

# **The LGL Group, Inc.**

**(NYSE MKT: LGL)**

***Sidoti Small Cap Conference  
September 18 - 19, 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 1, 2024. 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

- ❑ 5.37mm Shares Outstanding ~ \$5.96 Stock price as of 8/30/2024
  - ✓ Plus 1.05mm 5:1 Nov 25 Warrants @ \$4.75\*
- ❑ \$32.0mm Market Cap (pre warrant exercise)
- ❑ \$40.9mm / \$7.61 Book Value/share (June 2024)
- ❑ 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

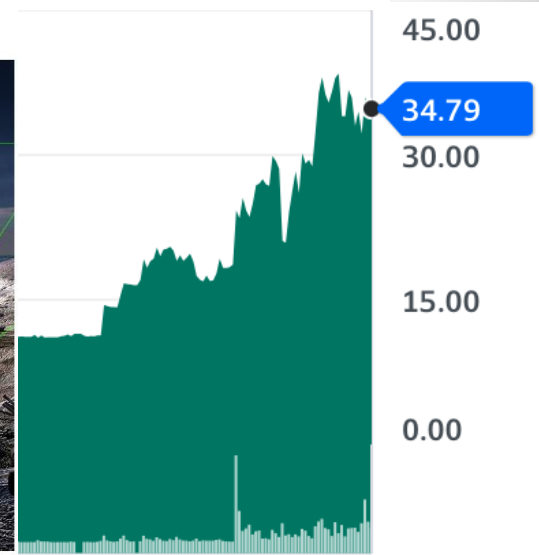
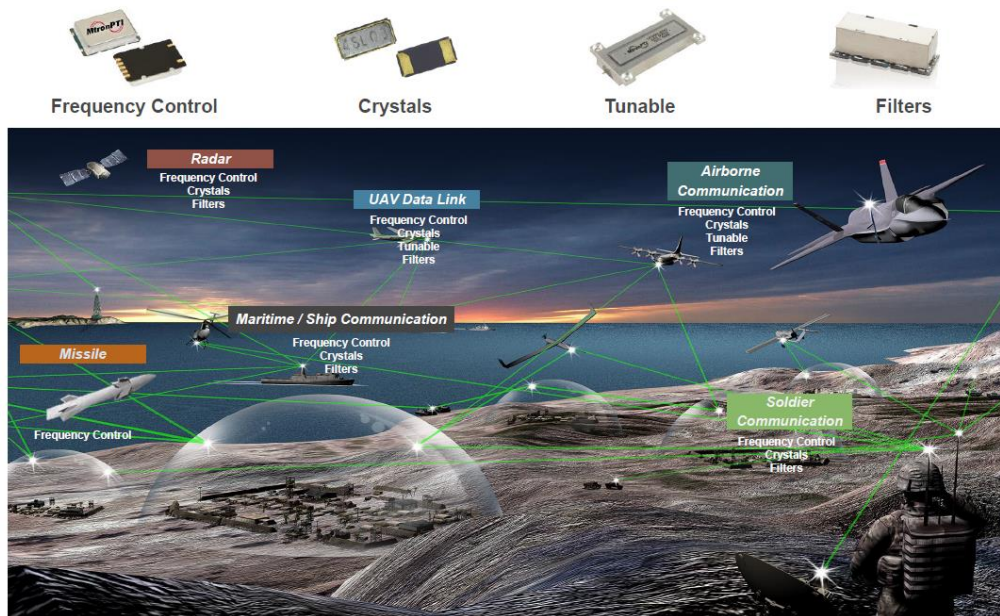
SPIN OFF: October 7, 2022 (NYSE – MPTI)

*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

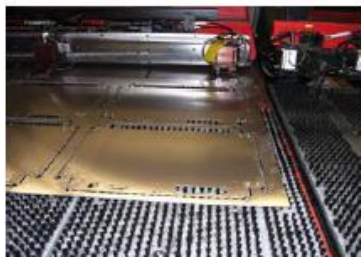


HOULIHAN LOKI



## 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.





(in thousands)

	June 30, 2024	December 31, 2023
<b>Assets:</b>		
Current assets:		
Cash and cash equivalents	\$ 41,074	\$ 40,711
Marketable securities	18	22
Accounts receivable, net of reserves of \$52 and \$58, respectively	339	356
Inventories, net	336	204
Prepaid expenses and other current assets	236	273
<b>Total current assets</b>	<b>42,003</b>	<b>41,566</b>
Right-of-use lease assets	41	75
Intangible assets, net	46	57
Deferred income tax assets	157	152
<b>Total assets</b>	<b>\$ 42,247</b>	<b>\$ 41,850</b>
<b>Liabilities:</b>		
Total current liabilities	621	474
Non-current liabilities	722	694
<b>Total liabilities</b>	<b>1,343</b>	<b>1,168</b>
<b>Stockholders' equity:</b>		
Total LGL Group stockholders' equity	38,938	38,762
Non-controlling interests	1,966	1,920
<b>Total stockholders' equity</b>	<b>40,904</b>	<b>40,682</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 42,247</b>	<b>\$ 41,850</b>

<i>(in thousands, except share data)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Revenues:</b>				
Net sales	\$ 531	\$ 403	\$ 923	\$ 844
Net investment income	538	275	1,037	473
Net (losses) gains	(1)	43	(4)	388
<b>Total revenues</b>	<b>1,068</b>	<b>721</b>	<b>1,956</b>	<b>1,705</b>
<b>Expenses:</b>				
Manufacturing cost of sales	214	208	418	400
Engineering, selling and administrative	617	645	1,222	1,187
<b>Total expenses</b>	<b>831</b>	<b>853</b>	<b>1,640</b>	<b>1,587</b>
<b>Income (loss) from continuing operations before income taxes</b>	<b>237</b>	<b>(132)</b>	<b>316</b>	<b>118</b>
Income tax (benefit) expense	76	(2)	112	63
<b>Net income (loss) from continuing operations</b>	<b>161</b>	<b>(130)</b>	<b>204</b>	<b>55</b>
Income (loss) from discontinued operations, net of tax	—	—	—	(28)
<b>Net income (loss)</b>	<b>161</b>	<b>(130)</b>	<b>204</b>	<b>27</b>
Less: Net income attributable to non-controlling interests	24	—	46	—
<b>Net income (loss) attributable to LGL Group common stockholders</b>	<b>\$ 137</b>	<b>\$ (130)</b>	<b>\$ 158</b>	<b>\$ 27</b>
<b>Income (loss) per common share attributable to LGL Group common stockholders:</b>				
Basic (a):				
Income (loss) from continuing operations	\$ 0.03	\$ (0.02)	\$ 0.03	\$ 0.01
Income (loss) from discontinued operations	—	—	—	(0.01)
<b>Net income (loss) attributable to LGL Group common stockholders</b>	<b>\$ 0.03</b>	<b>\$ (0.02)</b>	<b>\$ 0.03</b>	<b>\$ 0.01</b>
Diluted (a):				
Income (loss) from continuing operations	\$ 0.02	\$ (0.02)	\$ 0.03	\$ 0.01
Income (loss) from discontinued operations	—	—	—	(0.01)
<b>Net income (loss) attributable to LGL Group common stockholders</b>	<b>\$ 0.02</b>	<b>\$ (0.02)</b>	<b>\$ 0.03</b>	<b>\$ 0.01</b>
<b>Weighted average shares outstanding:</b>				
Basic	5,352,937	5,352,937	5,352,937	5,352,937
Diluted	5,482,543	5,352,937	5,548,869	5,352,937

(a) Basic and diluted earnings per share are calculated using actual, unrounded amounts. Therefore, the components of earnings per share may not sum to its corresponding total.



<i>(in thousands)</i>	Six Months Ended June 30,		S Change	% Change
	2024	2023		
<b>Revenues:</b>				
Electronic Instruments	\$ 923	\$ 844	\$ 79	9.4%
Merchant Investment	604	—	604	n/m
Corporate	429	861	(432)	-50.2%
<b>Total revenues</b>	<b>1,956</b>	<b>1,705</b>	<b>251</b>	<b>14.7%</b>
<b>Expenses:</b>				
Electronic Instruments	847	750	97	12.9%
Merchant Investment	127	—	127	n/m
Corporate	666	837	(171)	-20.4%
<b>Total expenses</b>	<b>1,640</b>	<b>1,587</b>	<b>53</b>	<b>3.3%</b>
<b>Income (loss) from continuing operations before income taxes</b>				
Electronic Instruments	76	94	(18)	-19.1%
Merchant Investment	477	—	477	n/m
Corporate	(237)	24	(261)	-1087.5%
<b>Income from continuing operations before income taxes</b>	<b>316</b>	<b>118</b>	<b>198</b>	<b>167.8%</b>
Income tax expense	112	63	49	77.8%
<b>Net income (loss) from continuing operations</b>	<b>204</b>	<b>55</b>	<b>149</b>	<b>270.9%</b>
Income (loss) from discontinued operations, net of tax	—	(28)	28	-100.0%
<b>Net income</b>	<b>204</b>	<b>27</b>	<b>177</b>	<b>655.6%</b>
Less: Net income attributable to non-controlling interests	46	—	46	n/m
<b>Net income attributable to LGL Group common stockholders</b>	<b>\$ 158</b>	<b>\$ 27</b>	<b>\$ 131</b>	<b>485.2%</b>



## Summary

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

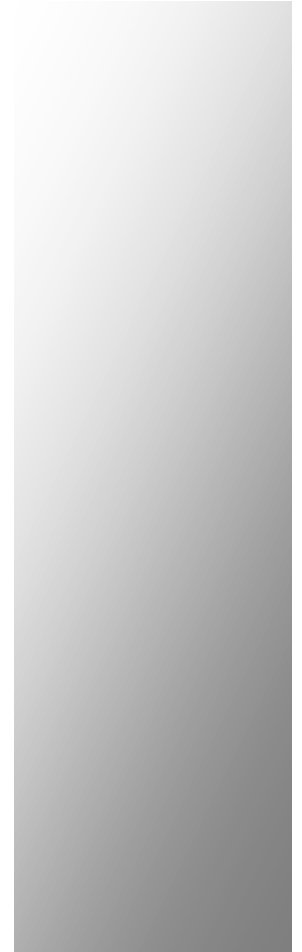




Thank You

# Questions

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





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[www.LGLgroup.com](http://www.LGLgroup.com)

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