



LANTRONIX

Global Leader in Edge AI & Industrial IoT

May 2026
LTRX:NASDAQ

Forward-Looking Statements

This Presentation contains forward-looking statements, including statements concerning our business and product development plans and strategies, the perceived benefits of our products and corporate acquisitions, and our future growth and financial performance. Any statement relating to our plans, goals, expectations or any future event should be considered a forward-looking statement. While we have based our forward-looking statements on our current assumptions and expectations, forward-looking statements are not guarantee of future performance and are subject to substantial risks and uncertainties. As a result, our actual results could differ materially from those indicated in our forward-looking statements, and you should not rely on any of these forward-looking statements.

Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, but are not limited to, volatility in global economic conditions; product development and marketing risks; risks related to manufacturing and international operations; difficulties associated with our suppliers, distributors or resellers; intense competition in our industry; changes in applicable U.S. and foreign government laws, regulations, and tariffs; risks associated with acquisitions, divestitures, mergers, or joint ventures; intellectual property and cybersecurity risks; the outcome of legal proceedings; and other risks and uncertainties described in "Risk Factors" in our Annual Report on Form 10-K filed with the SEC, as well as in our other filings with the SEC. In addition, new risks emerge from time-to-time and we cannot predict all future risks or assess the impact of all risks to our business. Our forward-looking statements are based on our view as of the date they are made. Except as required by law, we expressly disclaim any intent or obligation to update any forward-looking

statements after the date hereof because of new information, future events or otherwise.

Some of the financial information and data contained in this Presentation, including non-GAAP operating expenses, non-GAAP net income (loss), and non-GAAP earnings (loss) per share, have not been prepared in accordance with United States generally accepted accounting principles ("GAAP"). We believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating historical or projected operating results and trends in and in comparing our financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. We do not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and revenue that are required by GAAP to be recorded in our financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and revenue items are excluded or included in determining these non-GAAP financial measures. In order to compensate for these limitations, management presents historical non-GAAP financial measures in connection with GAAP results. A reconciliation of the non-GAAP financial measures to the corresponding GAAP financial measures, along with important information regarding our disclosure of the non-GAAP financials, is provided in the Appendix to this Presentation.

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Lantronix at a Glance

A Technology Growth Engine

Accelerating AI-Ready Edge Deployments: Developing leading-edge products and software to accelerate Edge AI & manage complex workflows

Seamless Edge AI Platform: An integrated solution delivering a robust platform for optimized model performance, supporting the rapid development, deployment and acceleration of edge AI solutions

Powering Network Infrastructure: Secure and resilient LTE and 5G WAN connectivity at the edge, supporting teams highly dependent on cloud-based and on-prem devices

Key Differentiators

Ultra-Low Latency AI Inference: Powers real-time decision-making for edge devices, critical for drone autonomy and surveillance

Robust IP and Edge Leadership: Portfolio accelerates secure, compliant solutions for embedded compute

Edge AI Hardware Expertise: Capturing multi-year growth in a ~\$60B market by 2030¹

Company Snapshot

\$119M TTM Revenue	43.4% TTM Gross Margin	\$5.0M TTM Adjusted EBITDA	\$23.5M 3/31/2026 Cash Balance
LTRX NASDAQ	~300 Full-Time Employees	U.S. Headquarters	1989 Year Founded

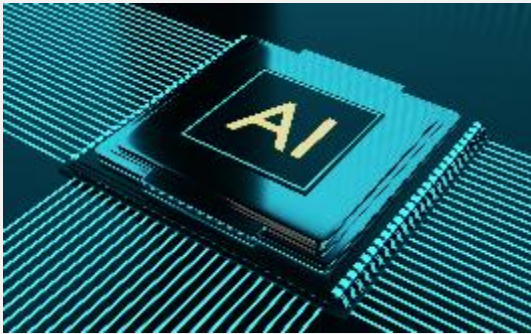
Proven Expertise & Capabilities

Global Leader in Edge AI & Industrial IoT
Proven Ability to Scale Across Large, Distributed Asset Networks
Expanding Global Footprint with Leading Defense and Commercial Drones

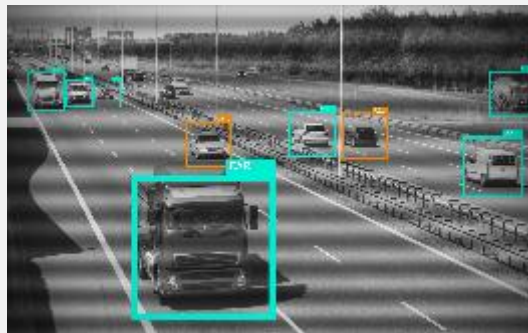
Combining Compute and Connect

One Platform, One Ecosystem, Endless Solutions

Compute



Connect



Enabling Edge Intelligence with Compute & Connect

Scalable Solutions

Operational Efficiency

Real-Time Decisions

- ▶ 20+ years of embedded hardware expertise
- ▶ Proven pivot: Serial device servers to cellular gateways & compute modules
- ▶ Now delivering AI-ready edge solutions with orchestration and remote device management

Positioned at the Center of Three Secular Edge AI Markets

Scalable Edge AI platforms driving expansion across defense, infrastructure, and enterprise



Aerospace & Defense

Defense Drone Supercycle Underway

- **\$1B+** Pentagon Drone Dominance program¹
- **Pentagon procurement** scaling at unprecedented pace
- **Edge AI** enabling autonomous mission platforms
- **NDAA/TAA compliance** creates structural moat



Critical Infrastructure Monitoring

Infrastructure Digitization Accelerating

- **Grid modernization** fueling large-scale IoT deployments
- **Edge analytics** reducing downtime and operational risk
- **Resilience mandates** sustaining infrastructure spend
- **Multi-year infrastructure investment** cycle underway



Enterprise

Edge AI Upgrade Cycle Underway

- **AI workloads** driving enterprise upgrade cycle
- **Edge compute** improving security, uptime, and cost efficiency
- **Digital transformation** accelerating distributed edge adoption
- **Enterprise Governance & Compliance** driving intelligent surveillance transition

Aerospace & Defense

Powering defense & public safety with secure Edge AI solutions

► Lantronix Solutions

- Platform Partner in DoW Drone Dominance Program: Lantronix partners/customers included in \$1.1B program deploying 200,000+ units through 2027—validating platform approach versus component suppliers
- NDAA/TAA-Compliant U.S. Supply Chain: Full compliance positions Lantronix to capture accelerating federal spending in secure, U.S.-based drone technologies
- Mission-Critical Edge AI: PercepXion™ software enables secure real-time monitoring, autonomous navigation, and on-device threat detection for defense operations

► Defense & Public Safety Wins

- U.S. Army SRR Program: Active Red Cat Teal Black Widow shipments with expansion into software and next-gen platforms
- Public Safety Entry - Flock Safety: First Drone-as-First-Responder design win opens new vertical with 18,000+ U.S. law enforcement agencies
- AI Threat Detection - Safe Pro Group: Real-time ground hazard detection demonstrates edge AI differentiation for autonomous navigation applications



Strategic Snapshot: Engaging the \$13B+ DoW Budget for UAS applications

- ▶ **Defense Focus**
Focusing on group 1-2, short-range reconnaissance drones align with current unmanned DoW funding
- ▶ **Commercial Edge AI**
Aerora + Teledyne FLIR partnerships for autonomous navigation and industrial inspection
- ▶ **Growing Partnership Across UAS Ecosystem**
Expanding capabilities to the tech stack, enabling full intelligent drone and counter-drone systems
- ▶ **Lantronix Advantage**
Camera + compute expertise, NDAA/TAA1 compliance, U.S.-based supply chain
- ▶ **Positioned for Multi-Year Growth**
Engaged with 15+ defense and commercial drone vendors globally



Platform Driven Edge Drone Camera Solutions

Strategic repositioning to defense AI applications



Defensible Market Position

Relied on by top defense, industry, and business leaders



Strategic Differentiation

Proven expertise in AI/ML, imaging, security, camera + compute, and connectivity



Revenue Potential

Drones could reach 15 - 20% of Lantronix's total sales in FY2027



Edge Processing

Reduced latency, faster response to input, and a counter to data transfer jamming



The civil UAS market is set to become the **most promising sector this decade**, driven by the rise of commercial applications and the increasing adoption of UAVs by governments for roles in **border security and public safety**.

— RGSBR Research, Unmanned Aerial Vehicles Industry Report (Sep 2025)



1

Reference Solutions

- Multi-spectral imaging
- EO + IR cameras
- Sensor fusion
- Advanced communications
- AI video pipelines
- Design services

Actual Size
45mm X 54mm X
3.6mm



2

Original Equipment Manufacturers (OEM)

- Open-Q SOMs
- Custom solutions
- Flight control and payload systems
- North American Supplier: NDAA/TAA¹-compliant
- Low SWaP (Size, Weight, and Power)



Trusted Partner in Next-Gen Edge Solutions

Partnering with Leading Innovators in Edge AI and Thermal Imaging



- ▶ **Strategic Positioning:** A strategic platform partner in Edge AI and Industrial IoT, Lantronix leverages its compute and connectivity solutions
- ▶ **Innovative Pipeline:** Developing next-gen Edge AI programs in collaboration with Qualcomm
- ▶ **Scaling Advantage:** Recognized as Qualcomm's key western scaling partner, enabling accelerated reach



- ▶ **Strategic Application:** Collaboration with Teledyne FLIR (thermal camera) on next-gen AI-enabled solutions in autonomous systems, drones, surveillance, and robotics
- ▶ **Technology Foundation:** Solutions powered by Lantronix Open-Q™ SOMs built on Qualcomm's Dragonwing platform
- ▶ **Differentiated Capability:** Enables advanced thermal image signal processing (ISP) and AI at the edge with greater flexibility for device innovation

Strategic Collaboration with Unusual Machines

- ▶ **1+1 = 3**
Combines Lantronix Edge AI compute with UMAC's flight components, enabling real-time perception & autonomous navigation
- ▶ **Accelerates Customer Deployment Timelines**
Reduces integration efforts and supports evolving operational requirements
- ▶ **Drone Dominance Program**
Collaboration allows both companies to pursue emerging DoW opportunities
- ▶ **Demanding Environments**
Lantronix & Usual Machines' capabilities mesh well with mission-critical execution in the drone ecosystem
- ▶ **Supply Chain Commitment**
Partnership reinforces both companies' focus on enabling autonomous systems in an expanding market segment

Edge AI in Real-World Systems



LANTRONIX®

UNUSUAL
MACHINES

Critical Infrastructure Monitoring

Enabling infrastructure upgrades at national, state, and regional levels

▶ Tier-1 U.S. Mobile Network Operator (MNO)

- Solution that allows MNOs to monitor the generators that are in each cell tower site

▶ Edge IoT Gateway Solutions

- First AI-enabled IoT Edge gateways for low-voltage grid solutions

▶ Grid Resiliency

- Smart utilities are improving grid resiliency and flexibility with Edge AI

▶ Industrial Compressor Optimization (Kompres.ai + Vodafone IoT)

- AI-powered platform integrates Edge hardware, cloud intelligence, and Vodafone connectivity to deliver real-time insights



Strategic Snapshot: Tier-1 U.S. Carrier Win in Critical Network Resilience

Digitally transforming the management of power systems

- ▶ **Tier-1 Contract**
 - Multi-year nationwide contract for backup power management + cloud-based software platform
- ▶ **PercepXion Software**
 - Solution leverages Lantronix's Edge gateways and PercepXion™ software
- ▶ **Remote Oversight**
 - Demonstrates proven ability to scale across large, distributed asset networks
- ▶ **Large Scale**
 - Enables remote oversight and data-driven service to 50,000+ cell sites
 - Focused on expanding beyond monitoring generators into other high-value applications within the tower (e.g., backup power banks and rectifiers)
- ▶ **24/7/365 Capabilities**
 - 24/7 monitoring of remote sites with automated alerts for outages, tampering or security threats, along with comprehensive audit capabilities



Enterprise

Enabling data centers & enterprise networks with improved resiliency

▶ **Out-of-Band Management Solutions**

- Keeps critical operations functioning with rapid enterprise network recovery

▶ **Target Segments and Value Delivered**

- Across banking, logistics, aviation, federal, and healthcare, Lantronix's independent, policy-enforced OOB plane keeps critical operations recoverable, auditable, and automated

▶ **Reduction in Support Time**

- Reduces support time and mitigates costly network outages, cutting mean time to repair (MTTR)

▶ **Cybersecurity**

- Enhances cybersecurity compliance requirements across complete networks

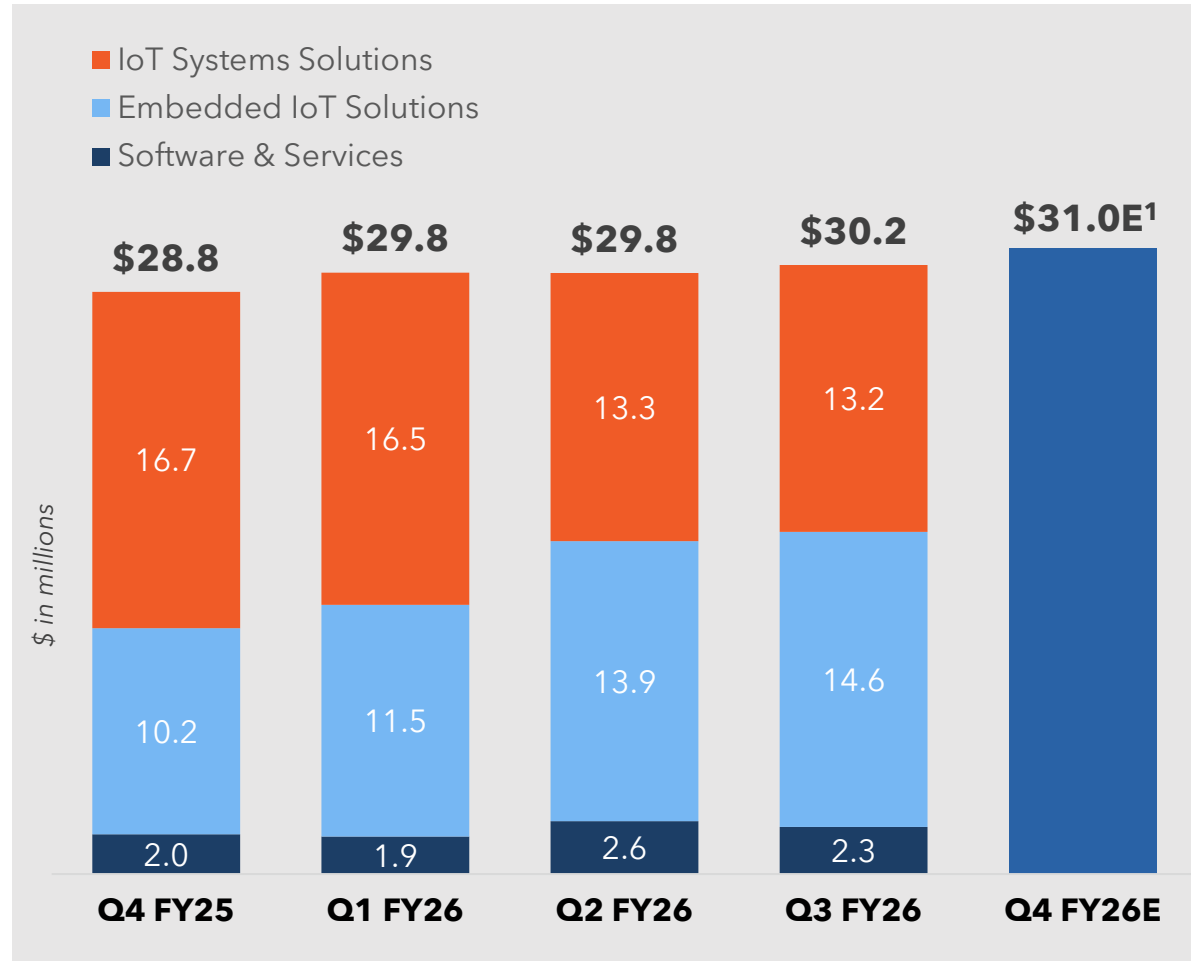
▶ **Select Enterprise Customers Include:**

- Abbott Healthcare, Bank of America, Motorola Solutions



Sequential Revenue Growth Driving Higher-Margin Mix

Diversified revenue base with increasing software and platform contribution



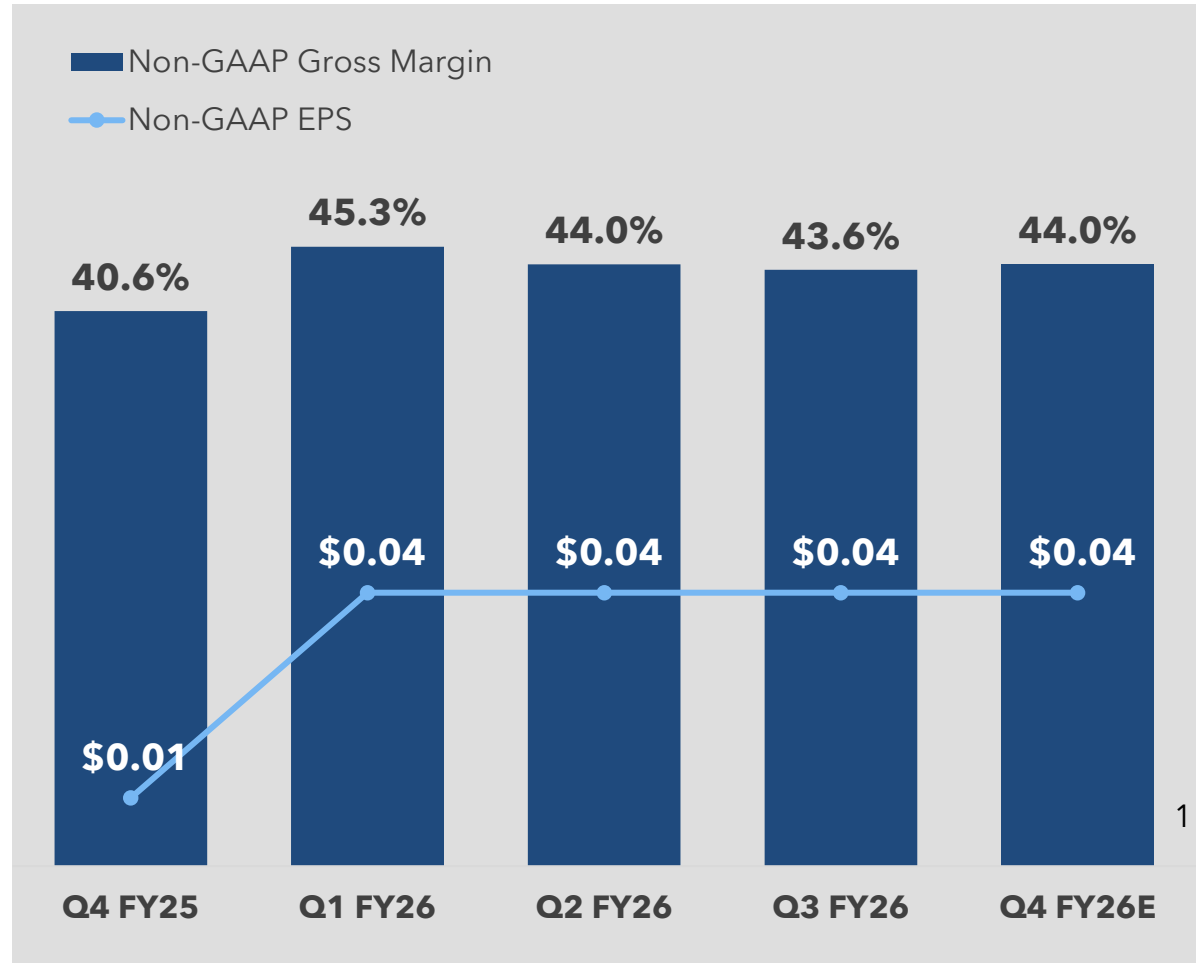
Sequential growth supported by improving revenue mix

- ▶ **FY26 Drone revenue** expected to be in the range of \$10 million - \$14 million
- ▶ **Software & services mix expanding**, targeting ~2× increase over ~18 months
- ▶ **Platform model driving higher-margin recurring revenue**



Margin Stability Driving Predictable EPS Expansion

Lean cost structure converting growth into operating leverage



Operating leverage emerging as revenue scales

- ▶ **Gross margins stable at 43-45%**, supporting consistent profitability
- ▶ **Lean cost structure driving EPS growth** as incremental revenue converts efficiently to earnings
- ▶ **Each ~\$10M of incremental revenue** expected to drive ~\$0.08-\$0.10 in non-GAAP EPS

Proven Leadership Team Driving Scalable Growth



Saleel Awsare

President & Chief Executive Officer

25+ years of experience



Brent Stringham

Chief Financial Officer

25+ years of experience



Mathi Gurusamy

Chief Product & Strategy Officer

25+ years of experience



Kurt Hoff

Chief Revenue Officer

25+ years of experience



Steve Burrington

VP Global Research & Development

25+ years of experience



Dennis Gallagher

VP/General Counsel & Corporate Secretary

25+ years of experience



Sano Marsiano

VP Operations

25+ years of experience



~300 Full-Time Employees

Recognized Industry Leadership



Fox Series Telematic Gateways



Open-Q SOMs Series



PoE++ switches



Top 50 Edge Computing Innovators



IoT Company CEO of the Year



NTC-500 Series Gateway

Strategically Positioned for Multi-Year, High-Growth at the Intelligent Edge

- ▶ **Mission-Critical Solutions Across Three Key Verticals:**
Critical infrastructure monitoring, enterprise IT, and unmanned aerospace systems
- ▶ **Global Leadership Through Two Clear Growth Businesses**
Edge IoT and Network Infrastructure
- ▶ **Global Product Development Design Wins Validate Strategy**
Provides multi-year revenue visibility through drones, tier-1 carrier, out-of-band management
- ▶ **Differentiated Technology Platform and IP**
NDAA/TAA -compliant solutions, camera/edge compute expertise, and Qualcomm ecosystem partnership
- ▶ **Well-Positioned for Secular Growth**
In AI-driven infrastructure, aerospace modernization, and digital transformation





Appendix

LANTRONIX

GAAP Income Statement

Unaudited Consolidated Statements of Operations (In thousands, except per share data)

	March 31, 2026	June 30, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 23,515	\$ 20,098
Accounts receivable, net	23,510	25,092
Inventories, net	26,422	26,371
Contract manufacturers' receivables	884	3,071
Prepaid expenses and other current assets	2,647	2,761
Total current assets	76,978	77,393
Property and equipment, net	1,673	2,456
Goodwill	31,089	31,089
Intangible assets, net	2,327	3,738
Lease right-of-use assets	7,307	8,422
Other assets	643	624
Total assets	<u>\$ 120,017</u>	<u>\$ 123,722</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 13,729	\$ 13,259
Accrued payroll and related expenses	3,860	3,471
Current portion of long-term debt, net	-	3,070
Other current liabilities	10,503	10,622
Total current liabilities	28,092	30,422
Long-term debt, net	8,691	8,684
Other non-current liabilities	8,764	10,238
Total liabilities	<u>45,547</u>	<u>49,344</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock	4	4
Additional paid-in capital	312,428	308,397
Accumulated deficit	(238,306)	(234,394)
Accumulated other comprehensive income	344	371
Total stockholders' equity	<u>74,470</u>	<u>74,378</u>
Total liabilities and stockholders' equity	<u>\$ 120,017</u>	<u>\$ 123,722</u>

GAAP to Non-GAAP Reconciliation

Unaudited Reconciliation of GAAP to Non-GAAP Adjustments (in thousands, excerpt per share data & %'s)

	Three Months Ended			Nine Months Ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
GAAP net loss	\$ (1,181)	\$ (1,330)	\$ (3,868)	\$ (3,912)	\$ (8,742)
Non-GAAP adjustments:					
Cost of revenue:					
Share-based compensation	36	29	34	100	146
Employer portion of withholding taxes on stock grants	2	4	-	8	7
Amortization of manufacturing profit in acquired inventory	-	-	44	18	44
Depreciation and amortization	108	106	101	320	338
Total adjustments to cost of revenue	146	139	179	446	535
Selling, general and administrative:					
Share-based compensation	1,358	1,354	1,159	4,166	3,329
Employer portion of withholding taxes on stock grants	51	38	13	116	111
Depreciation and amortization	246	252	345	788	1,044
Total adjustments to selling, general and administrative	1,655	1,644	1,517	5,070	4,484
Research and development:					
Share-based compensation	207	197	324	688	1,155
Employer portion of withholding taxes on stock grants	13	12	4	31	25
Depreciation and amortization	41	49	56	140	236
Total adjustments to research and development	261	258	384	859	1,416
Restructuring, severance and related charges	288	43	1,581	424	2,674
Acquisition related costs	48	40	100	131	337
Amortization of purchased intangible assets	216	598	879	1,411	3,378
Litigation settlement cost	-	-	-	-	198
Total non-GAAP adjustments to operating expenses	2,468	2,583	4,461	7,895	12,487
Interest expense, net	2	9	159	26	404
Other (income) expense, net	17	4	19	(162)	48
Provision for income taxes	34	243	111	319	423
Total non-GAAP adjustments	2,667	2,978	4,929	8,524	13,897
Non-GAAP net income	\$ 1,486	\$ 1,648	\$ 1,061	\$ 4,612	\$ 5,155
Non-GAAP net income per share - diluted	\$ 0.04	\$ 0.04	\$ 0.03	\$ 0.11	\$ 0.13
Denominator for GAAP net loss per share - diluted	39,731	39,496	38,820	39,472	38,493
Non-GAAP adjustment	2,134	2,209	1,300	2,185	1,034
Denominator for non-GAAP net income per share - diluted	41,865	41,705	40,120	41,657	39,527
GAAP cost of revenue	\$ 17,172	\$ 16,807	\$ 16,097	\$ 50,427	\$ 53,922
Non-GAAP adjustments to cost of revenue	(146)	(139)	(179)	(446)	(535)
Non-GAAP cost of revenue	17,026	16,668	15,918	49,981	53,387
Non-GAAP gross profit	\$ 13,151	\$ 13,106	\$ 12,582	\$ 39,764	\$ 40,697
Non-GAAP gross margin	43.6%	44.0%	44.1%	44.3%	43.3%

Balance Sheet

Unaudited Consolidated BS (In thousands)

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Segmented Revenue

Unaudited Net Revenues by Product Line and Region (In thousands)

LANTRONIX, INC.
UNAUDITED NET REVENUES BY PRODUCT LINE AND REGION
(In thousands)

	Three Months Ended			Nine Months Ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
Embedded IoT Solutions	\$ 14,616	\$ 13,865	\$ 11,990	\$ 39,948	\$ 36,161
IoT System Solutions	13,229	13,281	14,730	42,969	52,081
Software & Services	2,332	2,628	1,780	6,828	5,842
	<u>\$ 30,177</u>	<u>\$ 29,774</u>	<u>\$ 28,500</u>	<u>\$ 89,745</u>	<u>\$ 94,084</u>

	Three Months Ended			Nine Months Ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
Americas	\$ 20,268	\$ 20,481	\$ 16,497	\$ 61,400	\$ 50,303
EMEA	6,175	5,138	6,048	16,400	25,568
Asia Pacific Japan	3,734	4,155	5,955	11,945	18,213
	<u>\$ 30,177</u>	<u>\$ 29,774</u>	<u>\$ 28,500</u>	<u>\$ 89,745</u>	<u>\$ 94,084</u>

Discussion of Non-GAAP Financial Measures

- Non-GAAP net income consists of net loss excluding (i) share-based compensation and the employer portion of withholding taxes on stock grants, (ii) depreciation and amortization, (iii) interest income (expense), (iv) other income (expense), (v) income tax provision (benefit), (vi) restructuring, severance and related charges, (vii) acquisition related costs, (viii) impairment of long-lived assets, (ix) amortization of purchased intangibles, and (x) amortization of manufacturing profit in acquired inventory.
- Non-GAAP net income per share is calculated by dividing non-GAAP net loss by non-GAAP weighted-average shares outstanding (diluted). For purposes of calculating non-GAAP net income per share, the calculation of GAAP weighted-average shares outstanding (diluted) is adjusted to exclude share-based compensation, which for GAAP purposes is treated as proceeds assumed to be used to repurchase shares under the GAAP treasury stock method.