OVERVIEW

- Greater diversification of revenues
- Rebuild phase largely complete
- Progress reflected in financial performance
- Strong balance sheet and working capital
- Growth initiatives underway

Private & Confidential
The world’s largest installed base in heavy industrial LED lighting. Over 750,000 LED fixtures worldwide ...

Dialight fixtures have contributed to the reduction of 1.1 billion kwh of energy consumption or the equivalent of 166,000 passenger vehicles driven for 1 year!

The right products

Highly cash generative

Scalable operations

... 97% OF THE MARKET OPPORTUNITY REMAINS
FINANCIAL HIGHLIGHTS

**Revenue**
- 2015: £161.4m
- 2016: £182.2m

**Underlying EBIT**
- 2015: £6.1m
- 2016: £13.1m

**Operating cash flow**
- 2015: £8.7m
- 2016: £16.3m

- **38%** Underlying Gross margin
- **£13.1m** Underlying EBIT
- **26.9p** Underlying EPS
- **£8.0m** Net cash
## STRATEGIC FRAMEWORK

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rebuild</strong></td>
<td>Scalable and efficient operations</td>
</tr>
<tr>
<td></td>
<td>Develop common product platforms</td>
</tr>
<tr>
<td><strong>Lead</strong></td>
<td>Lead the market in products and technology</td>
</tr>
<tr>
<td></td>
<td>Advance our sales approach</td>
</tr>
<tr>
<td><strong>Grow</strong></td>
<td>Grow in new sectors and geographies</td>
</tr>
<tr>
<td></td>
<td>Intelligent lighting for safety and productivity</td>
</tr>
</tbody>
</table>

Private & Confidential
Embedded resonant power supply  
Integrated mechanical & thermal design  
Easy to install  
Leading optical design  
Advanced lighting controls  
Integrated with factory automation

Technology roadmap driving to less than one-year payback  
provides access to customer spending  

New products  
37

Private & Confidential
GROW: EARLY SIGNS, BUT MORE TO LEARN AND DO

Order rate growth – 2016 vs. 2015 at actual currency – 19%
H2 revenue 2016 vs. 2015 at actual currency – 32%

Sales not overly reliant on a single sector

Lighting order intake grew by 8%

H2 revenues grew by 11%

£71m  £79m
2015  2016
INTELLIGENT LIGHTING

Level 1: Lighting Control
- On/Off
- Dimming
- Occupancy
- Scheduling

Level 2: Enhancing Productivity & Safety
- Maintenance
- Asset Track
- Emergency

Level 3: Connecting the Whole Factory
- Platform for Control & Monitoring
INVESTMENT PROPOSITION

TRUSTED
Deep expertise exclusively in LED and decades of experience as a lighting partner to many of the world’s leading organizations has helped us achieve the largest installed base of industrial LED fixtures in the world.

DIFFERENTIATED
Best-in-class designs that offer superior performance, low maintenance, high efficiency and long-life. That’s how we provide our customers with faster payback and a better ROI.

POSITIONED FOR GROWTH
Our global footprint and diverse customer base positions us to capture the potential of a market where 97% of industrial lighting remains as traditional antiquated, dangerous, and environmentally damaging and where LED lighting represents the future.

INTELLIGENT
Controlled lighting solutions that seamlessly integrate with existing factory automation and building management systems to conveniently optimize work site safety and productivity.

SUSTAINABLE
A strategic focus on environmentally friendly LED technology and a commitment to helping all organizations, including our own, reach corporate sustainability goals.

SCALABLE
Strong cash flow and nimble operations mean scalability without significant fixed investment.
“2016 was a year of change for Dialight. We are making good progress with our three-year plan to return to sustainable growth. Phase one of the plan to rebuild our operating model, is largely complete. The sustainability benefits of reduced energy usage, lower carbon emissions, reduced maintenance and improved safety offer real value to our customers. This progress underpinned our encouraging financial performance in challenging market conditions.

Phase two of the plan – growth initiatives to capture the long-term opportunity in LED lighting – is underway, and on track to deliver against our strategic plan. We remain confident of the Group’s prospects for 2017 and over the medium to long-term, based on current FX rates.
Questions
Certain statements included or incorporated by reference within this presentation may constitute “forward-looking statements” in respect of the Group’s operations, performance, prospects and/or financial condition.

By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions and actual results or events may differ materially from those expressed or implied by those statements. Accordingly, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. No responsibility or obligation is accepted to update or revise any forward-looking statement resulting from new information, future events or otherwise. Nothing in this presentation should be construed as a profit forecast.

This presentation does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any shares or other securities in the company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares and other securities of the company. Past performance cannot be relied upon as a guide to future performance and persons needing advice should consult an independent financial adviser.

Statements in this presentation reflect the knowledge and information available at the time of its preparation.

Liability arising from anything in this presentation shall be governed by English Law. Nothing in this presentation shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.