



AYI: ACUITY BRANDS, INC

ACQUISITION OF QSC, LLC **QSC** | **Q-SYS**

October 24, 2024

FORWARD LOOKING STATEMENTS & NON-GAAP FINANCIAL MEASURES

FORWARD LOOKING STATEMENTS

This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (the “Act”). Forward-looking statements use words such as “expect,” “believe,” “intend,” “anticipate,” “indicative,” “projection,” “predict,” “plan,” “may,” “could,” “should,” “would,” “potential,” and words of similar meaning, as well as other words or expressions referencing future events, conditions, or circumstances. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Act. Statements that describe or relate to the acquisition, the acquisition financing, the Company’s plans, goals, intentions, strategies, or financial outlook, including whether the acquisition is accretive, and statements that do not relate to historical or current fact, are examples of forward-looking statements. Forward-looking statements are not guarantees of future performance. Our forward-looking statements are based

on our current beliefs, expectations, and assumptions, which may not prove to be accurate, and are subject to known and unknown risks and uncertainties, many of which are outside of our control. These risks and uncertainties could cause actual results to differ materially from our historical experience and management’s present expectations or projections. These risks and uncertainties are discussed in our filings with the U.S. Securities and Exchange Commission, including our most recent annual report on Form 10-K (including, but not limited to, Part I, Item 1A Risk Factors), quarterly reports on Form 10-Q, and current reports on Form 8-K. Any forward-looking statement speaks only as of the date on which it is made. You are cautioned not to place undue reliance on any forward-looking statements. Except as required by law, we undertake no obligation to publicly update or release any revisions to these forward-looking statements to reflect any events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events, whether as a result of new information, future events, or otherwise.

NON-GAAP FINANCIAL MEASURES

This presentation includes reference to the following non-generally accepted accounting principles (“GAAP”) financial measures: earnings before interest, taxes, depreciation, and amortization (“EBITDA”), and adjusted diluted earnings per share. The most directly comparable GAAP measure for EBITDA is “net income”, which includes the impact of net interest expense, income taxes, depreciation, and amortization of acquired intangible assets, and the most directly comparable GAAP measure for adjusted diluted earnings per share is diluted earnings per share.

Management typically uses these measures for internal reviews of performance and measures for baseline comparative operational analysis, decision making, and other activities. Management believes these non-GAAP measures provide greater comparability and enhanced visibility into results of operations as well as comparability with many of its peers, especially those companies focused more on technology and software. Non-GAAP financial measures should be considered in addition to, and not as a substitute for or superior to, results prepared in accordance with GAAP.



ACQUISITION RATIONALE



Expanding Addressable Market of Intelligent Spaces Group

- **Expanding Our Addressable Market with Cloud-Based Audio, Video and Controls Platform**
- **Broad Applications**

Disruptive Technology in a Strategically Adjacent Industry

- **Disruptive Technologies that Tie Together the Data in a Building to Create End-User Value Through Data Interoperability**
- **Alignment Around Vision to Use Data to Maximize Occupant Experience**

Accretive to Fiscal 2025 Full-Year Adjusted Diluted Earnings Per Share

- **LTM Sales of Approximately \$535 Million as of August 31, 2024**

Play (k)



OVERVIEW: QSC, LLC



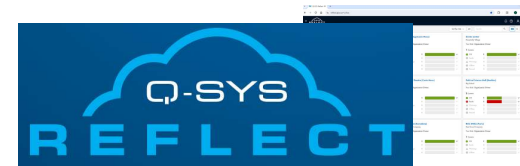
Founded over five decades ago, QSC, LLC is a globally recognized leader in the design, engineering, and manufacturing of award-winning solutions and services.

Leading the company's success is **Q-SYS**, a cloud-first platform for audio, video, and control, built on a modern, standards-based IT architecture. With established solutions across Corporate, Education, Hospitality, Venues, Events, Cinema, Government, Healthcare, and Transportation, Q-SYS is redefining possibilities for live, hybrid, and virtual experiences.

QSC Audio complements these offerings with high-performance loudspeakers, digital mixers, power amplifiers, software, and accessories. These solutions empower creators, performers, and entertainment providers to confidently deliver impactful experiences for their audiences.

The company is headquartered in Costa Mesa, California with an international presence in Europe and Asia and employs around 900 associates. More information can be found at www.qsc.com.

CLOUD - Monitoring, Management and Analytics



EDGE - Control and Processing



SOLUTIONS



Audio



Video



Control



BROAD APPLICATION ACROSS MULTIPLE END MARKETS



COLLABORATION



COMMERCIAL AV



ENTERTAINMENT



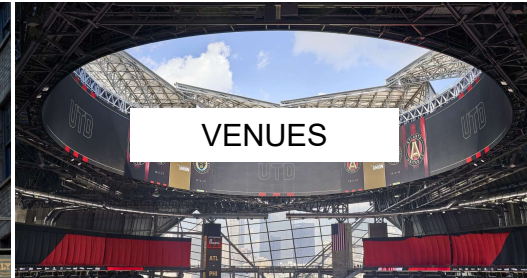
COMMERCIAL



EDUCATION



HOSPITALITY



VENUES



INDUSTRIAL



GOVERNMENT



HEALTHCARE



TRANSPORTATION



ACQUISITION DETAILS



PURCHASE PRICE

- Purchase Price of \$1.215B
- Approximately \$100M in Present Value of Expected Tax Benefits
- Purchase Price Inclusive of Tax Benefits Represents Approximately 14x Estimated EBITDA for the 12 Months Ended August 31, 2024

EXPECTED FINANCIAL IMPACT

- Scales Intelligent Spaces Group
- Growth Expectations In-Line with ISG
- Accretive to Fiscal 2025 Adjusted Diluted Earnings Per Share

FINANCING

- \$600M of Term Loan Financings
- Remainder Cash on Hand

TIMING

- Anticipated Closing in the Second Quarter of Fiscal 2025
- Transaction is Subject to Regulatory Approval and Customary Closing Conditions



EFFECTIVE CAPITAL ALLOCATION



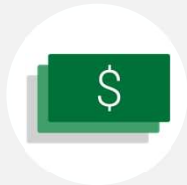
Invest for Growth in our Current Businesses



Invest in M&A



Increase our Dividend



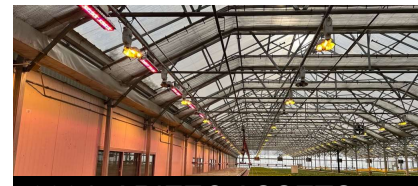
Repurchase Shares to Create Permanent Shareholder Value



2021: OPTOTRONIC®



2023: KE2 THERM



2024: ARIZE® ASSETS



EXPECTED CLOSE Q2'25: QSC, LLC

REPURCHASED **OVER \$1.4 BILLION** OF OUR SHARES OUTSTANDING FROM THE BEGINNING OF THE 4TH QUARTER OF 2020.

APPROXIMATELY 24% OF THE THEN-OUTSTANDING SHARES



AYI: ACUITY BRANDS, INC.

INTERSECTION OF SUSTAINABILITY AND TECHNOLOGY



Gotham® Lighting: Elite Staffing, Inc.

OUR COMPETITIVE ADVANTAGE



Our Business Segments



HOW WE CREATE VALUE



EFFECTIVE CAPITAL ALLOCATION

-
1. Invest for Growth in our Current Businesses
 2. Invest in M&A
 3. Increase our Dividend
 4. Repurchase Shares