

NASDAQ: LYTS

INVESTOR PRESENTATION

MAY 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.

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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.

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COMPANY OVERVIEW & RECENT PERFORMANCE

COMPANY OVERVIEW

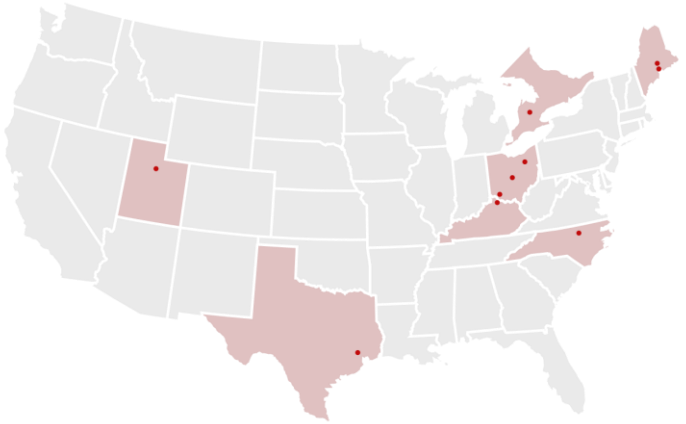
Leading Integrated Lighting and Display Solutions Company

Our Transformation

- Leading vertically integrated commercial indoor/outdoor lighting and display solutions company – strong foundation with entrenched position in growing vertical markets
- Commenced successful business transformation in 2018 under new leadership, led by CEO Jim Clark and highly regarded industry executives
- 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
- Multi-year focus on migration to higher-value solutions culminated in record FY22 results, highlighted by sustained revenue growth, margin expansion, EBITDA and free cash flow conversion
- 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 FY22 Performance(1)

Total Revenue	Adjusted Operating Income	Adjusted EBITDA	Adjusted EBITDA Margin	FYE Net Leverage
+44% y/y	+93% y/y	+66% y/y	+100 bps	2.2x

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

(1) Results for the twelve months ended June 30, 2022 as compared to the prior twelve-month period

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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



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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

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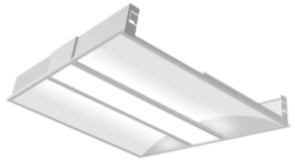
INNOVATION

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

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PROFESSIONAL SERVICES

Adapt – Fully Scalable Offering

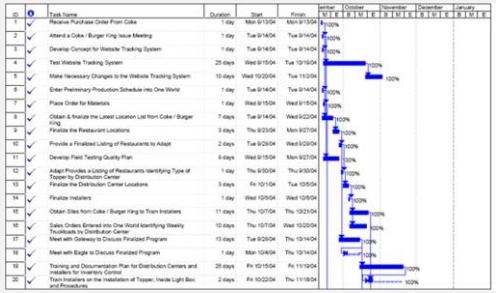
Program Management

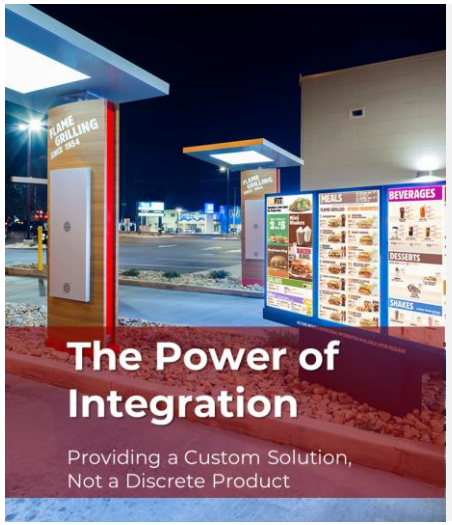
- Surveys
- Take-Offs / Specifications
- Permit Sets / Permitting
- Warehousing / Logistics
- Construction Management
- Installation
- Information / Data Management
- Program Reporting

Site Tracking



Project Management





- 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**

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

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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

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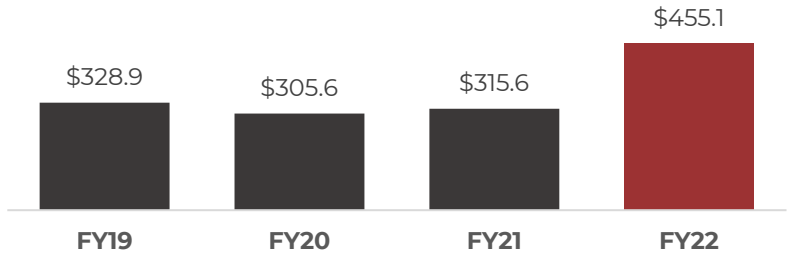
SUSTAINED MULTI-YEAR GROWTH

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 the pandemic, while improving earnings performance; positioned company for stair-step improvement in profitable growth
- Built higher-quality business as a platform to build a bigger, more profitable business

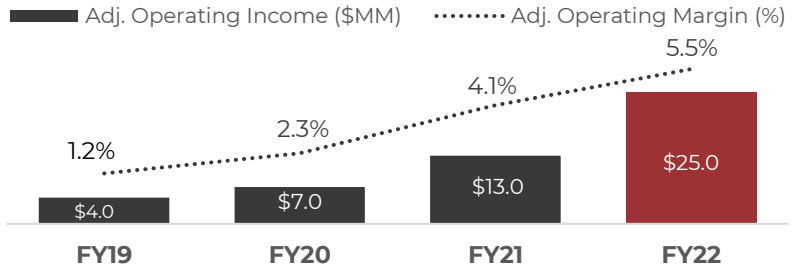
Total Net Sales
($M)

+11.4%
3-Year CAGR



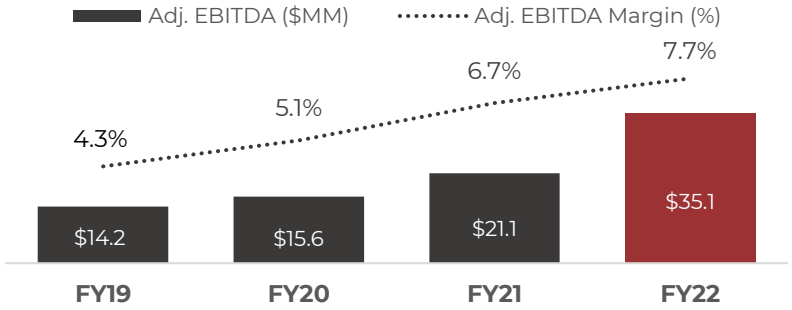
Total Adjusted Operating Income

+70.8%
3-Year CAGR



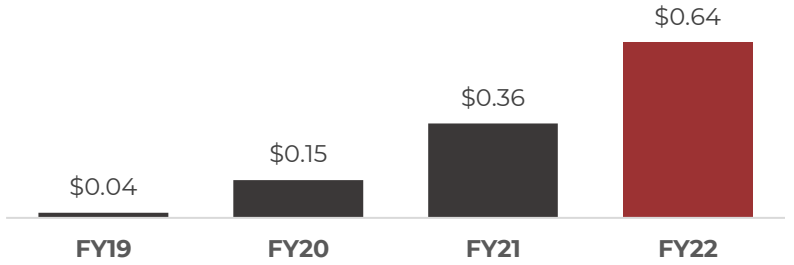
Total Adjusted EBITDA

+38.3%
3-Year CAGR



Total Adjusted EPS
($ per diluted share)

+152.0%
3-Year CAGR



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

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FY23 Q3: KEY MESSAGES

Fiscal Third Quarter 2023 Results

Strong F3Q23 results highlighted by y/y organic growth in net sales, Adjusted EBITDA and Net Income

Stable demand, consistent price discipline and improved sales mix supported more than 190 basis points of y/y Adjusted EBITDA margin expansion

Significant y/y increase in free cash flow resulted in further debt reduction, with net leverage at 1.0x as of 3/31/23

Sustained commercial & operational momentum
Net sales +7% y/y; adj. operating income +47% y/y; adjusted EBITDA +32%; adjusted net income +30% y/y; supported by continued growth in commercial sales volumes, disciplined pricing and moderating raw materials expense

Driving consistent margin rate expansion
Gross margin rate +310 bps y/y to 27.4%; Adj. EBITDA margin rate +190 bps y/y to 9.6%; Lighting segment and Display Solutions EBITDA margin rate +50 bps y/y and +260 bps y/y, respectively

Focused capital allocation strategy
Reduced total net debt outstanding by $35 million on an LTM basis; Net leverage of 1.0x at 3/31/23; total cash and availability of $46 million

Diversified revenue mix supports stable growth
Lighting Segment sales increased 17% y/y, supported by strength across indoor and outdoor product markets; Display Solutions segment sales (4%) y/y despite strong underlying demand fundamentals, given timing of customer digital signage program

Significant, improved free cash flow generation
Generated nearly $39 million in LTM free cash flow through the end of F3Q23; FCF increased $8 million y/y in F3Q23; LTM FCF conversion more than 80%

Introduced 5-Year *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

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FY23 Q3: CONSOLIDATED FINANCIAL RESULTS

Sustained Year-Over-Year Growth in Revenue, Margin Rate and Profitability in F3Q23

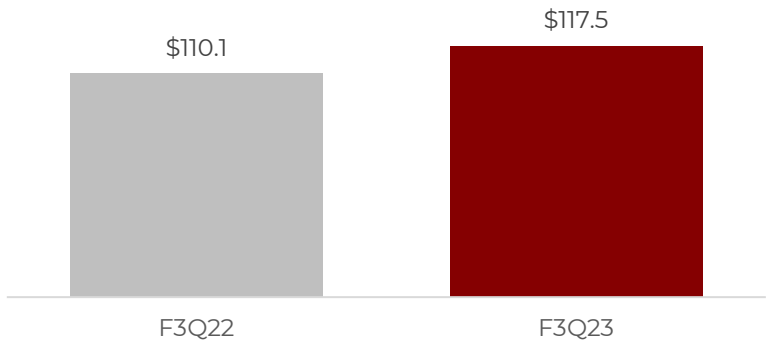
Exceeded record, prior-year comparison, demonstrating strong execution on commercial and operational priorities

Adjusted EBITDA **+32%** y/y; Adjusted EBITDA margin rate **+190 bps y/y to 9.6%**

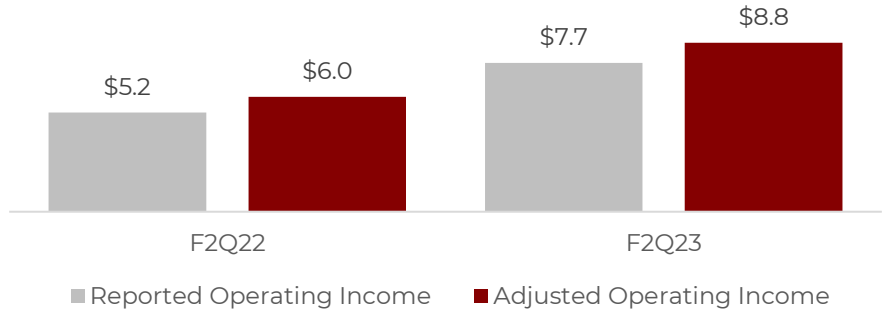
30% y/y growth in adjusted net income

Entering F4Q23, seeing stable quoting activity, but longer quote-to-order conversion cycle

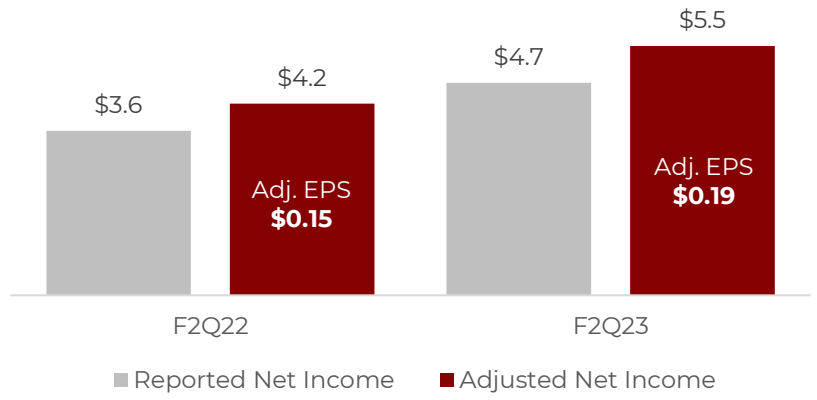
Total Net Sales ($M)



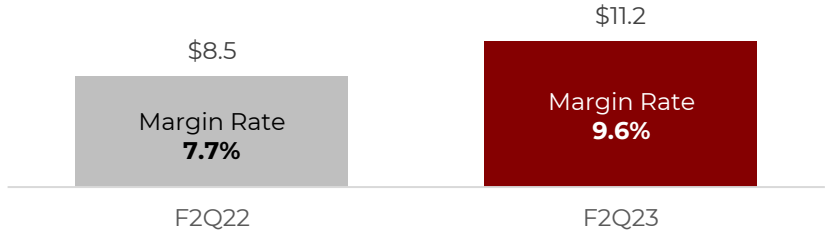
Operating Income ($M)



Net Income ($M)



Non-GAAP Adjusted EBITDA ($M)



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FY23 Q3: WORKING CAPITAL MANAGEMENT

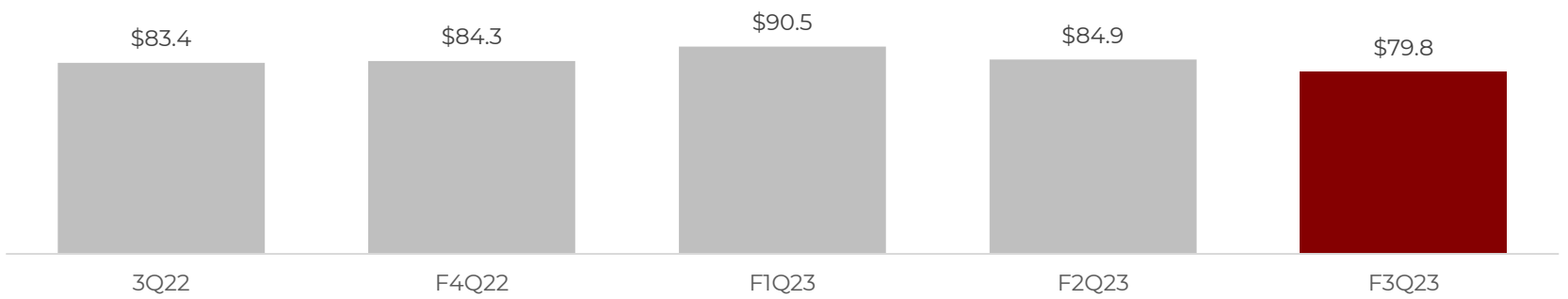
Working Capital Decline Driven by Targeted Sequential Reduction in Inventory Levels

Reduced total working capital **6% sequentially**

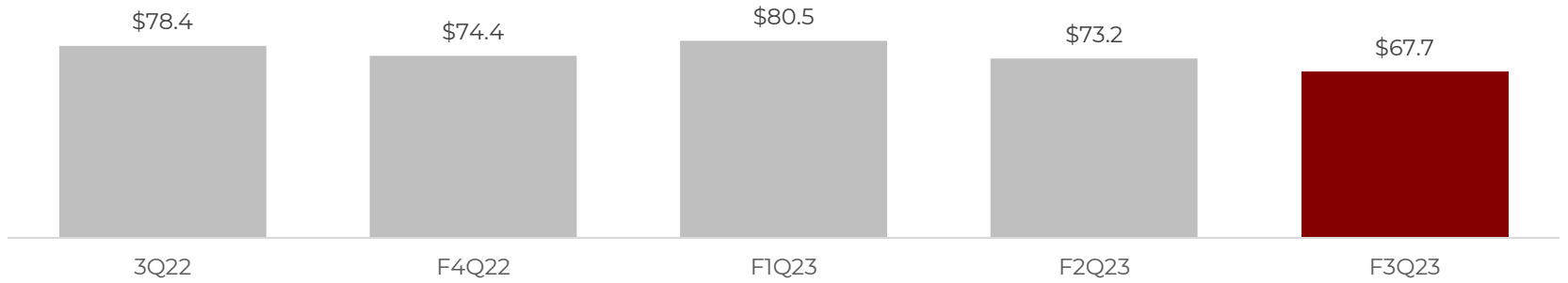
Reduced total inventory by **8% sequentially and 14% below prior-year period**

Supply chain continues to stabilize, allowing for further inventory reduction; maintaining targeted lead-times and service levels while continuing to optimize working capital

Total Working Capital ($M)



Total Inventory ($M)



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FY23 Q3: CAPITAL ALLOCATION PRIORITIES

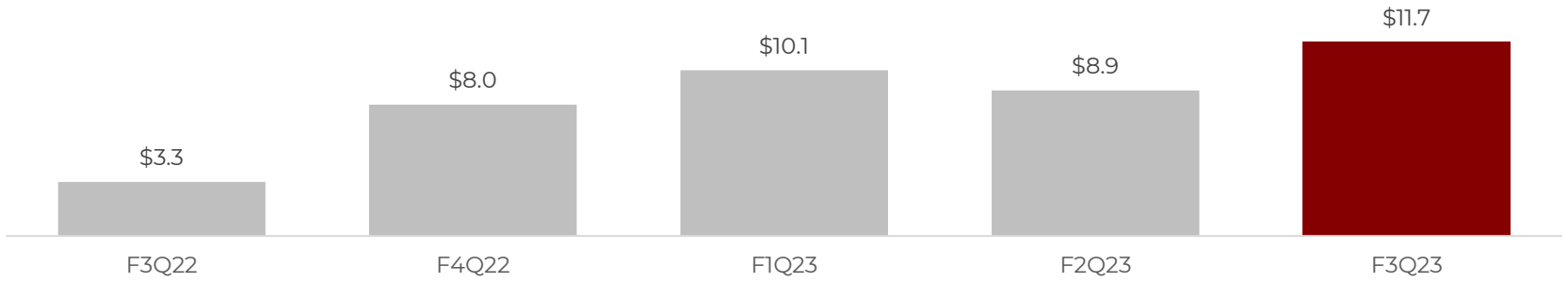
Prioritizing Capital Deployment Toward Debt Reduction, Return of Capital, Growth Initiatives

During last 12 months, free cash flow generation of ~**$39 million**; ~$8 million y/y improvement in F3Q23 free cash flow

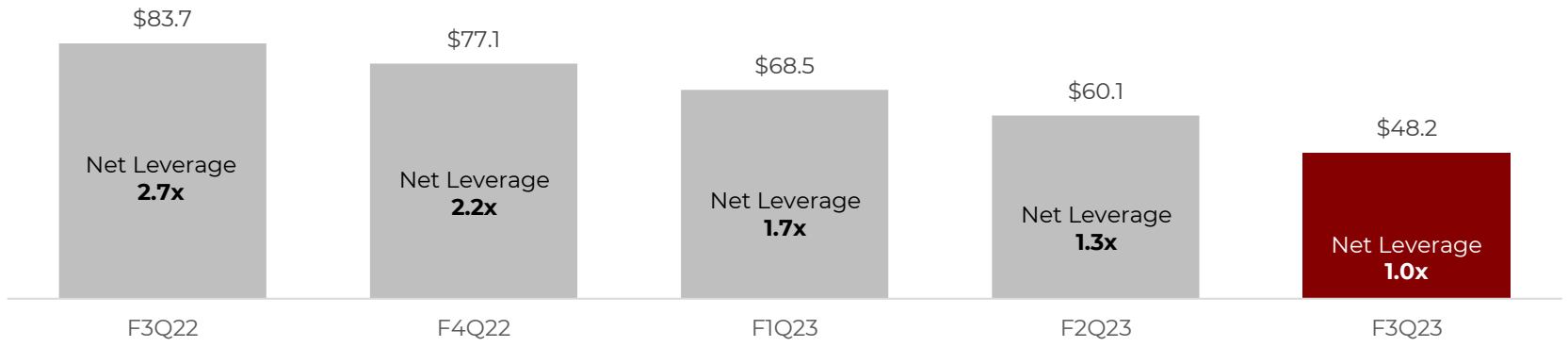
During last 12 months, Reduced net debt outstanding by **$35 million**; net leverage declined from 2.7x to **1.0x**

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

Free Cash Flow ($M)*(1,2)*



Net Debt Outstanding ($M)*(3)*



(1) Free cash flow (FCF) defined as adjusted EBITDA less capital expenditures
(2) Net leverage defined at net debt divided by trailing 12-month Adjusted EBITDA

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FAST FORWARD

Out Five-Year Roadmap to FY28

MEASURING OUR PROGRESS [FY20-FY23]

We Introduced a Comprehensive Business Transformation Plan in 2020

EXPAND
Our Vertical Focus

Provide Differentiated Value through Direct Engagement of Both Existing Verticals and New Vertical Segments

CHANGE
Our Customer Engagement

Transition to High-Value Channel Engagements that Focus More on Direct-to-Customer Relationships

BUILD
Services Business

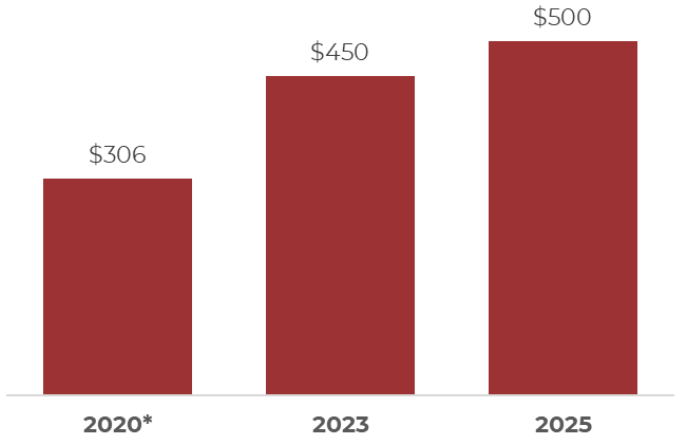
Shift from "Client Support" Model to a Scalable End-to-End Service Model

GROW
Through Acquisition

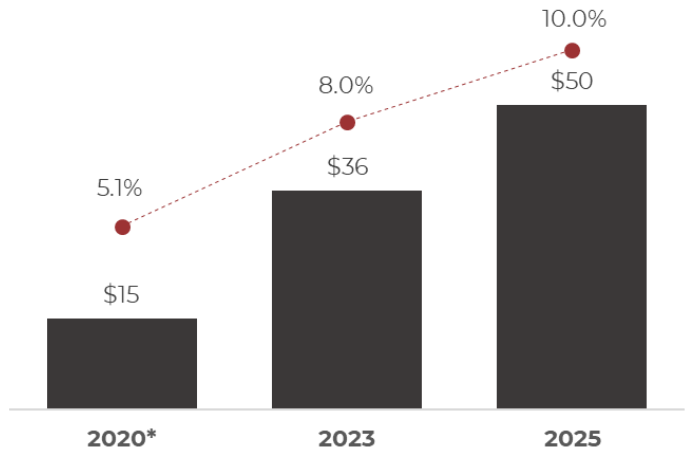
Focus on Bolt-On Acquisitions that Expand our Vertical Presence, Either in New or Existing Segments

In **2020**, LSI launched ***The Path Forward***, a value-creation framework designed to accelerate revenue growth, margin realization, and profitability

Consolidated Projected Sales ($M)



Consolidated Adjusted EBITDA / Margin ($M)



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

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

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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

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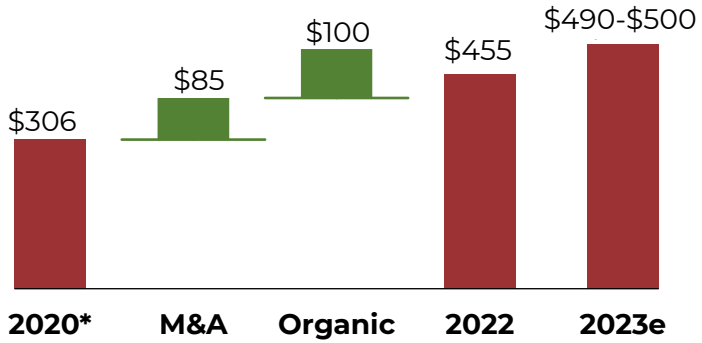
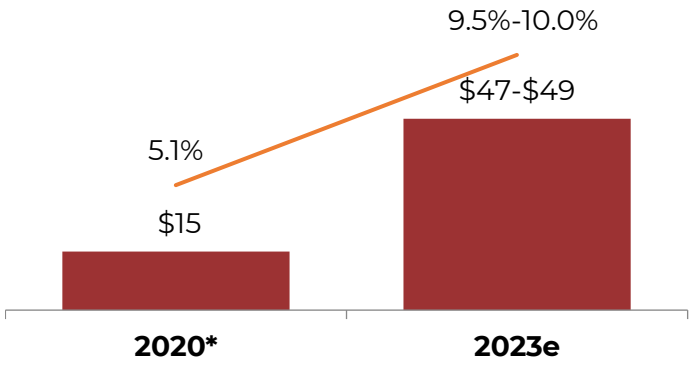
MEASURING OUR PROGRESS [FY20-FY23]

Consistent Outperformance Vs. Revenue, Margin and Profitability Targets

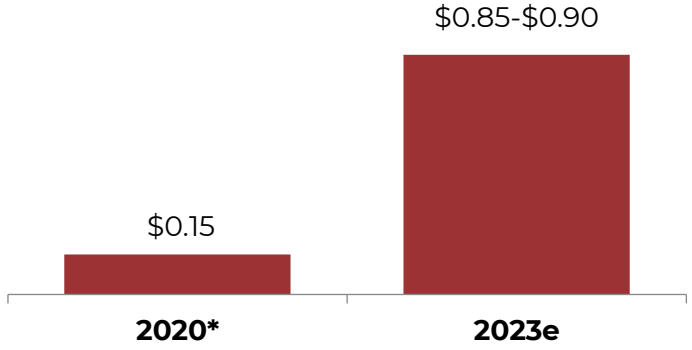
Revenue Growth ($M)



Adjusted EBITDA Margin ($M)



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*

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INTRODUCING OUR *FAST FORWARD* INITIATIVE

The Five-Year Roadmap to FY28

	Current Focus	Forward Focus
Accelerating Markets	✓ 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	✓ 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

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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

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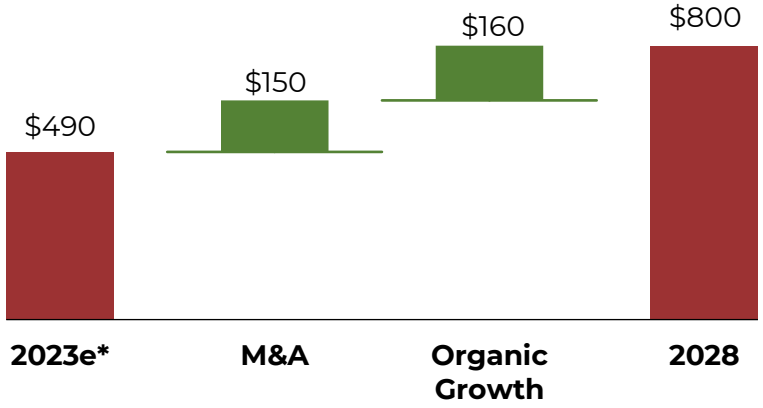
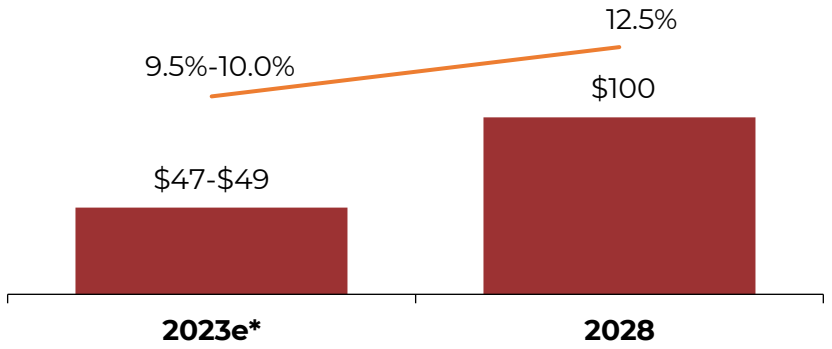
FAST FORWARD FINANCIAL TARGETS [FY23-FY28]

Introducing our New, Five-Year Financial Targets

Revenue Growth ($M)



Adjusted EBITDA / Margin ($M)



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*

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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

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VERTICAL APPLICATIONS

REFUELING & CONVENIENCE STORE

Lead with Display Solutions and Lighting



CANOPY LIGHTING / GRAPHICS



INDOOR GRAPHICS / FIXTURES



OUTDOOR GRAPHICS / LIGHTING

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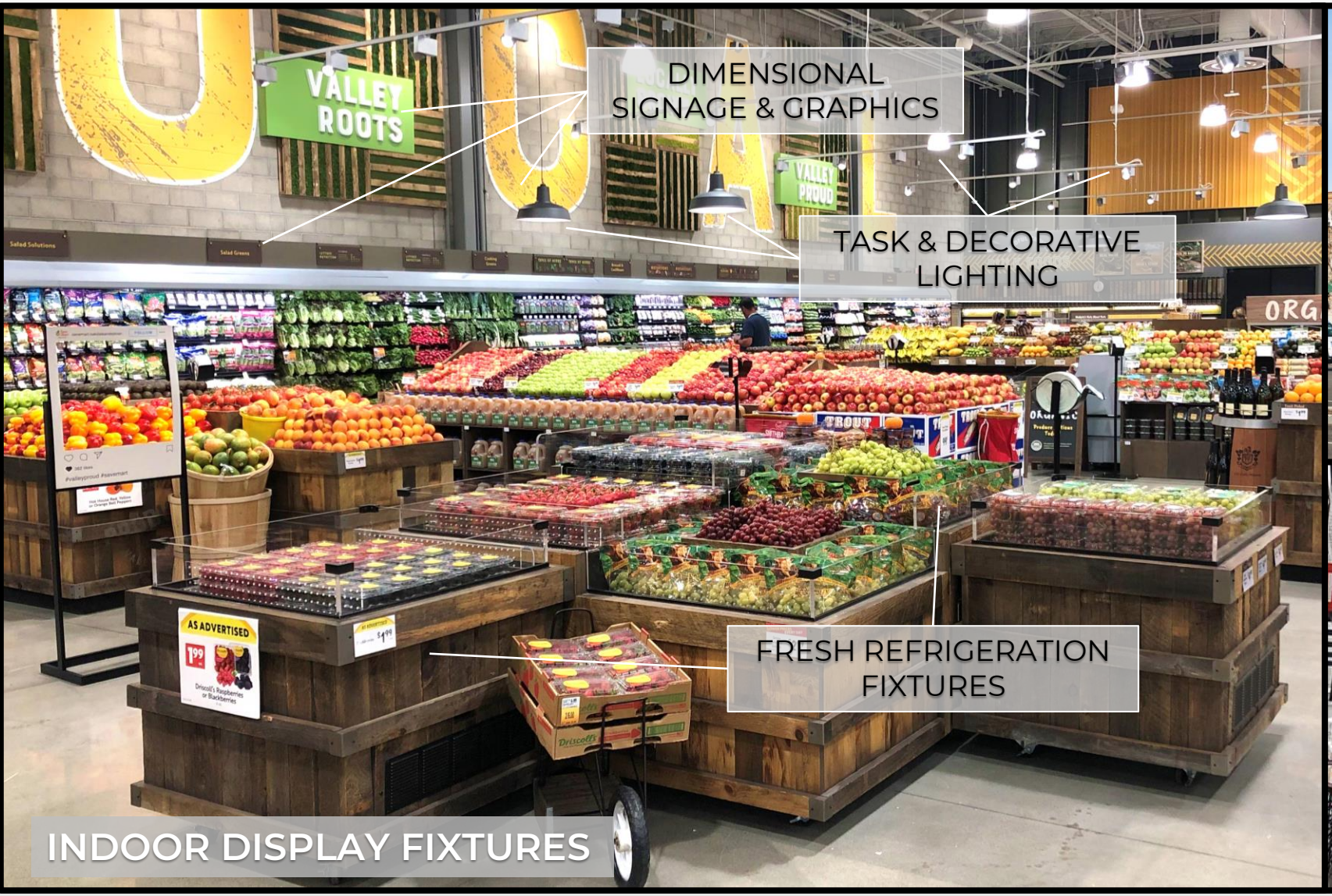
GROCERY

Lead with Display Solutions







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AUTOMOTIVE

Lead with Outdoor Lighting







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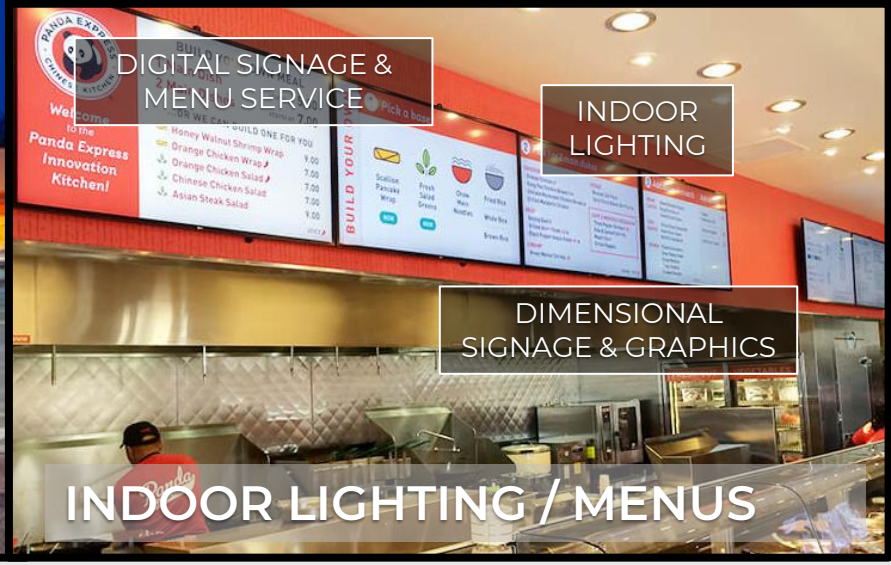
QUICK SERVE RESTAURANTS (QSR)

Lead with Digital Menu Boards and Lighting







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INVESTMENT CONCLUSION

ENVIRONMENTAL, SOCIAL & GOVERNANCE

Deep Commitment to ESG



Environmental Factors

LSI takes its commitment to the environment very seriously. As demand for electricity continues to increase, our customers and their communities look to us to provide product solutions that help reduce energy consumption, light pollution and associated greenhouse gas emissions.



Social Factors

As America strives to become more energy-efficient, our products allow customers to retrofit and replace their outdated lighting systems, as well as install entirely new LED systems, with technology that benefits society as a whole.



Governance Factors

A key component of our approach to ESG is our Code of Business Ethics and Conduct. This serves as a blueprint for making the right decisions in the best interests of the Company, our customers, communities and shareholders.

Full Sustainability Report Available at www.lsicorp.com

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INVESTMENT SUMMARY

Building Upon a Foundation of Commercial Growth and Operational Execution

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FLAME
GRILLING
SINCE 1954
PICTURE MENUS & NUTRITIONAL INFORMATION AVAILABLE UPON REQUEST

APPENDIX

STATEMENT ON NON-GAAP FINANCIAL MEASURES

This presentation includes adjustments to GAAP operating income, net income and earnings per share for the twelve months ended June 30, 2022 and 2021. Operating income, net income and earnings per share, which exclude the impact of stock compensation expense, acquisition costs, severance costs and restructuring 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 Organic Net Sales. 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 Organic Net Sales.

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Non-GAAP RECONCILIATION

LSI Industries	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Net Sales [a]	127,470	127,069	128,804	117,470
Operating Income	7,175	10,021	9,038	7,732
Acquisition costs	112	-	-	
Consulting Expense: Commercial Growth Initiatives	-	303	486	75
Severance costs/Restructruing costs	8	12	33	
Stock compensation expense	824	551	1,002	968
Adjusted Operating Income [b]	**8,119**	**10,887**	**10,559**	**8,775**
Depreciation and amortization	2,494	2,421	2,419	2,455
Adjusted EBITDA [c]	**10,613**	**13,308**	**12,978**	**11,230**
Operating Margin % [b] / [a]	6.4%	8.6%	8.2%	7.5%
Adjusted EBITDA Margin % [c] / [a]	8.3%	10.5%	10.1%	9.6%

Lighting Segment	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Net Sales [a]	67,786	67,534	66,833	66,707
Operating Income	7,022	9,157	6,755	6,529
Severance costs/Restructruing costs	5	13	18	-
Stock compensation expense	85	42	113	97
Adjusted Operating Income	**7,112**	**9,212**	**6,886**	**6,626**
Depreciation and amortization	1,429	1,387	1,381	1,344
Adjusted EBITDA [b]	**8,541**	**10,599**	**8,267**	**7,970**
Adjusted EBITDA Margin % [b] / [a]	**12.6%**	**15.7%**	**12.4%**	**11.9%**

Display Solutions Segment	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Net Sales [c]	59,683	59,536	61,971	50,762
Operating Income	5,447	6,496	7,761	5,501
Severance costs/Restructruing costs		-	15	
Stock compensation expense	139	116	186	221
Adjusted Operating Income	**5,586**	**6,612**	**7,962**	**5,722**
Depreciation and amortization	1,005	974	976	1,044
Adjusted EBITDA [d]	**6,591**	**7,586**	**8,938**	**6,766**
Adjusted EBITDA Margin % [d] / [c]	**11.0%**	**12.7%**	**14.4%**	**13.3%**

Corporate Segment	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Operating Loss	(5,330)	(5,639)	(5,480)	(4,296)
Acquisition costs	112	-	-	-
Consulting Expense: Commercial Growth Initiatives	-	303	486	75
Severance costs/Restructruing costs	3	-	-	-
Stock compensation expense	599	394	703	650
Adjusted Operating Loss	**(4,616)**	**(4,942)**	**(4,291)**	**(3,571)**
Depreciation and amortization	60	60	62	68
Adjusted EBITDA	**(4,556)**	**(4,882)**	**(4,229)**	**(3,503)**

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Non-GAAP RECONCILIATION

Three Months Ended March 31					Nine Months Ended March 31			
2023	Diluted EPS	2022	Diluted EPS	*(In thousands, except per share data)* Reconciliation of net income to adjusted net income	2023	Diluted EPS	2022	Diluted EPS
$ 4,669	$0.16	$ 3,618	$0.13	Net income as reported	$17,347	$ 0.60	$ 9,856	$0.35
769	0.03	576	0.02	Long-Term Performance Based Compensation	2,107	0.08	1,850	0.07
-	-	16	-	Acquisition costs	-	-	285	0.01
-	-	4	-	Severance costs	38	-	4	-
59	-	-	-	Consulting expense: Commercial Growth Initiatives	708	0.02	-	-
$ 5,497	$0.19	$ 4,214	$0.15	Net income adjusted	$20,200	$ 0.70	$ 11,995	$0.43

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Non-GAAP RECONCILIATION

LSI Industries	**Q3 2022**	**Q3 2023**
Net Sales [a]	110,111	117,470
Gross Margin	26,793	32,204
Severance costs	-	-
Restructuring and plant closure costs (gains)	-	-
Adjusted Gross Margin [b]	**26,793**	**32,204**
Adjusted Gross Margin % [b] / [a]	24.3%	27.4%

Lighting Segment	**Q3 2022**	**Q3 2023**
Net Sales [a]	57,126	66,707
Gross Margin	16,654	20,278
Severance costs		-
Restructuring and plant closure costs (gains)		-
Adjusted Gross Margin [b]	**16,654**	**20,278**
Adjusted Gross Margin % [b] / [a]	**29.2%**	**30.4%**

Display Solutions Segment	**Q3 2022**	**Q3 2023**
Net Sales [c]	52,985	50,762
Gross Margin	10,171	11,927
Severance costs		-
Restructuring and plant closure costs (gains)	-	-
Adjusted Gross Margin [b]	**10,171**	**11,927**
Adjusted Gross Margin % [b] / [a]	**19.2%**	**23.5%**

Corporate Segment	**Q3 2022**	**Q3 2023**
Gross Margin	(32)	(1)
Severance costs	-	-
Restructuring and plant closure costs (gains)	-	-
Adjusted Gross Margin	**(32)**	**(1)**

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Non-GAAP RECONCILIATION

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Total consolidated current assets	$158,558	$158,917	$170,407	$ 149,025	$ 145,823
Total consolidated current liabilities	$ 75,171	$ 74,619	$ 79,935	$ 64,109	$ 66,036
Consolidated working capital	$ 83,387	$ 84,298	$ 90,472	$ 84,916	$ 79,787

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Total consolidated inventory	$ 78,364	$ 74,421	$ 80,457	$ 73,205	$ 67,661

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For Additional Questions,
Please Contact
720.778.2415

Thank You,

LSI Investor Relations