value Chain
- ✓ Leverage our US Manufacturing Footprint and Custom Solution Capabilities
- ✓ Drive Productivity and Continuous Improvement
- ✓ ESG Commitment
- ✓ Talent Management: Attract, Develop and Retain our People

Capital Allocation

Balanced & Disciplined Approach to Driving Shareholder Value

- ✓ Invest in Organic Sales Growth Opportunities
- ✓ Debt Reduction / Net Leverage
- ✓ Targeted Acquisitions
- ✓ Share Repurchase Authorization
- ✓ Committed to a Quarterly Cash Dividend



APPENDIX

STATEMENT ON NON-GAAP FINANCIAL MEASURES



This presentation includes adjustments to GAAP gross margin, operating income, net income, and earnings per share for the rolling five quarters ending June 30, 2024. Gross Margin, operating income, net income, and earnings per share, which exclude the impact of long-term performance-based compensation, severance costs, restructuring costs, consulting expenses supporting commercial growth initiatives, and acquisition costs are non-GAAP financial measures. We exclude these non-recurring items because we believe they are not representative of the ongoing results of operations of our business. Also included in this presentation are non-GAAP financial measures, including Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA and Adjusted EBITDA), Free Cash Flow, and Net Debt. We believe that these are useful as supplemental measures in assessing the operating performance of our business. These measures are used by our management, including our chief operating decision maker, to evaluate business results and are frequently referenced by those who follow the Company. These non-GAAP measures may be different from non-GAAP measures used by other companies. In addition, the non-GAAP measures are not based on any comprehensive set of accounting rules or principles. Non-GAAP measures have limitations in that they do not reflect all amounts associated with our results as determined in accordance with U.S. GAAP. Therefore, these measures should be used only to evaluate our results in conjunction with corresponding GAAP measures. Below is a reconciliation of these non-GAAP measures to the net income and earnings per share reported for the periods indicated, along with the calculation of EBITDA, Adjusted EBITDA, Free Cash Flow, and Net Debt.

NON-GAAP RECONCILIATION



LSI Industries	Q4 2023	Q4 2024	FY 23	FY 24
Net Sales	123,636	129,007	496,979	469,638
Gross Margin	35,864	33,834	136,945	133,168
Severance costs/Restructuring costs	-	-	31	508
Adjusted Gross Margin	35,864	33,834	136,976	133,676
Adjusted Gross Margin %	29.0%	26.2%	27.6%	28.5%
Lighting Segment				
	Q4 2023	Q4 2024	FY 23	FY 24
Net Sales	71,377	65,095	272,451	262,413
Gross Margin	23,746	21,484	86,761	89,026
Severance costs/Restructuring costs	-	-	31	-
Adjusted Gross Margin	23,746	21,484	86,792	89,026
Adjusted Gross Margin %	33.3%	33.0%	31.9%	33.9%
Display Solutions Segment				
	Q4 2023	Q4 2024	FY 23	FY 24
Net Sales [e]	52,259	63,912	224,528	207,226
Gross Margin	12,117	12,402	50,179	44,195
Severance costs/Restructuring costs	-	-	-	508
Adjusted Gross Margin	12,117	12,402	50,179	44,703
Adjusted Gross Margin %	23.2%	19.4%	22.3%	21.6%

NON-GAAP RECONCILIATION



LSI Industries	Q4 2023	Q4 2024	FY 23	FY 24
Net Sales	123,636	129,007	496,979	469,638
Operating Income	10,237	9,010	37,028	35,517
Acquisition Costs	-	982	-	1,001
Consulting Expense: Commercial Growth Initiatives	-	-	864	-
Severance costs/Restructuring costs	20	10	66	539
Long-Term Performance Based Compensation	1,477	1,185	3,998	4,380
Adjusted Operating Income	11,734	11,187	41,956	41,437
Adjusted Operating %	9.5%	8.7%	8.4%	8.8%
Depreciation and amortization	2,369	2,857	9,664	9,999
Adjusted EBITDA	14,103	14,044	51,620	51,436
Adjusted EBITDA %	11.4%	10.9%	10.4%	11.0%

Lighting Segment	Q4 2023	Q4 2024	FY 23	FY 24
Net Sales	71,377	65,095	272,451	262,413
Operating Income	9,192	8,450	31,633	33,327
Severance costs/Restructuring costs	20	10	51	26
Long-Term Performance Based Compensation	119	82	371	176
Adjusted Operating Income	9,331	8,542	32,055	33,529
Adjusted Operating %	13.1%	13.1%	11.8%	12.8%
Depreciation and amortization	1,311	1,223	5,423	5,166
Adjusted EBITDA	10,642	9,765	37,478	38,695
Adjusted EBITDA %	14.9%	15.0%	13.8%	14.7%

Display Solutions Segment	Q4 2023	Q4 2024	FY 23	FY 24
Net Sales	52,259	63,912	224,528	207,226
Operating Income	5,161	5,384	24,920	19,969
Severance costs/Restructuring costs	-	-	15	514
Long-Term Performance Based Compensation	403	126	925	994
Adjusted Operating Income	5,564	5,510	25,860	21,477
Adjusted Operating %	10.6%	8.6%	11.5%	10.4%
Depreciation and amortization	984	1,534	3,977	4,480
Adjusted EBITDA	6,548	7,044	29,837	25,957
Adjusted EBITDA %	12.5%	11.0%	13.3%	12.5%

NON-GAAP RECONCILIATION



LSI Industries	Q4 2023		Q4 2024		Full Year			
		Diluted EPS		Diluted EPS	FY 23	Diluted EPS	FY 24	Diluted EPS
Net Income Reported	\$ 8,415	\$ 0.28	\$ 5,668	\$ 0.19	\$ 25,762	\$ 0.88	\$ 24,977	\$ 0.83
Acquisition Costs			\$ 722	\$ 0.02	\$ -	\$ -	\$ 735	\$ 0.02
Consulting Expense: Commercial Growth Initiatives			-	-	707	0.02	-	-
Severance costs/Restructuring costs	13		6	-	51	-	396	0.01
Long-Term Performance Based Compensation	771	0.03	906	0.03	2,879	0.10	3,272	0.11
Tax Rate Difference between reported and adjusted net income	(402)	(0.01)	(24)	-	(402)	(0.01)	(755)	(0.03)
Net Income Adjusted	\$ 8,797	\$ 0.30	\$ 7,278	\$ 0.24	\$ 28,997	\$ 0.99	\$ 28,625	\$ 0.94
Adjusted Net Income %	7.1%		5.6%		5.8%		6.1%	

NON-GAAP RECONCILIATION



LSI Industries	Q4 2023	Q4 2024	Full Year	
			FY 23	FY 24
Net Income Reported	8,415	5,668	25,762	24,977
Income Tax	1,130	2,219	7,564	8,122
Interest Expense, net	764	1,003	3,687	2,156
Other expense (Income)	(72)	121	15	262
Operating Income as Reported	10,237	9,011	37,028	35,517
Depreciation and amortization	2,369	2,856	9,664	9,999
EBITDA	12,606	11,867	46,692	45,516
Acquisition Costs	-	982	-	1,001
Consulting Expense: Commercial Growth Initiatives	-	-	864	-
Severance costs/Restructuring costs	20	10	66	539
Long-Term Performance Based Compensation	1,477	1,185	3,998	4,380
Adjusted EBITDA	14,103	14,044	51,620	51,436
Adjusted EBITDA as a percentage of Sales	11.4%	10.9%	10.4%	11.0%

NON-GAAP RECONCILIATION



Free Cash Flow	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 24
Cash Flow from Operations	17,038	10,592	9,276	12,429	11,096	43,393
Less: Capital Expenditures	(1,454)	(1,393)	(1,956)	(1,277)	(762)	(5,388)
Free Cash Flow	15,584	9,199	7,320	11,152	10,334	38,005

Net Debt Outstanding and Leverage Ratio	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Total Debt	35,200	28,669	21,521	16,354	54,229
Less: Cash	(1,828)	(3,533)	(2,660)	(7,175)	(4,110)
Net Debt	33,372	25,136	18,861	9,179	50,119
Adjusted EBITDA - Trailing Twelve Months	51,620	53,408	51,489	51,496	51,451
Net Leverage Ratio	0.6	0.5	0.4	0.2	1.0

Organic Sales	Q4 2023	Q4 2024	% Variance
Lighting Segment	71,377	65,095	-8.8%
Display Solutions Segment	52,259	63,912	22.3%
Total Net Sales	123,636	129,007	4.3%
Less:			
EMI	-	18,074	
Total Organic Net Sales	123,636	110,933	-10.3%



For Additional Questions,
Please Contact
720.778.2415

Thank You,

LSI Investor Relations