LANTRONIX

Global Leader in Edge AI & Industrial IoT

September 2025

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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Intelligent Compute, Secure Connectivity & Remote Management for Mission-Critical Application

Global Leader in Edge AI & Industrial IoT

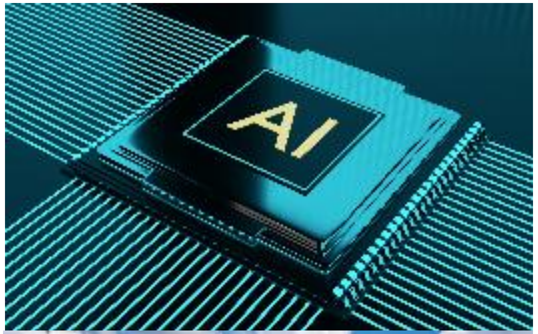
Serving smart cities, enterprise IT, and UAS (drone) markets

Comprehensive portfolio: hardware, software, and services

Enabling efficiency, security, and digital transformation at the intelligent edge

Growth Story Positioned at the Intelligent Edge

- **Multi-year industry tailwinds in Edge AI and Industrial IoT**
  - Spanning smart cities, enterprise IT, and UAS (Drones)
- **Improving operating leverage**
  - With streamlined cost base, stronger margins, and growing recurring software-enabled revenue
- **Defense UAS (Drone) momentum**
  - U.S. Army SRR win with Teal Black Widow drones; Aerora/Teledyne – Flir partnership expands into commercial AI navigation
- **Tier -1 U.S. carrier contract**
  - Multi-year deployment of gateways & Percepxion™ platform for nationwide backup power management
- **Differentiated technology platform and IP**
  - NDAA/TAA-compliant solutions, deep camera and edge compute expertise, and strong Qualcomm ecosystem partnership




Two Strategic Pillars Driving Long-Term Growth

Edge IoT & Network Infrastructure

Focused on vertical markets with strong secular growth: Smart Cities, Enterprise and UAS (Drones)

Developing leading-edge products and SW to accelerate Edge AI & manage complex workflows

Well positioned in Edge IoT ecosystem to provide complete solutions with HW, SW, and Services

Proven scalable solutions for improving network infrastructure by providing resiliency with Out of Band (OOB) products

Engaging in $13B+ Defense & Commercial Drone Market

- **Defense Wins**
  - Red Cat's Teal Black Widow drones under U.S. Army SRR program; shipments underway
- **Commercial Edge AI**
  - Aerora + Teledyne FLIR partnerships for autonomous navigation and industrial inspection
- **Market Backdrop**
  - $13B+ FY26 DoD spend and looming DJI ban creates an unprecedented demand for secure U.S. solutions
- **Lantronix Advantage**
  - Camera + compute expertise, NDAA/TAA compliance, U.S.-based supply chain
- **Positioned for multi-year growth**
  - Engaged with 10 defense and commercial drone vendors globally

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

Digitally transforming the management of power systems

- **Multi-year nationwide contract for backup power management + cloud-based software platform**
- **Solution leverages Lantronix's Edge gateways and Percepxion™ software**
- **Enables remote oversight and data-driven servicing to 50,000+ cell sites**
- **Demonstrates proven ability to scale across large, distributed asset networks**

Enabling Utilities and Infrastructure with Edge AI

Enabling infrastructure upgrades at National, State, and Regional levels

- **First AI-enabled IoT Edge gateways for low-voltage grid solutions**
- **Smart Utilities are improving their grid resiliency and flexibility with Edge AI**
- **Public transport systems requiring real-time IoT data & decision-making**

Driving Data Centers & Enterprise Network Resilience

Improving enterprise networks resilience with leading Out-of-Band (OOB) management solutions

- **AI workloads are rapidly scaling, driving enterprise deployment of high-performance GPU clusters across edge and core data centers**
- **Provides a reduction in support time and costly network outages in the Finance, Healthcare and Manufacturing sectors**
- **Elevate cyber security compliance requirements across complete networks**

Trusted Partner in Next-Gen Edge Solutions

Qualcomm and Industry Leaders

Qualcomm Dragonwing

TELEDYNE FLIR

- **Strategic Positioning:** A strategic platform partner in Edge AI and Industrial IoT, The company is leveraging 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:** Collaborating with Teledyne/FLIR on next-gen AI-enabled solutions in autonomous systems, drones, surveillance, and robotics
- **Technology Foundation:** Solutions powered by our Open-Q™ SoMs built on Qualcomm's Dragonwing platform
- **Differentiated Capability:** Enables advanced thermal image processing (ISP) and AI at the edge with greater flexibility for device innovation

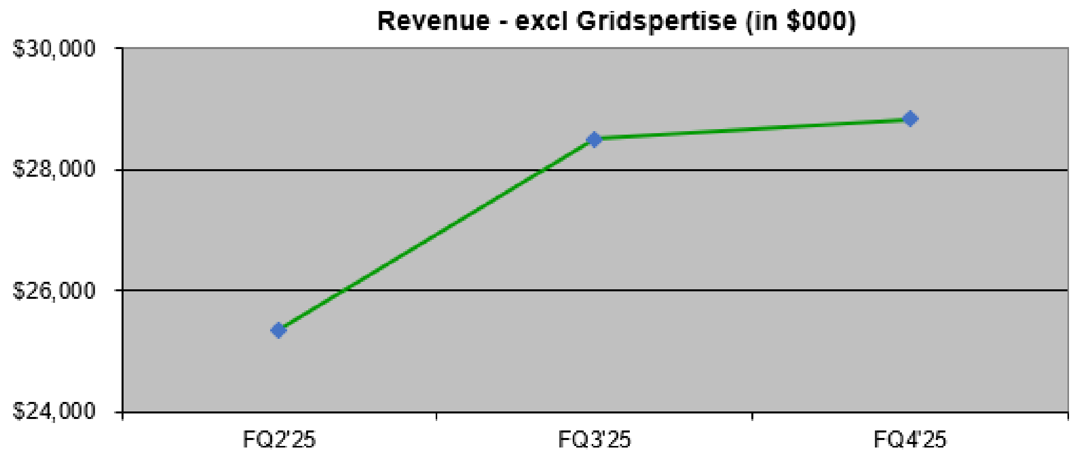
Driving Customer Engagements Globally

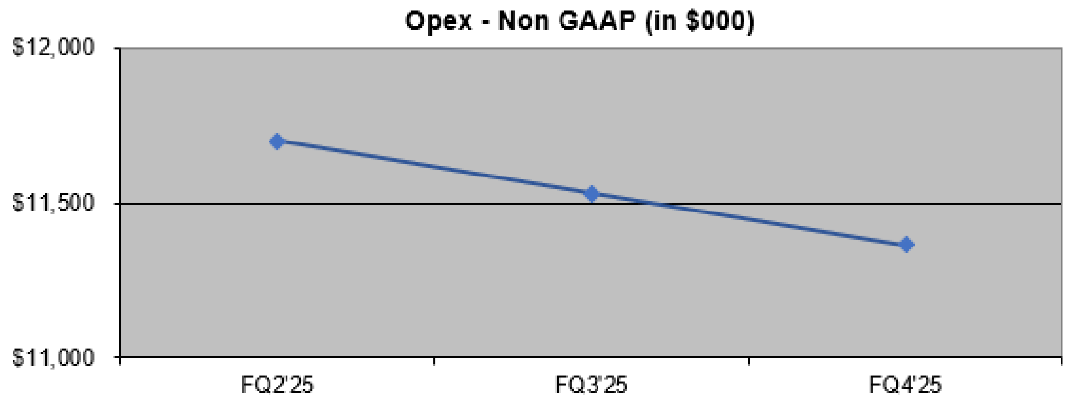
- Presence in NAM, EU & Asia
- HQ in Irvine, US
- Centers of Excellence

Worldwide Locations

Disciplined Execution & Increasing Model Leverage

- **Focused investments in high-growth markets**
  - Edge AI, Drones, Industrial IoT and Network Resilience
- **Positioned to expand profitability and cash flow**
  - Through FY26 and beyond as revenue accelerates
- **Operating expenses down year-over-year**
  - Reflecting disciplined cost management and sharper resource allocation
- **Lean cost base**
  - Creates operating leverage as new contracts and design wins scale
- **Strengthened balance sheet**
  - Healthy net positive cash position





Experienced Leadership Team with Deep Industry & M&A Expertise

Kurt Hoff
Chief Revenue Officer
synaptics

Saleel Awsare
President & CEO
synaptics

Mathi Gurusamy
Chief Product & Strategy Officer
Telit Cinterion

Steve Burrington
VP, Global Research
& Development
SIERRA WIRELESS

Brent Stringham
Chief Financial Officer
ERNST & YOUNG

Dennis Gallagher
VP, General Counsel,
& Corporate Secretary
CONEXANT

Strategically positioned for multi-year, high-growth at the intelligent edge

- **Global leader in Edge AI & Industrial IoT**
  - With mission-critical solutions for smart cites, enterprise IT, and defense unmanned systems
- **Two clear growth pillars**
  - Edge IoT and Network Infrastructure
- **Recent design wins validate strategy**
  - Provides multi-year revenue visibility (drones, Tier-1 carrier and global distribution)
- **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, defense modernization, and digital transformation

Appendix

GAAP Income Statement

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

	Three Months Ended			Years Ended June 30,	
	June 30, 2025	March 31, 2025	June 30, 2024	2025	2024
Net revenue	$ 28,839	$ 28,500	$ 49,075	$ 122,923	$ 160,327
Cost of revenue	17,302	16,097	30,353	71,224	95,973
Gross profit	11,537	12,403	18,722	51,699	64,354
Operating expenses:					
Selling, general and administrative	9,009	8,959	11,059	36,246	40,206
Research and development	4,194	4,463	5,265	18,597	20,282
Restructuring, severance and related charges	861	1,581	523	3,535	1,423
Acquisition-related costs	34	100	-	371	-
Fair value remeasurement of earnout consideration	-	-	-	-	(9)
Amortization of intangible assets	573	879	1,310	3,951	5,314
Total operating expenses	14,671	15,982	18,157	62,700	67,216
Income (loss) from operations	(3,134)	(3,579)	565	(11,001)	(2,862)
Interest expense, net	(107)	(159)	(175)	(511)	(916)
Other income (expense), net	(52)	(19)	9	(100)	7
Income (loss) before income taxes	(3,293)	(3,757)	399	(11,612)	(3,771)
Provision for (benefit from) income taxes	(662)	111	13	(239)	745
Net income (loss)	$ (2,631)	$ (3,868)	$ 386	$ (11,373)	$ (4,516)
Net income (loss) per share - basic	$ (0.07)	$ (0.10)	$ 0.01	$ (0.29)	$ (0.12)
Net income (loss) per share - diluted	$ (0.07)	$ (0.10)	$ 0.01	$ (0.29)	$ (0.12)
Weighted-average common shares - basic	38,975	38,820	37,697	38,613	37,386
Weighted-average common shares - diluted	38,975	38,820	38,096	38,613	37,386

GAAP to Non-GAAP Reconciliation

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

	Three Months Ended			Years Ended	
	June 30, 2025	March 31, 2025	June 30, 2024	June 30, 2025	June 30, 2024
GAAP net income (loss)	$ (2,631)	$ (3,868)	$ 386	$ (11,373)	$ (4,516)
Non-GAAP adjustments:					
Cost of revenue:					
Share-based compensation	40	34	66	186	237
Employer portion of withholding taxes on stock grants	1	-	1	8	7
Amortization of manufacturing profit in acquired inventory	44	44	126	88	822
Depreciation and amortization	97	101	124	435	463
Total adjustment to costs of revenue	182	179	317	717	1,529
Selling, general and administrative:					
Share-based compensation	1,095	1,159	2,010	4,424	6,248
Employer portion of withholding taxes on stock grants	14	13	19	125	87
Depreciation and amortization	316	345	369	1,360	1,393
Total adjustments to selling, general and administrative	1,425	1,517	2,398	5,909	7,728
Research and development:					
Share-based compensation	367	324	471	1,522	1,852
Employer portion of withholding taxes on stock grants	2	4	4	27	31
Depreciation and amortization	53	56	72	289	308
Total adjustments to research and development	422	384	547	1,838	2,191
Restructuring, severance and related charges	861	1,581	523	3,535	1,423
Acquisition related costs	34	100	-	371	-
Fair value remeasurement of earnout consideration	-	-	-	-	(9)
Amortization of purchased intangible assets	573	879	1,310	3,951	5,314
Litigation settlement cost	-	-	115	198	115
Total non-GAAP adjustments to operating expenses	3,315	4,461	4,893	15,802	16,762
Interest expense, net	107	159	175	511	916
Other expense (income), net	52	19	(9)	100	(7)
Provision for (benefit from) income taxes	(662)	111	13	(239)	745
Total Non-GAAP adjustments	2,994	4,929	5,389	16,891	19,945
Non-GAAP net income	$ 363	$ 1,061	$ 5,775	$ 5,518	$ 15,429
Non-GAAP net income per share (diluted)	$ 0.01	$ 0.03	$ 0.15	$ 0.14	$ 0.40
Denominator for GAAP net income per share (diluted)	38,975	38,820	38,096	38,613	37,386
Non-GAAP adjustment	108	1,300	771	820	1,367
Denominator for non-GAAP net income per share (diluted)	39,083	40,120	38,867	39,433	38,753
GAAP cost of revenue	$ 17,302	$ 16,097	$ 30,353	$ 71,224	$ 95,973
Non-GAAP adjustments to cost of revenue	(182)	(179)	(317)	(717)	(1,529)
Non-GAAP cost of revenue	17,120	15,918	30,036	70,507	94,444
Non-GAAP gross profit	$ 11,719	$ 12,582	$ 19,039	$ 52,416	$ 65,883
Non-GAAP gross margin	40.6%	44.1%	38.8%	42.6%	41.1%

Balance Sheet

Unaudited Consolidated BS (In thousands)

	June 30, 2025	June 30, 2024
Assets		
Current Assets:		
Cash and cash equivalents	$ 20,098	$ 26,237
Accounts receivable, net	25,092	31,279
Inventories, net	26,371	27,698
Contract manufacturers' receivable	3,071	1,401
Prepaid expenses and other current assets	2,761	2,335
Total current assets	77,393	88,950
Property and equipment, net	2,456	4,016
Goodwill	31,089	27,824
Intangible assets, net	3,738	5,251
Lease right-of-use assets	8,422	9,567
Other assets	624	600
Total assets	$ 123,722	$ 136,208
Liabilities and stockholders' equity		
Current Liabilities:		
Accounts payable	$ 13,259	$ 10,347
Accrued payroll and related expenses	3,471	5,836
Current portion of long-term debt, net	3,070	3,002
Other current liabilities	10,622	10,971
Total current liabilities	30,422	30,156
Long-term debt, net	8,684	13,219
Other non-current liabilities	10,238	11,478
Total liabilities	49,344	54,853
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.0001 par value; 5,000,000 shares authorized; none issued and outstanding	-	-
Common stock, $0.0001 par value; 100,000,000 shares authorized; 39,102,563 and 37,872,883 shares issued and outstanding at June 30, 2025 and 2024, respectively	4	4
Additional paid-in capital	308,397	304,001
Accumulated deficit	(234,394)	(223,021)
Accumulated other comprehensive income	371	371
Total stockholders' equity	74,378	81,355
Total liabilities and stockholders' equity	$ 123,722	$ 136,208

Segmented Revenue

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

	Three Months Ended			Years Ended	
	June 30, 2025	March 31, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Embedded IoT Solutions	$ 10,219	$ 11,990	$ 11,364	$ 46,380	$ 46,953
IoT System Solutions	16,654	14,730	35,603	68,735	104,450
Software & Services	1,966	1,780	2,108	7,808	8,924
	$ 28,839	$ 28,500	$ 49,075	$ 122,923	$ 160,327

	Three Months Ended			Years Ended	
	June 30, 2025	March 31, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Americas	$ 19,823	$ 16,497	$ 17,126	$ 70,126	$ 78,203
EMEA	5,330	6,048	26,194	30,898	64,025
APJ	3,686	5,955	5,755	21,899	18,099
	$ 28,839	$ 28,500	$ 49,075	$ 122,923	$ 160,327

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.

Thank You!

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LANTRONIX

Global Industrial IoT Leader based in Irvine, CA