



NASDAQ: LYTS

**INVESTOR
PRESENTATION**
NOVEMBER 2023

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 – \$497M REVENUE



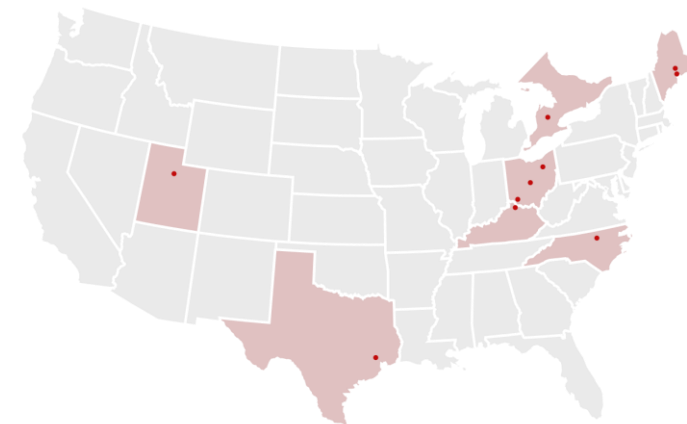
Leading Integrated Lighting and Display Solutions Company

Our Transformation

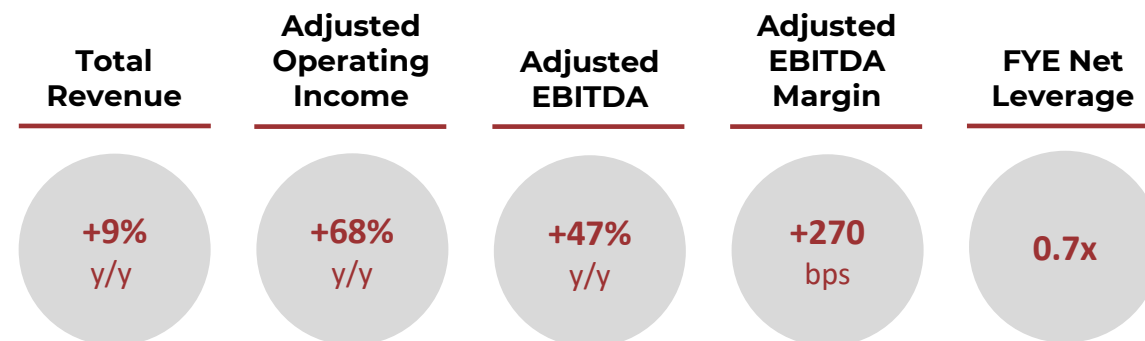
- Leading vertically integrated commercial indoor/outdoor lighting and display solutions company – strong foundation with entrenched position in growing vertical markets
- Multi-year focus on migration to higher-value solutions culminated in record FY23 results, highlighted by sustained revenue growth, margin expansion, EBITDA and free cash flow conversion
- Transformation led to sale of non-core assets, significant reduction in net leverage, introduction of robust return of capital program and significant organic / inorganic growth in higher margin adjacent markets
- 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 11 Manufacturing Locations



Our FY23 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, 2023 as compared to the prior twelve-month period

UNIQUELY POSITIONED IN TARGET MARKETS

Our Integrated Solution Includes Design, Production and Installation



Our Competition – Market Generalists

- Conglomerates
- Standard / High Volume
- “Telephone Book” Portfolio
- Convert Focused Specialist to Standard Volume
- Little Unique Differentiation
- Pricing is Main Decision Factor
- Built on Scale / Low-Cost Provider

Our Approach – Area and Sector Specialization



- Vertical / Application Solutions Driven
- End-User Driven Specifications
- Competency with Modification and Customization
- Strong Engineering / Relationship with Channel and End-User
- Our Solutions Enhance our Customers Value Proposition
- Financially More Attractive
- Model Built on Focus
- Highest Value Provider



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
- Structural Graphics
- Facades and Cladding
- Digital Signage
- Menu Board Systems
- Display Fixtures
- Refrigerated Displays
- Custom Display Elements

Services

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

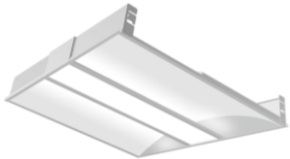
INNOVATION

New Products / New Markets



REDiMount™

International PCT Application No.
PCT/US2022/031165



Revitalized
Indoor Portfolio



Environmentally
Friendly
Refrigerants



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 3 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

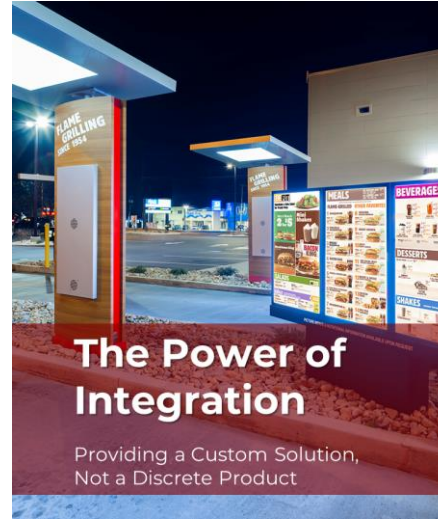
PROFESSIONAL SERVICES

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 8/1/20	Mon 8/1/20	100%
2	Attend a Coke / Burger King Team Meeting	1 day	Tue 8/1/20	Tue 8/1/20	100%
3	Develop Contract for Wireless Tracking System	1 day	Tue 8/1/20	Tue 8/1/20	100%
4	Test Wireless Tracking System	20 days	Wed 8/1/20	Tue 10/1/20	100%
5	Make Necessary Changes to the Wireless Tracking System	10 days	Wed 10/20/20	Tue 11/20/20	100%
6	Enter Preliminary Production Schedule into One World	1 day	Tue 8/1/20	Tue 8/1/20	100%
7	Place Order for Materials	1 day	Wed 8/1/20	Wed 8/1/20	100%
8	Order & Receive the Latest Location List from Coke / Burger King	7 days	Tue 8/1/20	Wed 8/22/20	100%
9	Provide Job Release and Location	8 days	Thu 8/20/20	Wed 8/27/20	100%
10	Provide a Finalized Listing of Restaurants to Adapt	2 days	Tue 8/25/20	Wed 8/27/20	100%
11	Develop Field Testing Quality Plan	8 days	Wed 8/1/20	Mon 8/24/20	100%
12	Adapt Provide a Listing of Restaurants Identifying Type of Order by Distribution Center	1 day	Thu 8/20/20	Thu 8/20/20	100%
13	Finalize the Distribution Center Locations	9 days	Fri 10/1/20	Tue 10/20/20	100%
14	Finalize Installers	1 day	Wed 10/20/20	Wed 10/20/20	100%
15	Order Sites from Coke / Burger King to Start Installers	11 days	Thu 10/1/20	Thu 10/21/20	100%
16	Order Sites from Coke / Burger King to Start Installers	10 days	Thu 10/1/20	Wed 10/21/20	100%
17	Finalize the Distribution Center Locations	10 days	Tue 8/25/20	Thu 10/1/20	100%
18	Meet with Dealer to Discuss Finalized Program	1 day	Mon 10/1/20	Thu 10/1/20	100%
19	Training and Documentation Plan for Distribution Centers and Installers for Wireless System	20 days	Fri 10/1/20	Fri 11/1/20	100%
20	Train Installers on the Installation of Teaser, Inside Light Box, and Enclosures	2 days	Fri 10/23/20	Thu 11/1/20	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



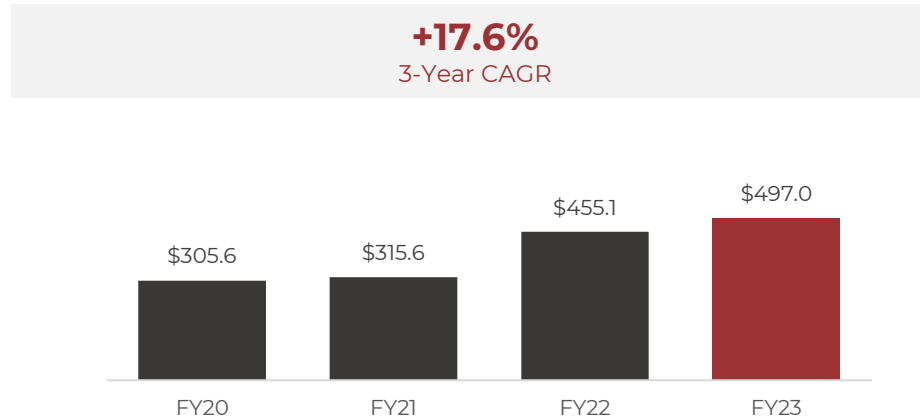
SUSTAINED MULTI-YEAR GROWTH

Strong Track Record of Operational and Financial Execution

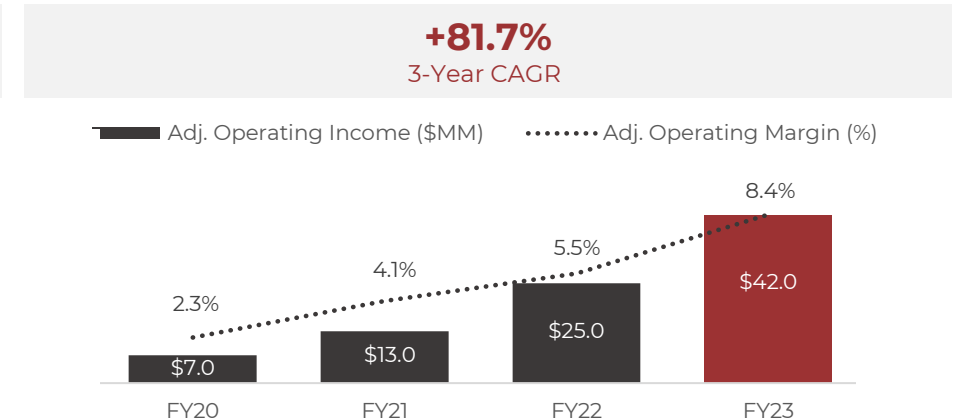


- Focused growth in higher margin targeted verticals, improved operational execution and disciplined capital deployment
- Invested in commercial and operations initiatives during which improved earnings performance; positioning company for stair-step improvement in profitable growth
- Built higher-quality business as a platform to build a bigger, more profitable business

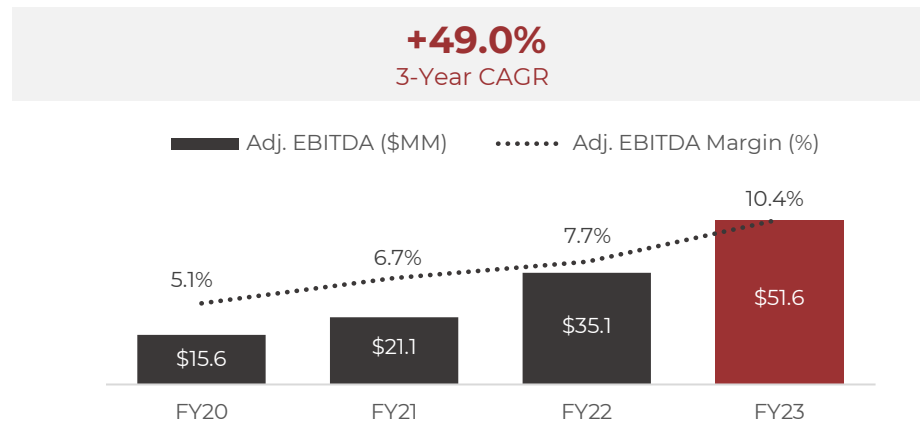
Total Net Sales (\$M)



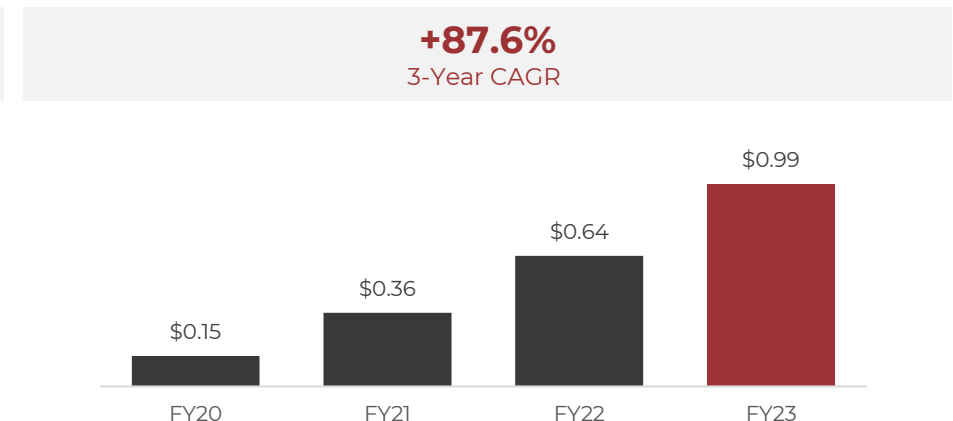
Total Adjusted Operating Income



Total Adjusted EBITDA



Total Adjusted EPS (\$ per diluted share)



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

KEY MESSAGES

Fiscal First Quarter 2024 Results



Strong FIQ24 results highlighted by sustained y/y growth in margin realization, net income and Adjusted EBITDA

Stable demand, consistent price discipline and improved sales mix supported ~170 basis points of y/y Adjusted EBITDA margin expansion

Another consecutive quarter of strong free cash generation, supporting nearly \$49 million in LTM debt reduction, resulting in net leverage of 0.5x as of 9/30/23

Delivered 23% y/y growth in Adjusted Net Income of \$8.7 million, or \$0.29/share



Focused Strategy Execution

FIQ24 sales 3% below PY due to Display Solutions project timing; adjusted EBITDA +13%; adjusted net income +23% y/y; supported by favorable demand conditions, disciplined pricing, improved sales mix, strong operational execution



Sustained Margin Rate Expansion

Gross margin rate +230 bps y/y to 29.6%; Adj. EBITDA margin rate +170 bps y/y to 12.2%; net margin +158 bps y/y to 6.5%



Improved Balance Sheet Optionality

Reduced total net debt outstanding by \$43 million on an LTM basis; as of 9/30/23, Net leverage of 0.5x; total cash and credit availability of \$64.4 million as of 9/30/23



Lighting Segment Update

Lighting Segment sales steady to prior year, reflecting healthy activity level in key verticals; delivered 140 bps of Gross Margin rate expansion, driven by consistent volume, favorable pricing/mix and cost management



Display Solutions Segment Update

Display Solutions segment declined 6% y/y, as industry events in the Grocery vertical disrupting demand; favorable program pricing and prudent cost management supported 320 bps of y/y Adjusted EBITDA margin expansion



Significant New Business Wins

Awarded image refresh on 7,000 c-store network for major oil company, with activity planned beginning F2024 through F2029; Separately, secured significant c-store renovation opportunities at 1,400 Central American oil major locations



Progressive, Sustained Growth in Free Cash Flow Generation

Generated \$45 million in LTM free cash flow through the end of FIQ24; LTM FCF conversion was 85% of LTM Adjusted EBITDA



Executing on Fast Forward Value Creation Initiative

Over the next five years, LSI intends to deliver more than 60% net sales growth; more than 100% Adjusted EBITDA growth; and at least 250 basis points of Adjusted EBITDA margin expansion

CONSOLIDATED FINANCIAL RESULTS

Increased Profitability and Margin Rate Expansion



Strong focus on quality of earnings, led by operating and EBITDA margin expansion

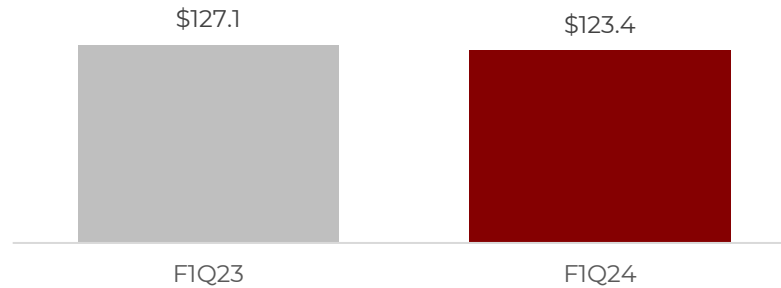
+23% y/y growth in adjusted net income
+13% y/y growth in adjusted EBITDA

Strong focus on price discipline, procurement efficiencies and working capital efficiency

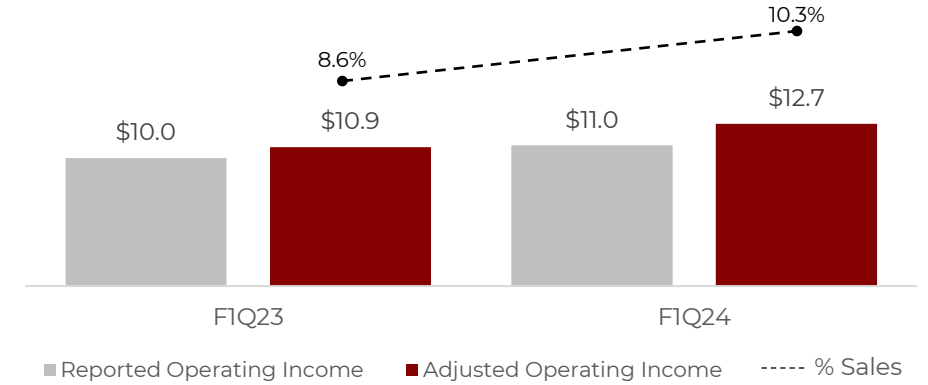
Within Lighting, demand conditions remains stable, while in Display Solutions, timing of project activity impacted revenue in F1Q24

Strong multi-year backlog of projects, but expect near-term softening in Display Solutions activity, given sector-specific events

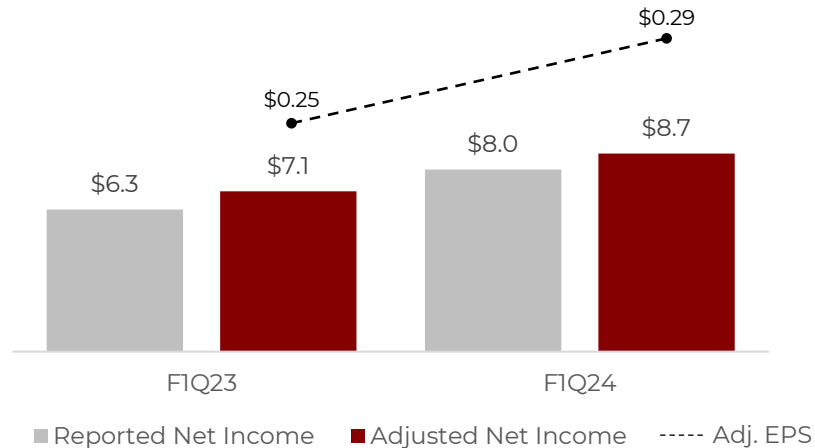
Total Net Sales (\$M)



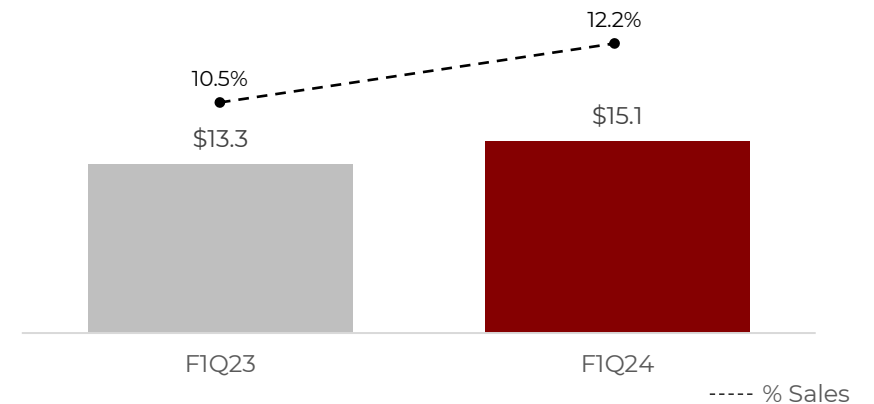
Operating Income (\$M)



Net Income (\$M)



Non-GAAP Adjusted EBITDA (\$M)



DISCIPLINED WORKING CAPITAL MANAGEMENT



Working Capital Discipline Continues

Working capital declined 13% vs. PY, driven by Y/Y and sequential decline in product inventories

DIO reduced 9 days versus PY

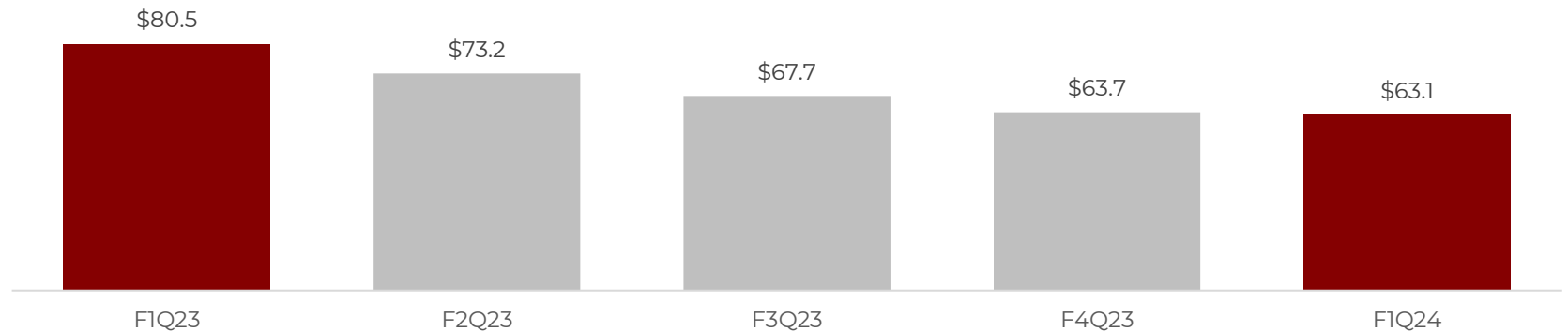
Project inventory should remain at current levels in F2Q24 in support of new project wins

Remain highly focused on maintain working capital efficiency, consistent with focus on stable free cash generation

Total Working Capital (\$M)



Total Inventory (\$M)



CAPITAL ALLOCATION PRIORITIES



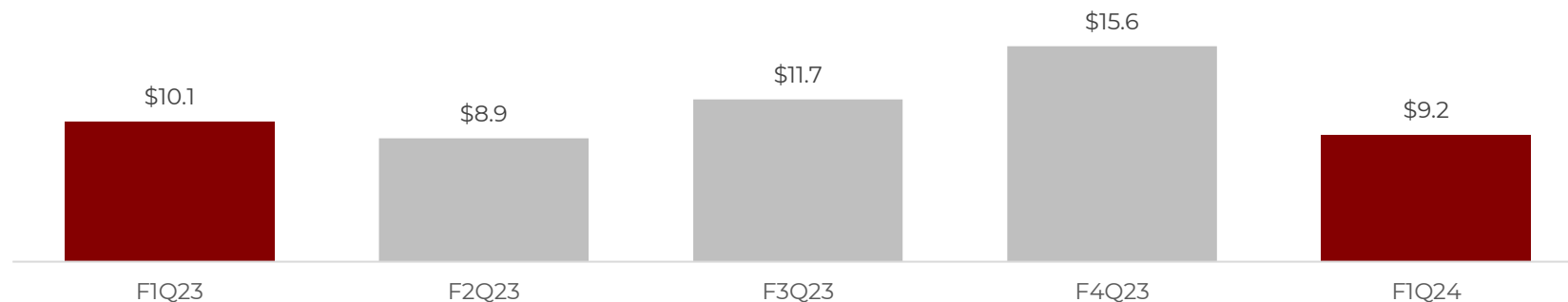
Prioritizing Capital Deployment Toward Debt Reduction, Return of Capital, Growth Initiatives

During last 12 months, free cash flow generation of ~\$45 million, representing 85% free cash flow conversion (as % of TTM Adjusted EBITDA)

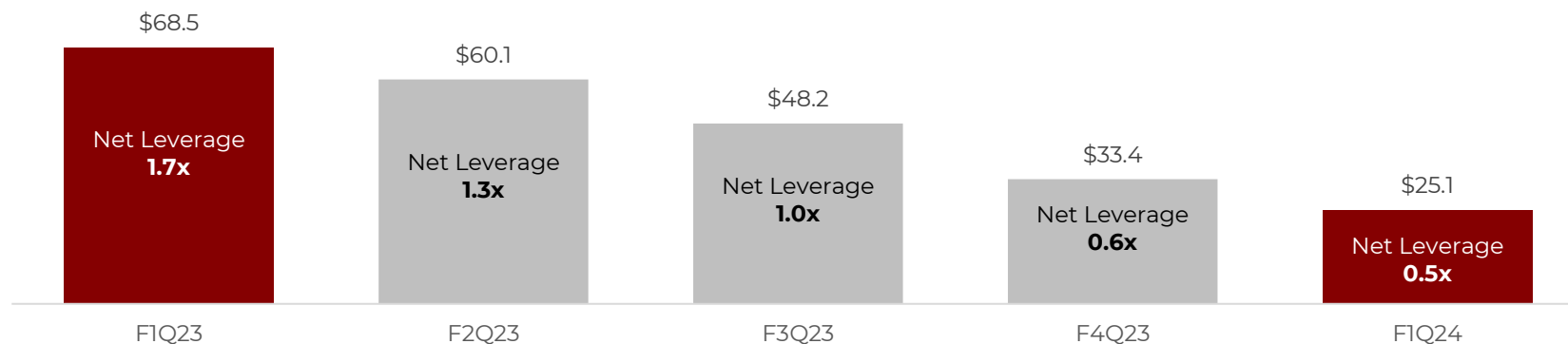
During last 12 months, Reduced net debt outstanding by \$43 million; net leverage declined from 1.7x to 0.5x

Remain focused on further debt reduction, return of capital initiatives and opportunistic growth investments

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

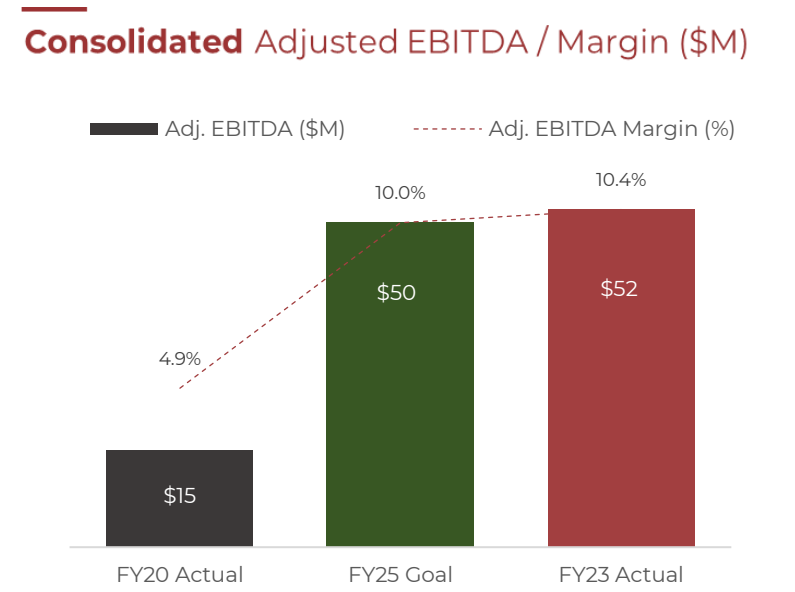
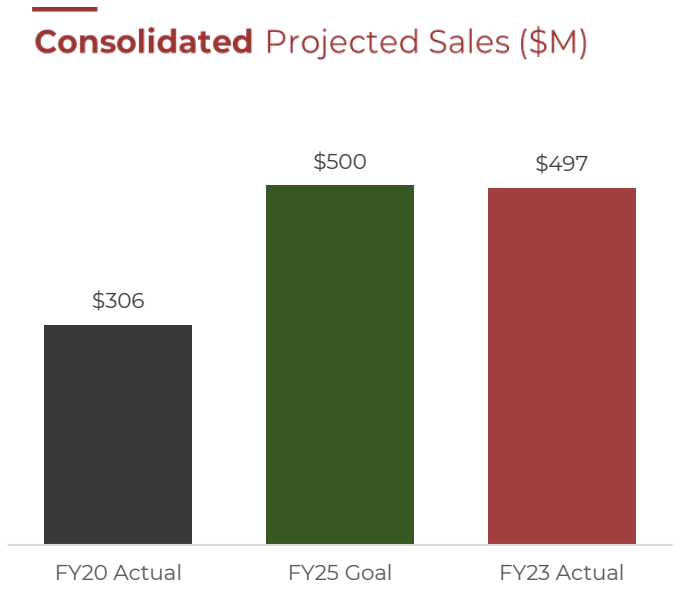
MEASURING OUR PROGRESS [FY20-FY23]



We Introduced a Comprehensive Business Transformation Plan in 2020

<p>EXPAND Our Vertical Focus</p> <p>Provide Differentiated Value through Direct Engagement of Both Existing Verticals and New Vertical Segments</p>	<p>CHANGE Our Customer Engagement</p> <p>Transition to High-Value Channel Engagements that Focus More on Direct-to-Customer Relationships</p>
<p>BUILD Services Business</p> <p>Shift from “Client Support” Model to a Scalable End-to-End Service Model</p>	<p>GROW Through Acquisition</p> <p>Focus on Bolt-On Acquisitions that Expand our Vertical Presence, Either in New or Existing Segments</p>

In **2020**, LSI launched **The Path Forward**, a value-creation framework designed to accelerate revenue growth, margin realization, and profitability – **Achieved goals two years early**



Five-Year Financial Targets, as Introduced in Fiscal Year 2020

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

MEASURING OUR PROGRESS [FY20-FY23]



Established a High “Say-Do”, Delivered Continuous Improvement on Strategic Plan

The Path Forward delivered on its initial targets ahead of plan, driven by organizational improvements across operations, manufacturing and sales/marketing

- ✓ Implemented **vertical market strategy**; increased focus on key, high-value sectors with defensible position
- ✓ Strengthened **lighting and display solutions portfolio**, with a focus on in-demand products and services
- ✓ **Invested heavily in new product development**, introduced a record number of new products
- ✓ **Expanded market share in key target verticals**, while de-emphasizing lower-margin opportunities
- ✓ Established a leading market position within **grocery vertical** through the **acquisition of JSI in 2021**
- ✓ **Strengthened relationships across sales channels**, improving collaboration across dealers and customers
- ✓ **Redesigned supply chain** to capitalize on US manufacturing base, exploiting short-lead time opportunities
- ✓ High-graded leadership team; **exceeded sales, margin and profitability targets**

We Built a Better Business – Now We Will Build a Bigger Business

MEASURING OUR PROGRESS [FY20-FY23]

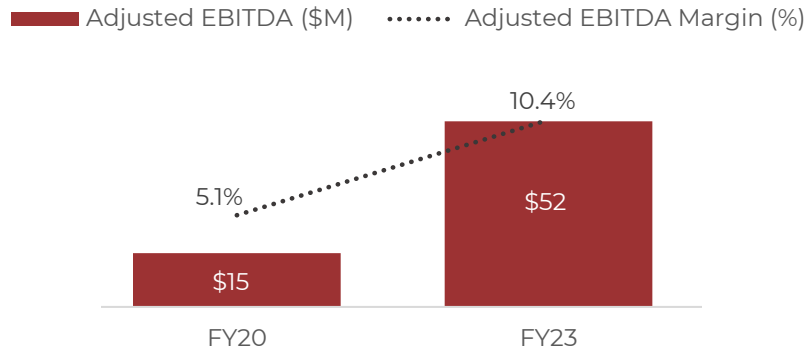


Consistent Outperformance Vs. Revenue, Margin and Profitability Targets

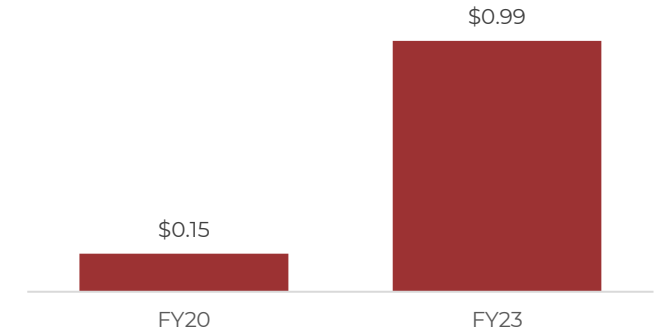
Revenue Growth (\$M)



Adjusted EBITDA (\$M) / Margin (%)



Adjusted Diluted EPS (\$)



Targeted Commercial Expansion

Durable Revenue Growth

- ✓ Organic Growth Driven by Sharpened Focus and Execution in High-Value Vertical Markets
- ✓ Share Gain from Targeted New Products and Strengthened Market Engagement with Partners and Customers
- ✓ Complementary Inorganic Growth with the Acquisition of JSI Store Fixtures

Focused Operational Excellence

Stable Margin Expansion

- ✓ Improved Customer Value Proposition
- ✓ Disciplined Pricing on Projects / Programs, During Inflationary Environment
- ✓ Continue to Drive Manufacturing and Supply Chain Efficiencies
- ✓ Accretive Acquisition

Long-Term Value Creation

Driving Profitable Growth

- ✓ Ratable Annualized Growth in Adjusted EPS
- ✓ Stock Price Appreciation and Sustained Dividend
- ✓ Responsible Capital Allocation / Management

a) GAPP to Non-GAPP EBITDA reconciliation is available in the Annual 10-K

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

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



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



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



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



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

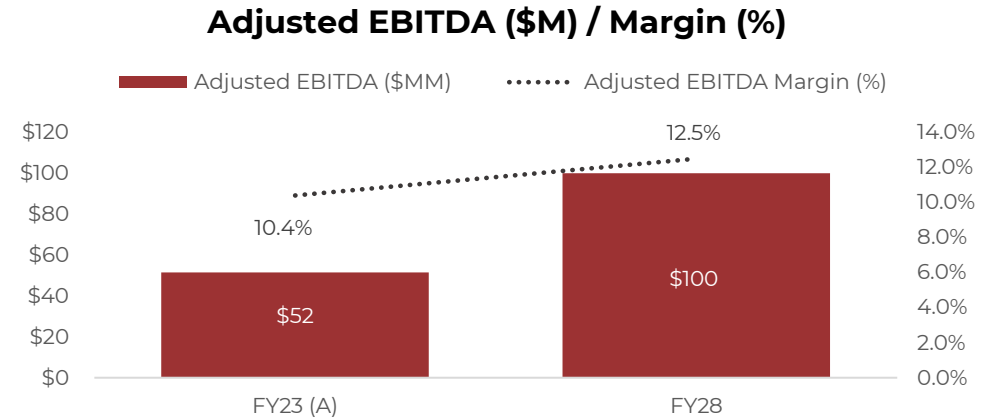
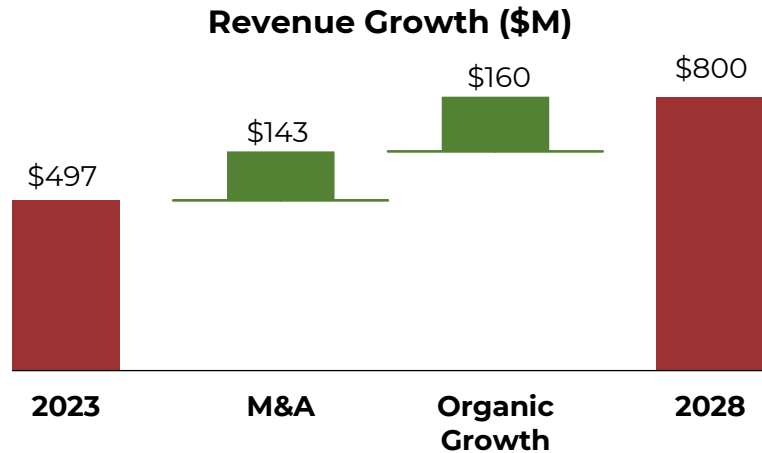


- ✓ Replace / Upgrade Infrastructure
- ✓ “Smart” Products and Solutions
- ✓ US Domestic Manufacturing
- ✓ Rapid Development

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

FAST FORWARD STRATEGIC PRIORITIES



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



VERTICAL APPLICATIONS

REFUELING & CONVENIENCE STORE

Lead with Display Solutions and Lighting



GROCERY

Lead with Display Solutions



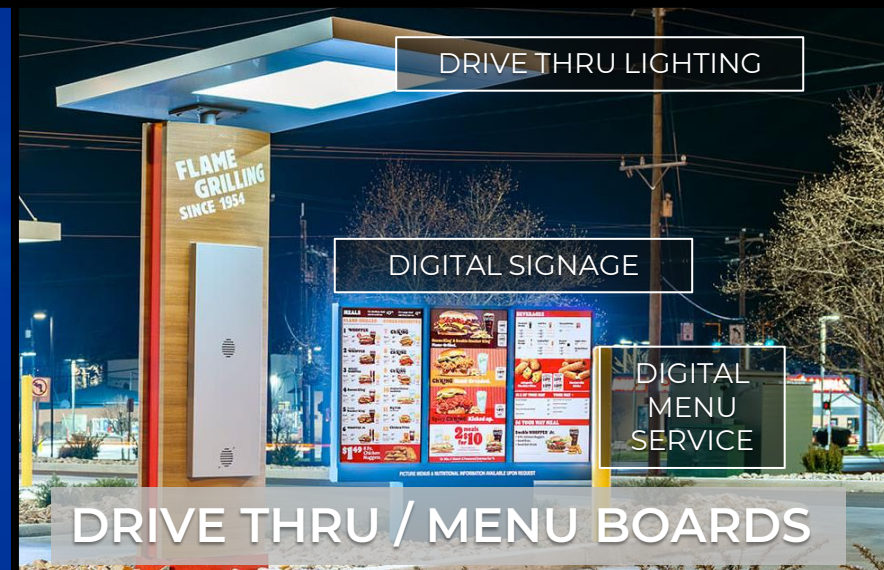
AUTOMOTIVE

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 operating income, net income, and earnings per share for the three months ended September 30, 2023, and 2022. Gross Margin, operating income, net income, and earnings per share, which exclude the impact of long-term performance-based compensation, severance costs, restructuring costs, and consulting expenses supporting commercial growth initiatives, 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	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net Sales [a]	127,069	128,804	117,470	123,636	123,441
Operating Income	10,021	9,038	7,732	10,237	11,028
Consulting Expense: Commercial Growth Initiatives	303	486	75	-	19
Severance costs/Restructuring costs	12	33		20	353
Long-Term Performance Based Compensation	551	1,002	968	1,477	1,325
Adjusted Operating Income [b]	10,887	10,559	8,775	11,734	12,725
Depreciation and amortization	2,421	2,419	2,455	2,369	2,371
Adjusted EBITDA [c]	13,308	12,978	11,230	14,103	15,096
Operating Margin % [b] / [a]	8.6%	8.2%	7.5%	9.5%	10.3%
Adjusted EBITDA Margin % [c] / [a]	10.5%	10.1%	9.6%	11.4%	12.2%

Non-GAAP RECONCILIATION



Lighting Segment	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net Sales [a]	67,534	66,833	66,707	71,377	67,641
Operating Income	9,157	6,755	6,529	9,192	8,753
Severance costs/Restructruing costs	13	18	-	20	-
Long-Term Performance Based Compensation	42	113	97	119	92
Adjusted Operating Income	9,212	6,886	6,626	9,331	8,845
Depreciation and amortization	1,387	1,381	1,344	1,311	1,309
Adjusted EBITDA [b]	10,599	8,267	7,970	10,642	10,154
Adjusted EBITDA Margin % [b] / [a]	15.7%	12.4%	11.9%	14.9%	15.0%
Display Solutions Segment	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net Sales [c]	59,536	61,971	50,762	52,259	55,800
Operating Income	6,496	7,761	5,501	5,161	7,219
Severance costs/Restructruing costs	-	15	-	-	353
Long-Term Performance Based Compensation	116	186	221	493	309
Adjusted Operating Income	6,612	7,962	5,722	5,654	7,881
Depreciation and amortization	974	976	1,044	984	976
Adjusted EBITDA [d]	7,586	8,938	6,766	6,638	8,857
Adjusted EBITDA Margin % [d] / [c]	12.7%	14.4%	13.3%	12.7%	15.9%
Corporate Segment	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Operating Loss	(5,639)	(5,480)	(4,296)	(4,115)	(4,943)
Consulting Expense: Commercial Growth Initiatives	303	486	75	-	19
Severance costs/Restructruing costs	-	-	-	-	-
Long-Term Performance Based Compensation	394	703	650	865	924
Adjusted Operating Loss	(4,942)	(4,291)	(3,571)	(3,250)	(4,000)
Depreciation and amortization	60	62	68	74	85
Adjusted EBITDA	(4,882)	(4,229)	(3,503)	(3,176)	(3,915)

Non-GAAP RECONCILIATION



LSI Industries	Diluted		Diluted		Diluted		Diluted		Diluted	
	Q1 2023	EPS	Q2 2023	EPS	Q3 2023	EPS	Q4 2023	EPS	Q1 2024	EPS
Net Income Reported	\$ 6,262	\$ 0.22	\$ 6,417	\$ 0.22	\$ 4,669	\$ 0.16	\$ 8,415	\$ 0.28	\$ 8,028	\$ 0.27
Consulting Expense: Commercial Growth Initiatives	226	0.01	399	0.01	59	-			13	-
Severance costs/Restructruing costs	9	-	26	-			13		256	0.01
Long-Term Performance Based Compensation	420	0.01	785	0.03	769	0.03	771	0.03	961	0.03
Tax Rate Difference between reported and adjusted net income	160	0.01	-	-			(402)	(0.01)	(518)	(0.02)
Net Income Adjusted	\$ 7,077	\$ 0.25	\$ 7,627	\$ 0.26	\$ 5,497	\$ 0.19	\$ 8,797	\$ 0.30	\$ 8,740	\$ 0.29

Non-GAAP RECONCILIATION



Lighting Segment	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net Sales [c]	67,534	66,833	66,707	71,377	67,641
Gross Margin	22,280	20,457	20,278	23,746	23,280
Severance costs/Restructruing costs	13	18	-	-	-
Adjusted Gross Margin [d]	22,293	20,475	20,278	23,746	23,280
Adjusted Gross Margin % [d] / [c]	33.0%	30.6%	30.4%	33.3%	34.4%
Display Solutions Segment	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net Sales [e]	59,536	61,971	50,762	52,259	55,800
Gross Margin	12,453	13,681	11,927	12,117	13,310
Severance costs/Restructruing costs	-	-	-	-	347
Adjusted Gross Margin [f]	12,453	13,681	11,927	12,117	13,657
Adjusted Gross Margin % [f] / [e]	20.9%	22.1%	23.5%	23.2%	24.5%
Corporate Segment	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Gross Margin	5	1	(1)	1	(1)
Severance costs/Restructruing costs	-	-	-	-	-
Adjusted Gross Margin	5	1	(1)	1	(1)

WORKING CAPITAL AND INVENTORY



Free Cash Flow	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Cash Flow from Operations	\$ 10,583	\$ 9,481	\$ 12,486	\$ 17,038	\$ 10,592
Less: Capital Expenditures	\$ (434)	\$ (561)	\$ (759)	\$ (1,454)	\$ (1,393)
Free Cash Flow	\$ 10,149	\$ 8,920	\$ 11,727	\$ 15,584	\$ 9,199

Net Debt Outstanding and Leverage Ratio	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Total Debt	77,519	62,819	49,572	35,200	28,669
Less: Cash	(9,001)	(2,765)	(1,350)	(1,828)	(3,533)
Net Debt	\$ 68,518	\$ 60,054	\$ 48,222	\$ 33,372	\$ 25,136
Adjusted EBITDA - Trailing Twelve Months	\$ 40,836	\$ 45,387	\$ 48,117	\$ 51,620	\$ 53,408
Net Leverage Ratio	1.7	1.3	1.0	0.6	0.5



For Additional Questions,
Please Contact
720.778.2415

Thank You,

LSI Investor Relations