

TECHNICAL & PROFESSIONAL SERVICES

DYNAMIC MESSAGE SIGNS

VIDEO BOARDS & MESSAGE CENTERS



Investor Presentation

January 22, 2026
NASDAQ: DAKT

INDOOR HIGH RESOLUTION



CONTROL SYSTEMS

DIGITAL BILLBOARDS



SAFE HARBOR STATEMENT

Forward-Looking Statements:

In addition to statements of historical fact, this presentation contains forward-looking statements within the meaning of the federal securities laws and is intended to receive the protections of such laws.

All statements, other than historical facts, included or incorporated in this release could be deemed forward-looking statements, particularly statements that reflect our expectations or beliefs of Daktronics, Inc. (the "Company," "Daktronics," "we," or "us") concerning future events or our future financial performance. You are cautioned not to place undue reliance on forward-looking statements, which are often characterized by discussions of strategy, plans, or intentions or by the use of words such as "may," "would," "could," "should," "will," "expect," "estimate," "anticipate," "believe," "intend," "plan," "forecast," "project," "predict," "potential," "continue," or "intend," the negative or other variants of such terms, or other comparable terminology. The Company cautions that these forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from our expectations as a result of various factors, including, but not limited to, changes in economic and market conditions, management of growth, timing and magnitude of future contracts, orders, and capital investment projects, fluctuations in margins, the introduction of new products and technology, the impact of adverse weather conditions, increased regulation, the imposition of tariffs, trade wars, the availability and costs of raw materials, components, and shipping services, geopolitical and governmental actions, expansion into new geographical markets, the Company's recent leadership transition, transformation initiatives, future strategy, and other risks described in the Company's Annual Report on Form 10-K for its 2025 fiscal year (the "Form 10-K") and in other reports filed with or furnished to the U.S. Securities and Exchange Commission (the "SEC") by the Company. You should carefully consider the trends, risks, and uncertainties described in this presentation, the Form 10-K, and other reports filed with or furnished to the SEC by the Company before making any investment decision with respect to our securities. If any of these trends, risks, or uncertainties continues or occurs, our business, financial condition, or operating results could be materially and adversely affected, the trading prices of our securities could decline, and you could lose part or all of your investment.

Forward-looking statements are made in the context of information available as of the date of this presentation and are based on our current expectations, forecasts, estimates, and assumptions. The Company undertakes no obligation to update or revise such statements to reflect circumstances or events occurring after this presentation except as may be required by applicable law. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement.

Non-GAAP Measures:

This presentation contains certain measures that are not defined terms under U.S. generally accepted accounting principles ("GAAP"). These non-GAAP measures should not be considered in isolation or as a substitute for, or superior to, measures of liquidity or performance prepared in accordance with GAAP and may not be comparable to calculations of similarly titled measures by other companies. See the Appendix for a description of these financial measures and a reconciliation of all such non-GAAP financial measures to the most directly comparable GAAP financial measures.



COMPANY HIGHLIGHTS



Compelling TTM TKPIs⁽¹⁾

Daktronics provides best-in-class audio-video displays, message displays and scoreboards to inform, entertain, and persuade audiences

~\$770 Million

Sales⁽¹⁾

#1

North American LED video display provider⁽²⁾

Largest

Growing American brand by revenue for past 3-years⁽²⁾

120+

Countries featuring Daktronics products

12K+

Total customers⁽³⁾

3rd

Largest CY 2022 Market Share worldwide⁽²⁾

1) 2nd Quarter FY 2026 Trailing 12 month.

2) Futuresource Consulting Report "Global LED Display Market Report (2024)".

3) From Company data.

INVESTMENT HIGHLIGHTS

- ❑ **Global industry leader in best-in-class dynamic video communication displays and control systems**
- ❑ **Large, growing domestic and international markets**
- ❑ **Only US manufacturer of scale with a global footprint and servicing by geographic market**
- ❑ **Technology leadership with high-quality products, high-touch service**
- ❑ **Strong balance sheet**
- ❑ **Executing 3-year transformation plan to enhance customer experience and drive long-term growth, profitability and returns**



INTERCONNECTED SYSTEMS TO INFORM AUDIENCES, ENTERTAIN AND ENGAGE FANS



Live Events

Video displays for large sports & live entertainment venues



Commercial

Billboards & video displays for advertising and self-promotion



Transportation

Navigation and information displays for ITS systems on mass transit, roads & highways



International

Video displays for large sports/entertainment venues, advertising, and transportation



High School Park and Recreation

Video and scoring systems for education and local community use



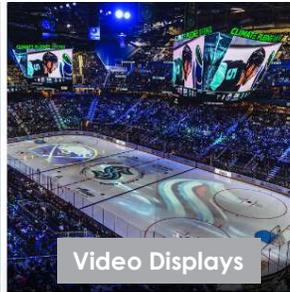
Control Capabilities

Intuitive software to create, manage, and schedule content for engagement with fans and audiences

INDUSTRY LEADER



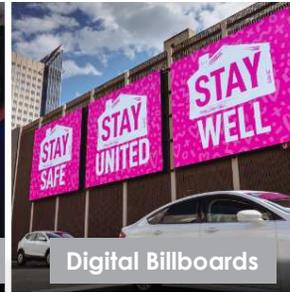
Scoreboards



Video Displays



Software & Controllers



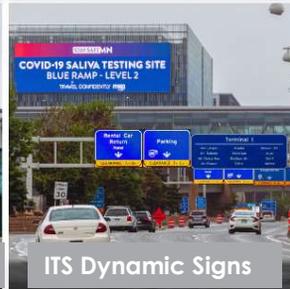
Digital Billboards



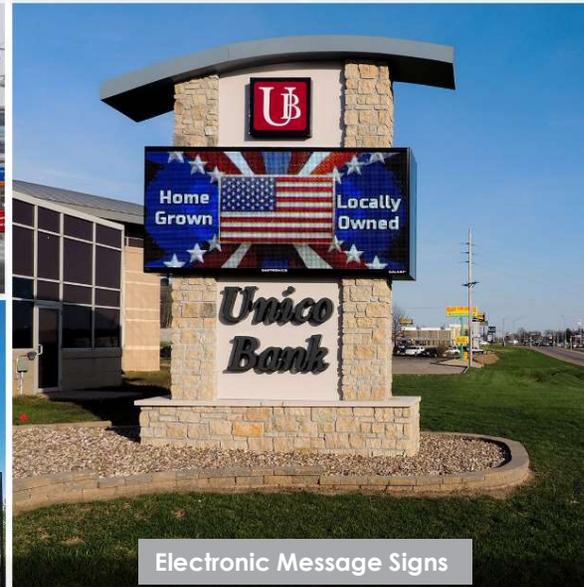
Video Walls



Digital Street Furniture



ITS Dynamic Signs



Electronic Message Signs



Price Displays



Indoor LCD Signs



Freeform Elements



Sound Systems



DIVERSIFIED REVENUE

Live Events

- Complex, audience, fan-driven sale
- Large projects, timing lumpy

Commercial

- On-premise and out-of-home advertising reach
- Distribute through Sign Co's and AV Integrators

Transportation

- Brand reputation and prequalified, in all 50 states
- Best in class, proven, reliable/predictable supplier – preferred choice for technical buyers and Roadway Contractors

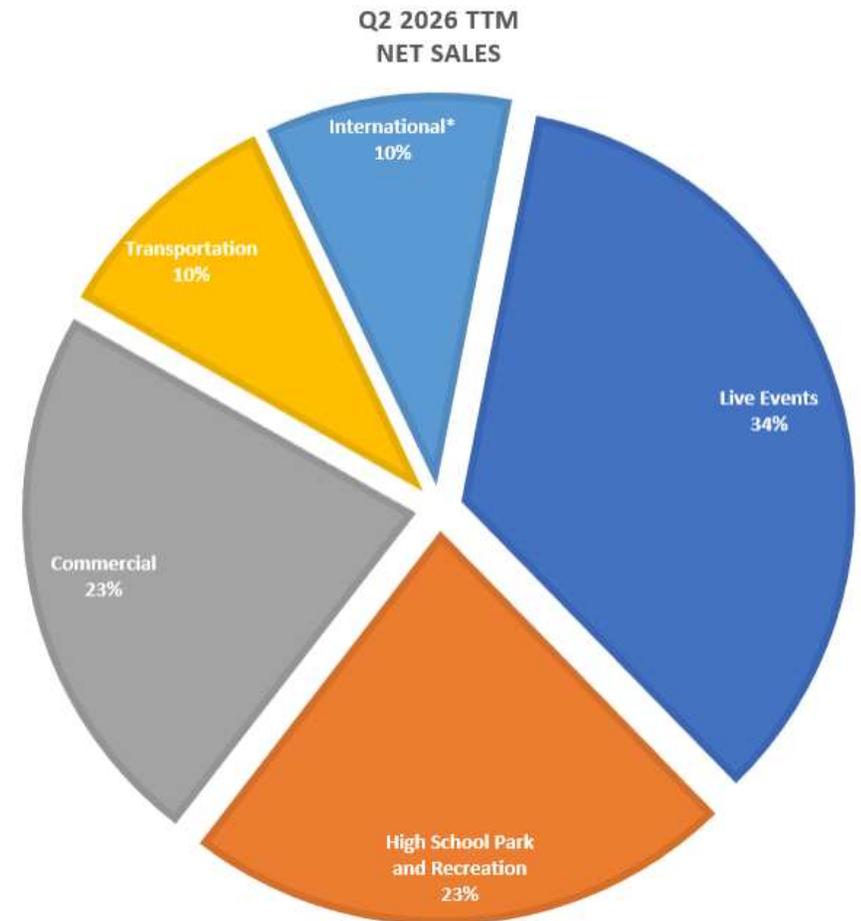
International*

- Orders flow through A/V integrators and partners
- Mimic our US/Canada model for worldwide success

High School Parks and Recreation

- Emulating features of larger sports venues
- Sports marketing solutions for funding source

* Geographies outside of US, Canada – primarily solutions for large sports venues, commercial spectacles, third-party advertising, and transportation solutions



INCREASING GLOBAL MANUFACTURING AGILITY

Current Footprint

US

- ✦ Brookings and Sioux Falls, SD – 1,067,000 square feet
- ✦ Redwood Falls, MN – 151,000 square feet

International

- ✦ Ennistymon, Ireland – 62,000 square feet
- ✦ Shanghai, China – 157,000 square feet

New Facility

International

- ✦ Saltillo, Mexico
 - Favorable trading relations with US and supply chain
 - Provides scalability and increases agility of global production capacity
 - Production planned to commence in May 2026



GLOBAL RELATIONSHIPS WITH REPEAT CUSTOMERS

- **Demonstrated success cultivates long-term relationships** for replacement cycles and additional sales opportunities
- **Grow profitably** in core and adjacent customer types and geographies **through strategic offering expansion tailored to customer needs**
- **Demand prioritization** for focus on growth and profitable market verticals
- **Unified Sales and Project coordinator support and ongoing Service** – real time quotes, booking, project delivery success paired with ongoing service support to keep systems operating and looking their best
- **Diversified product specialization** with expertise collaboration across complex projects ensures satisfaction & delivery – High quality regardless of complexity



Developing and Applying Future Technologies

Today:

- Narrow Pixel Pitch (NPP)
- High Resolution Outdoor
- Event Control - Live 3D rendering
- Cloud based Control Platform



Future potential technologies:

- MicroLED – Narrow Pixel Pitch
- Reflective – low power displays
- Intelligent Power Management
- SAAS Control Solutions



Future potential markets:

- Transportation - International
- Street Level Advertising
- AV integrator distribution



Transformation: Momentum from Launched Initiatives, Next 6 Months Focus – FQ2 UPDATE

Driving profitable growth

- Value-based pricing changes – service parts and certain products – **on track**
- Launch of SaaS product trials to target customers – ✓
- Prioritizing high-growth international geographies and segments – **on track**
- Digital Transformation projects to deliver efficient processes, modernized technologies, and data insights, all driving measurable value to our customers including:
 - Enhancing our subscription software to support expected SaaS growth – **on track**
 - Overhauling our quoting platform to make it easier to do business with – **on track**
- Launched a modernized service system in May 2025 – ✓
- Launching AI Guided Troubleshooting Tools within Technical Services - ✓

Driving down costs

- Operational efficiency reviews & implementation across all manufacturing sites - **on track**
- Faster inventory turnover and improved efficiency – ✓
- Align operations with anticipated evolution in underlying technologies - **on track**
- Leveraging purchasing power on input costs ✓
- Reduced product complexity and speed to market – **on track**
- Aggressively renegotiating key supply contracts ✓



FQ2 2026 BUSINESS REVIEW



- Solid quarter results, exemplary execution, delivering revenue and profit expansion
 - Notable installs include Miami Freedom Park (MLS), Baltimore Orioles (MLB), Aramco Stadium (Saudi Arabia), Zayed Sports City (Abu Dhabi), Philly Airport, San Antonio Spurs (NBA), University of Buffalo Football, Cincinnati Convention Center (Digital Signage System)
- Third consecutive quarter of top-line growth
- Continued profitability improvement through value-based pricing with guardrails and operational efficiencies
 - Second quarter of driving operating income over \$20 million
 - Staying responsive and flexible in dynamic environment
- Product backlog of \$321 million – up 36% - creates multi-quarter revenue runway
 - Orders +12% year-over-year

FQ2 FY2026 FINANCIAL HIGHLIGHTS

(\$ in millions, except per share data)

	<u>FQ2 2025</u>	<u>FQ1 2026</u>	<u>FQ2 2026</u>
Orders	\$177.6	\$238.5	\$199.1
Net sales	\$208.3	\$219.0	\$229.3
<i>Gross margin</i>	26.8%	29.7%	27.0%
Operating income	\$15.8	\$23.3	\$21.6
<i>Operating margin</i>	7.6%	10.6%	9.4%
Adjusted net income	\$13.9	\$16.5	\$17.5
YTD Return on Average Equity	6.6%		11.9%

Note: Percentages are calculated based on actual amounts. Due to rounding, totals may not equal the sum of the items in the chart above.

(1) Orders and backlog are operating measures not defined by accounting principles generally accepted in the United States of America ("GAAP"), and our methodology for determining orders and backlog may vary from the methodology used by other companies in determining their orders and backlog amounts. For more information related to backlog, see Part I, Item 1, Business of our Annual Report on Form 10-K for the fiscal year ended April 26, 2025. This release does not include a reconciliation of orders or backlog, as it would be impractical to do so without unreasonable effort.

(2) Adjusted net income. We disclose adjusted net income as a non-GAAP financial measurement in order to report our results exclusive of items that are non-recurring or not core to our operating business. We believe presenting this non-GAAP financial measurements provides investors with a consistent way to analyze our performance. There was no adjustment to net income in the first quarter of fiscal 2026. Adjusted net income for the first quarter of fiscal 2025 was \$16.6 million. Adjusted net income for the fourth quarter of fiscal 2025 was \$8.8 million.



FQ2: BALANCE SHEET STRENGTH

Net cash balance at QE = \$138.3 million vs \$115.5 million at prior YE

Share repurchase = \$12.2 million YTD @ \$16.38 VWAP

As of 9 December 2025, Share Repurchase Program capacity increased to \$25.7 million, which includes an additional \$20 million authorized by the Board

Replaced asset-based bank credit facility with more flexible, lower cost cash flow facility

FY26-28 TRANSFORMATION OBJECTIVES



BUSINESS SUMMARY AND OUTLOOK

- Backlog growth - Capturing demand and driving revenue tailwind
- Expanding opportunity pipeline of market opportunities supporting growth objectives
- Efficient revenue conversion and successful inventory, supply chain, manufacturing and cost management
- Adding manufacturing capacity in Mexico and Ireland – adds flexibility and complements 80% product fulfilment currently completed in US
- Focused on differentiated, industry-leading product introductions and supporting growth through high-return product R&D
- Transformation objectives execution and benefits demonstrated in results – On track with roadmap and 3-year growth, profitability and return targets

Staying responsive and flexible in dynamic environment



WEC Energy Group

QUESTIONS?

