



# **The LGL Group, Inc.**

## **(NYSE MKT: LGL)**

***The Micro Cap Conference  
January 31 – February 1, 2024***

Information included or incorporated by reference in this presentation may contain forward-looking statements. This information may involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different than the future results, performance or achievements expressed or implied by any forward-looking statements. Forward-looking statements, which involve assumptions and describe our future plans, strategies and expectations, are generally identifiable by use of the words “may,” “should,” “expect,” “anticipate,” “estimate,” “believe,” “intend” or “project” or the negative of these words or other variations on these words or comparable terminology.

Examples of forward-looking statements include, but are not limited to, statements regarding efforts to grow revenue, expectations regarding fulfillment of backlog, future benefits to operating margins and the adequacy of cash resources. Actual events or results may differ materially from those discussed in forward-looking statements as a result of various factors, including, without limitation, the risks outlined under “Risk Factors” in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on April 17, 2023. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements contained in this presentation will in fact be accurate. Further, we do not undertake any obligation to publicly update any forward-looking statements. As a result, you should not place undue reliance on these forward-looking statements.



## LGL Group is a NYSE Publicly traded Micro Cap corporation ("LGL")

- Formed in 1917
- IPO in 1946
- Since 1985, acquired 32 businesses, sold 11, and spun off 3
  - ✓ 2022 Spin of MPTI at ~\$13 with recent high \$43
- Value Creation Heritage with NYSE governance

### Current LGL Profile

- ❑ 5.35mm Shares Outstanding ~ \$6.01 Stock price as of 1/25/2024
  - ✓ Plus 1.05mm 5:1 Nov 25 Warrants @ \$4.75
- ❑ \$32.2mm Market Cap (pre warrant exercise)
- ❑ \$ 40.5mm / \$7.57 Book Value / per share (Sept '23)
- ❑ PTF principal subsidiary acquired 2016
- ❑ Positioned to access long term value creation opportunities

\*5.25 million at 5:1 Nov 2025 ("LGL.WS") traded warrants with cash strike at \$4.75



## Delivered to Shareholders:

Separation at \$13 per share to recent high \$43 ~ \$115mm market cap

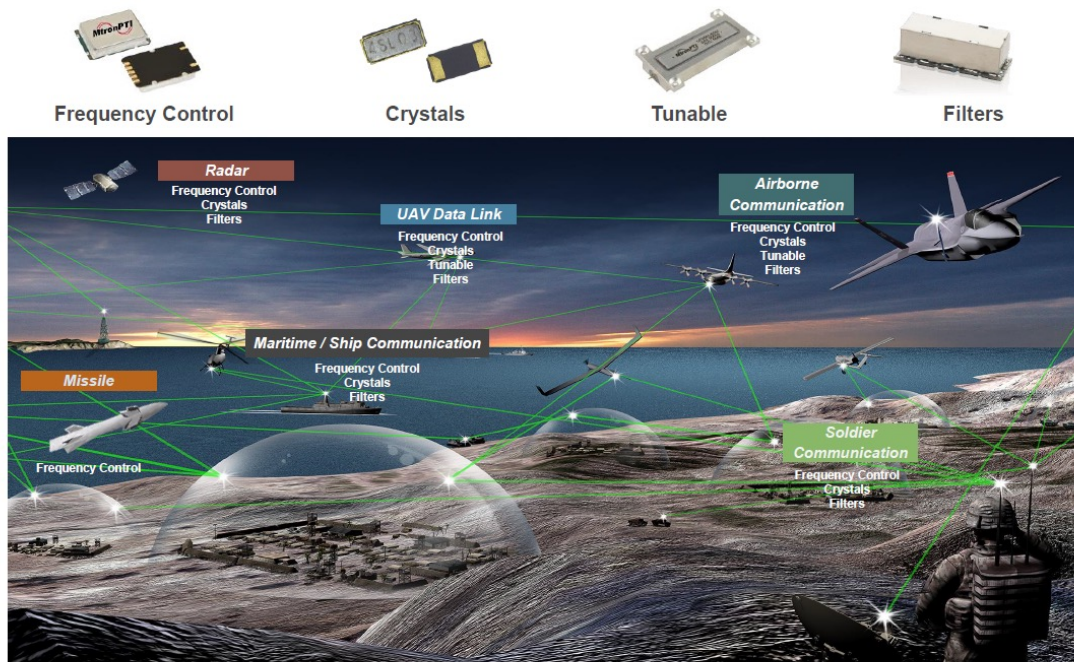
SPIN OFF: October 7, 2022 (NYSE – MPTI)

*Creating standalone Aerospace and Defense frequency control engineering pure play*

## MtronPTI's Significant Opportunity in the Defense Landscape

The Budget prioritizes enhancements to offensive air and sea power through the modernization of existing weapons, ships, aircraft and electronic warfare capabilities; C4ISR requires RF capability on nearly every platform

## Develop and Deliver



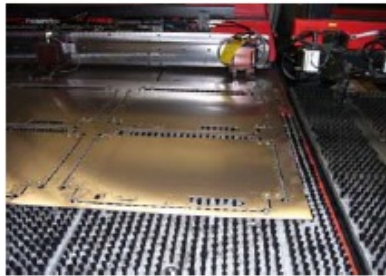
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## Precise Time and Frequency, LLC (PTF)

### Manufacturing



- Founded in 2002
- Focus on Developing Systems for High-performance frequency and time reference standards
- \$~700 million TAM with 6.2% CAGR from 2020 to 2027
- Significant expansion potential with 3,000 sq. ft. manufacturing facility based in Wakefield, Mass.
- Business Model designed for:
  - Efficiency - Outsource fabrication and PCB assembly
  - Flexibility - In-house design/development
  - Quality - In-house final assembly test

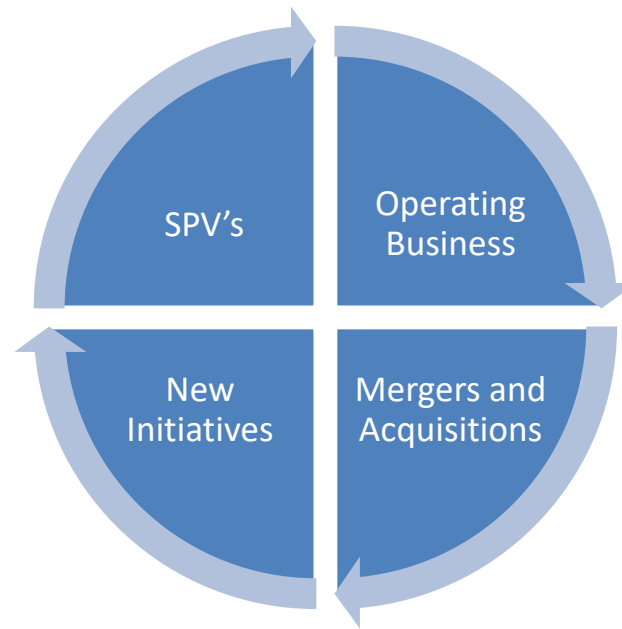
### Corporate HQ Wakefield, Mass.



	September 30, 2023 (unaudited)	December 31, 2022
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 40,777	\$ 21,507
Marketable securities	22	16,585
Accounts receivable, net of reserves of \$58 and \$86, respectively	273	543
Inventories, net	191	265
Prepaid expenses and other current assets	239	440
Total Current Assets	41,502	39,340
Net property, plant, and equipment	—	1
Right-of-use lease assets	71	132
Intangible assets, net	63	78
Deferred income tax assets	186	234
Total Assets	<u>\$ 41,822</u>	<u>\$ 39,785</u>
<b>LIABILITIES AND EQUITY</b>		
Current Liabilities:		
Accounts payable	215	310
Accrued compensation and commissions	324	170
Income taxes payable	—	1
Other accrued expenses	72	106
Total Current Liabilities	611	587
Other liabilities	692	708
Total Liabilities	1,303	1,295
Contingencies (Note M)		
Equity:		
Common stock, \$0.01 par value - 30,000,000 shares authorized; 5,434,521 shares issued and 5,352,937 shares outstanding at September 30, 2023 and December 31, 2022	53	53
Additional paid-in capital	46,346	46,346
Retained earnings	(7,194)	(7,329)
Treasury stock, 81,584 shares held in treasury at cost at September 30, 2023 and December 31, 2022	(580)	(580)
Stockholders' Equity	38,625	38,490
Non-controlling interests	1,894	—
Total Equity	40,519	38,490
Total Liabilities and Equity	<u>\$ 41,822</u>	<u>\$ 39,785</u>

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Revenues:</b>				
Net sales	\$ 438	\$ 344	\$ 1,282	\$ 1,131
Interest income	544	52	1,017	57
Investment (loss) income	(4)	(2,121)	384	(4,449)
<b>Total revenues, net of investment (loss) income</b>	<u>978</u>	<u>(1,725)</u>	<u>2,683</u>	<u>(3,261)</u>
<b>Expenses:</b>				
Manufacturing cost of sales	195	203	595	672
Engineering, selling and administrative	584	667	1,799	2,310
<b>Total Expenses</b>	<u>779</u>	<u>870</u>	<u>2,394</u>	<u>2,982</u>
<b>Income (loss) from continuing operations before income taxes</b>	199	(2,595)	289	(6,243)
Income tax expense (benefit)	69	(648)	132	(1,402)
<b>Net income (loss) from continuing operations</b>	130	(1,947)	157	(4,841)
Income from discontinued operations, net of tax	—	488	—	1,753
<b>Net income (loss)</b>	130	(1,459)	157	(3,088)
Less: net income attributable to non-controlling interests	22	—	22	—
<b>Net income (loss) attributable to LGL Group</b>	<u>\$ 108</u>	<u>\$ (1,459)</u>	<u>\$ 135</u>	<u>\$ (3,088)</u>
<b>Net Income (Loss) per Basic Share:</b>				
Continuing operations	\$ 0.02	\$ (0.36)	\$ 0.03	\$ (0.91)
Discontinued operations	—	0.09	—	0.32
<b>Total Net Income (Loss) per Basic Share</b>	<u>\$ 0.02</u>	<u>\$ (0.27)</u>	<u>\$ 0.03</u>	<u>\$ (0.58)</u>

- History of making disciplined, strategic acquisitions, capital expansions and partnerships
- Various industries; financial services, industrial manufacturing, transportation, & communications....more to come.....

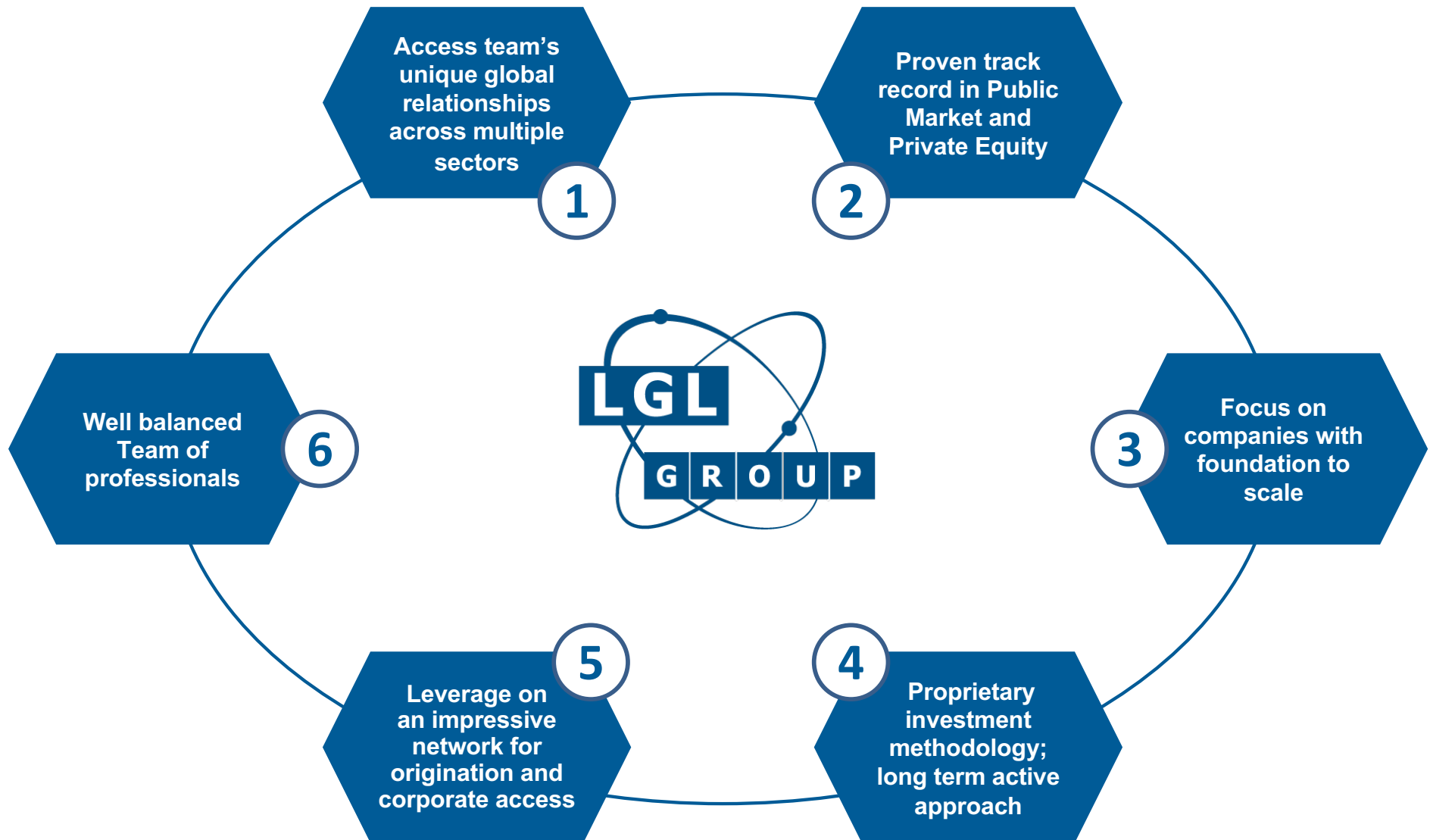


***Strong Network Effects  
To Grow Value***

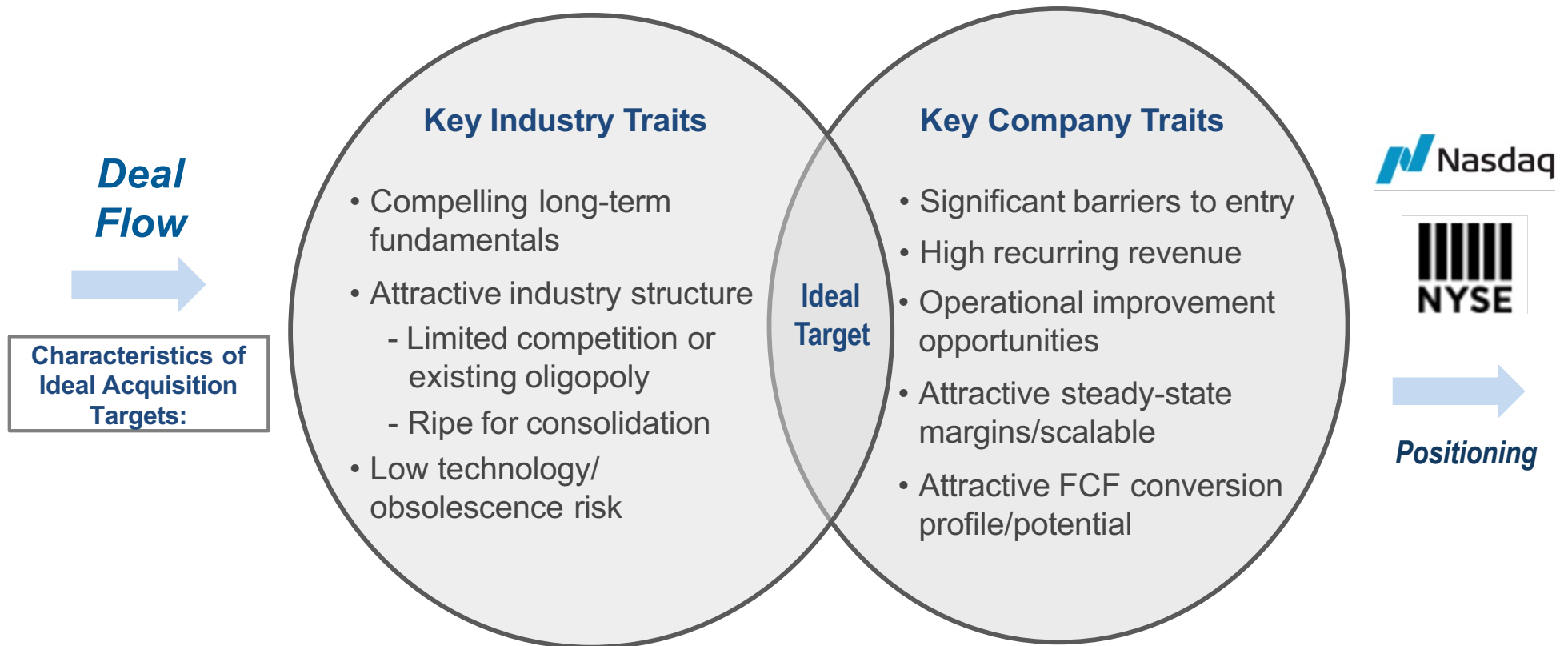
## Since 1985

- ✓ 32 Acquisitions
- ✓ 11 Sales
- ✓ 3 Spin-Offs
- ✓ Rights Offerings
- ✓ Warrants
- ✓ Value





# Focus on Companies with Foundation to Scale



Deal flow on a select and opportunistic basis from investment pipeline investable via SPVs

## Network of Experience

- Team non-fiduciary partners **dedicated to the development of successful investments**
- Provide **discretionary corporate and market assistance** for operations, access, management and plans for growth
- Diversity of experiences** to enhance bench strength with **execution and implementation of growth post investment**

## Management / Board of Directors / Partners

### LGL Systems<sup>(1)</sup> - Partners



**Marc Gabelli**

Co-CEO & Chairman. 30+ years of experience. Director, President & CEO of Gabelli Group. Senior Manager & Director across various group affiliates



**Tim Foulas**

Co-CEO 30+ years of public & private investment experience. Extensive history with Gabelli organization



**Mike Ferrantino**

CEO of Mtron Industries. Former CEO of LGL Group. Extensive experience in management, manufacturing, operations and global financial markets.



**Kaan Aslansan**

Co-President, SOL Investment Group. Extensive knowledge of corporate finance & technology, due diligence, M&A, and digital transformation.



**Darlene DeRemer**

Chairwomen and Trustee of ARK ETF Trust. Career in investment banking, new product development and governance positions of leadership.



**Manjit Kalha**

25+ years experience in investment management. Managing Partner at Horizon Research. Expertise in business strategy, finance, and taxation.



**Herve Francois**

Partner at DeRosa Group. Former financial analyst at Citigroup, CSFB, and other IBanks. Broad financial services experience in research and sales.



**Rob LaPenta**

25+ career in finance, M&A, accounting, capital markets. Partner at Aston Capital, co-founder of Boundary Group, former VP of M&A at L-1.



**Nathan Miller**

Co-founder of NGM Asset Management. Former Aerospace & Defense, Industrial, and Cyclical Senior Analyst at SAC Capital

1) Represents a partial member listing within LGL Systems Acquisition Holdings Company, LLC

## Summary

- NYSE Listed Micro Cap
- Long History of Delivering Value
- Positioned for Expansion
- PTF Time and Frequency Instrumentation Platform



# Questions

Please see full disclosures. All points in discussions are estimates.





## Contact Information

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