

4TH QUARTER AND FULL YEAR 2026 EARNINGS

JUNE 24, 2026





Safe harbor statement

Forward-Looking Statements:

This presentation contains certain statements that by be considered 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, and such statements are subject to the safe harbor created by those sections and the Private Securities Litigation Reform Act of 1995, as amended.

All statements, other than historical facts, included or incorporated in this presentation 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," "plan," "forecast," "project," "outlook," "focus," "goal," "target," "transform," "expand," "grow," "execute," "predict," "remain," "add," "track," "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 or other trade restrictions, 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, trends, and uncertainties described more fully in the Company's Annual Report on Form 10-K for its 2026 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, other reports filed with or furnished to the SEC by the Company, and other press releases and stockholders reports of 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 disclaims any obligation to update or revise any forward-looking statements to reflect actual results or circumstances or events occurring after this release affecting the forward-looking statements 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.



FY2026 recap

[USD m, %, basis points]

	FY2026	YoY
Order bookings	\$860.8	+10.2%
Net sales	\$838.7	+10.9%
Operating margin	7.3%	+290bps
Product backlog	\$356.2	+4.3%
Adjusted EPS ⁽¹⁾	\$1.05	+24.8%

Highlights

- Smooth leadership transitions
- Order bookings expansion in Live Events, Transportation, HSPR, and International
- Efficient backlog conversion and demand pipeline, supporting near-term growth
- Improved operations and supply chain execution, supporting stronger cost control
- Go live with Service System in FY2026 enhancing customer experiences and operational efficiencies
- Continued progress on three-year strategic plan driving margin and efficiency gains
- Sustained innovation leadership across products and customer solutions
- Mexico manufacturing facility underway to expand capacity and improve production flexibility

(1) Adjusted EPS and adjusted net income are not measures defined by accounting principles generally accepted in the United States of America ("GAAP"), 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 measurement provides investors with a consistent way to analyze our performance.



Market verticals: Q4 review

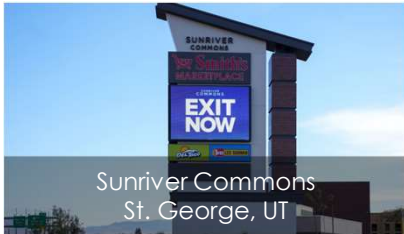
Live events



Wrigley Field
Chicago, IL

- Installed product in 11 Major League baseball stadiums for start of season
- Opened Miami Freedom Park, Home of Inter-Miami Football Club
- Q4 orders: U. of North Carolina-Football, Virginia Tech-Football, Washington State-Football, Kalamazoo Event Center

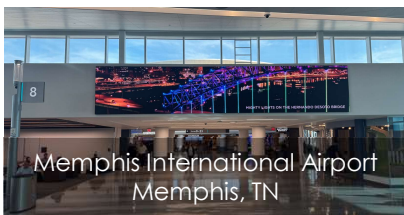
Commercial



Sunriver Commons
St. George, UT

- OOH added several new customers in Q4
- Order shift from national customer to future date
- Booked large Times Square spectaculars order in Q4

Transportation



Memphis International Airport
Memphis, TN

- Strong fiscal year finish for ITS orders including growth in California (CalTrans)
- BABA guidelines beginning to positively impact business (Oct effective)
- Continued success with indoor sales to Transit Hubs, Traffic Mgt Centers and Airports

High school park & recreation



Madrira HS football
Cincinnati, OH

- Big wins in Q4 included Massillon, OH and two school districts in TX, Rockwall and United ISDs
- Pipeline continues to be strong entering Q1
- Continued push towards indoor & outdoor video solutions

International



United Arab Emirates University
Dubai, UAE

- Won a very large project including multiple arenas in Qatar to be completed in preparation for the FIBA U-18 Asia Cup event
- Won a large digital billboard rollout in the UAE
- Pipeline remains strong in Q1, especially with stadiums

Total business



- Strong pipeline**
- Increasing backlog**
- Secular demand drivers**



FY2026 key business updates

Mexico manufacturing plant



- 110,500 sq ft facility in Saltillo, Mexico
- Production starts July 2026; shipments in Q2
- Adds agility to the global production and supply chain



Camino 8



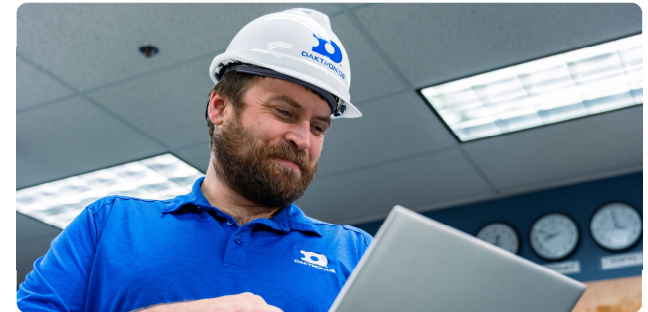
- Debuted at the LA Angels' home opener, April 3, 2026
- Combines real-time 3D graphics and data for live storytelling
- Designed for efficiency and easy customer operations



Service system deployment



- Retired legacy platforms, simplifying the stack and cutting maintenance
- Reached 100% adoption on the new platform in FY26
- Delivered cost efficiencies through process automation





Strong momentum continues

Industry leadership



Daktronics is the market leader in large-format LED displays and will continue to lead with customer-centric solutions

Attractive end markets



Growth is underpinned by participation in large, attractive end markets benefiting from long-term secular demand drivers

Growth initiatives



Concrete plans in place to achieve organic growth and profitability goals

Operational excellence



Optimization of the Daktronics operating model to reduce costs to serve our customers without compromising quality

Capital deployment



Disciplined use of capital to achieve organic and inorganic goals



Accelerating organic growth; margin trending toward 10-12% objective

2026 Q4 and full year [USD m (except per share data), %, basis points]

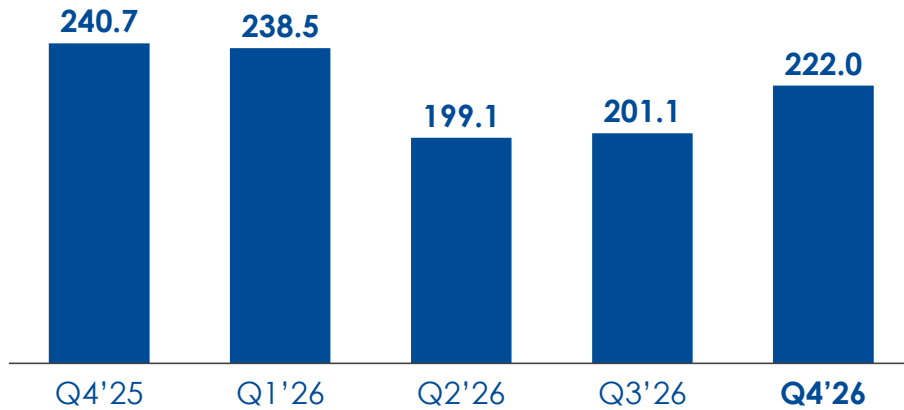
	Q4 FY2026	YoY Change	FY2026	YoY Change
Net sales	\$208.6	+20.9%	\$838.7	+10.9%
Gross profit margin	28.0%	+300 bps	27.3%	+150 bps
Selling expense as a % of net sales	8.0%	-80 bps	7.7%	-20 bps
Product development and G&A expense	\$27.8	-6.4%	\$103.3	+1.0%
Operating income	\$14.1	vs (\$1.7)	\$60.8	vs \$33.1
Operating margin	6.8%	+780 bps	7.3%	+290 bps
Nonoperating expenses	\$3.4	vs \$11.7	\$2.5	vs \$39.0
Net income after tax	\$8.4	vs (\$9.4)	\$45.4	vs (\$10.1)
Earnings Per Share (EPS) as reported	\$0.17	+\$0.36	\$0.92	+\$1.13
Adjusted EPS ⁽¹⁾	\$0.27	+0.09	\$1.05	+\$0.21

(1) Adjusted EPS and adjusted net income are not measures defined by accounting principles generally accepted in the United States of America ("GAAP"), 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 measurement provides investors with a consistent way to analyze our performance.

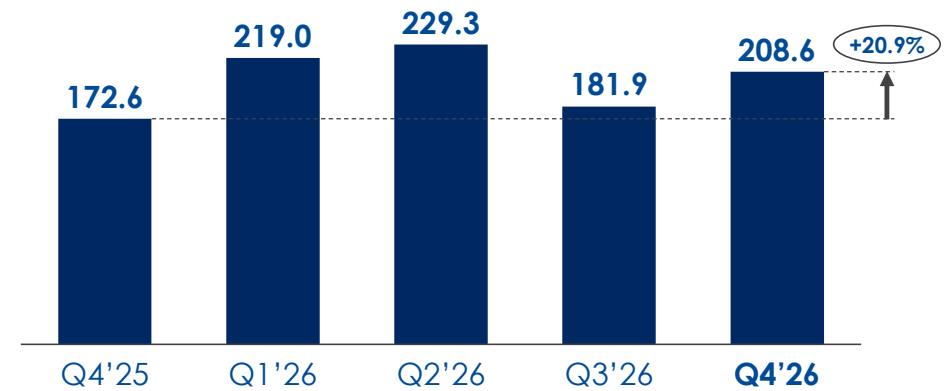


Record annual orders and sales with uplift in gross margin

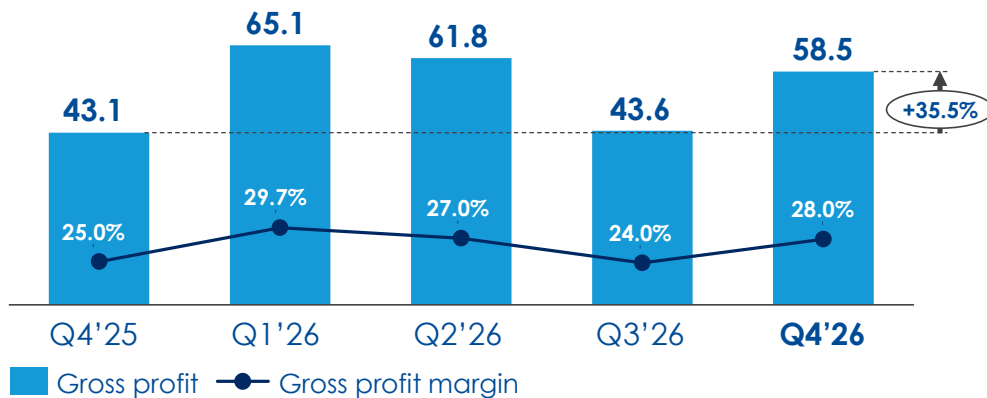
Orders [USD m]



Net sales [USD m]



Gross profit [USD m, %]



Highlights

Growth in all segments

Orders

- Solid pipeline coming into fiscal 2027

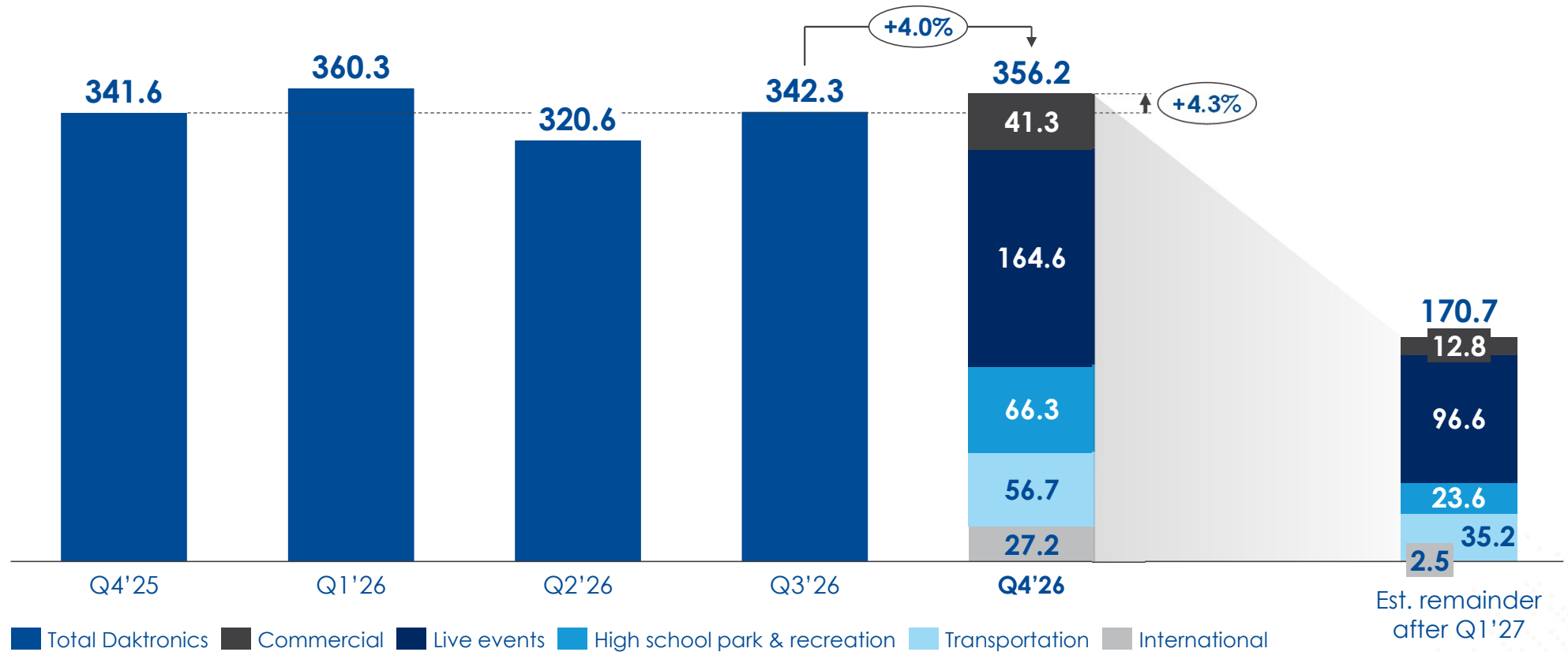
Net sales

- Growth = 21% YoY
- 62 basis points of 28% Q4 margin = warranty recapture



Continued revenue tailwinds

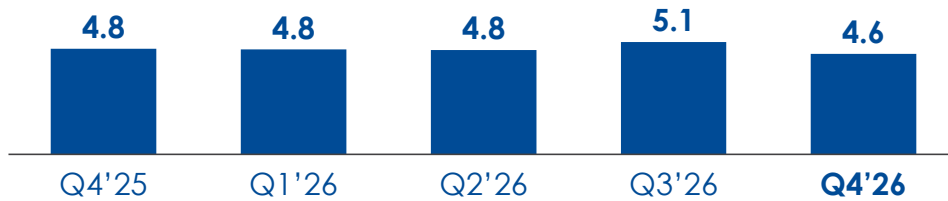
Backlog [USD m]



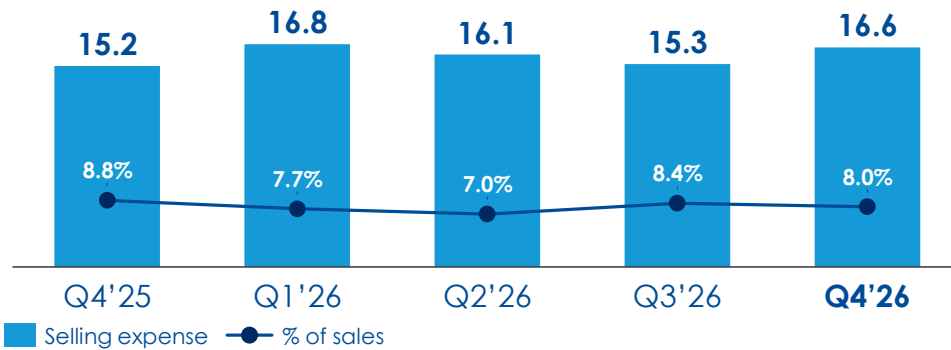


Continued focus on expense efficiency & productivity

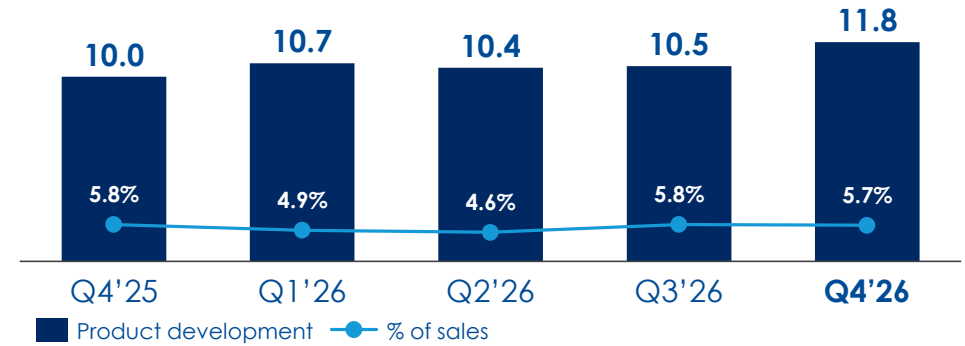
Depreciation & amortization [USD m]



Selling expense [USD m, %]

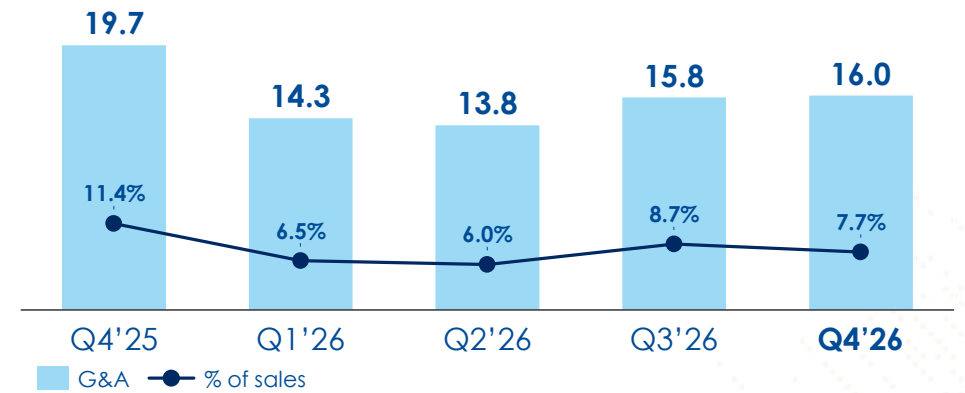


Product development [USD m, %]



Absorbed \$1.3m of OPEX for XDC (microLED) in FY2026

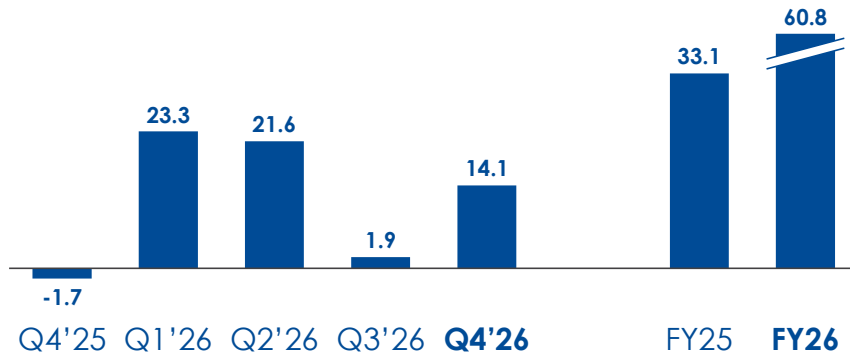
G&A [USD m, %]



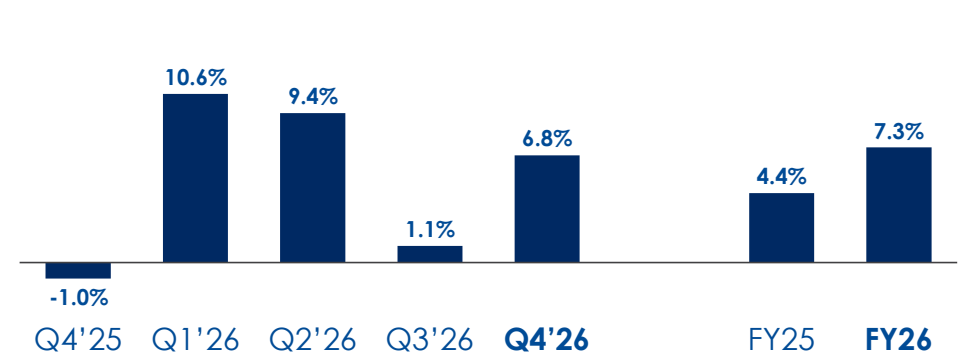


Earnings summary

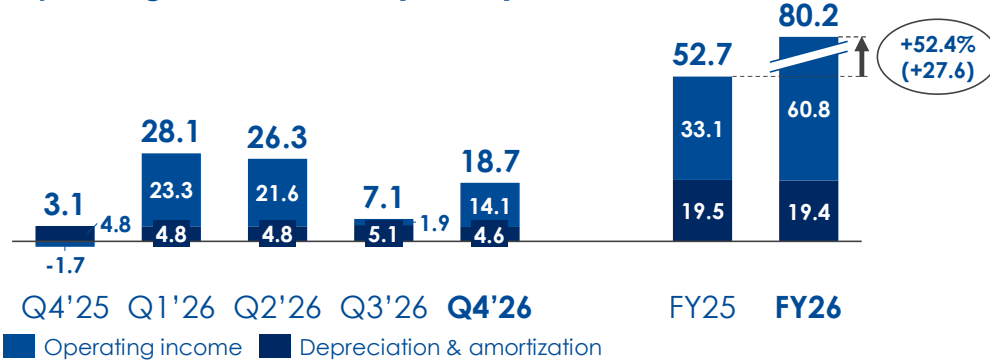
Operating income [USD m]



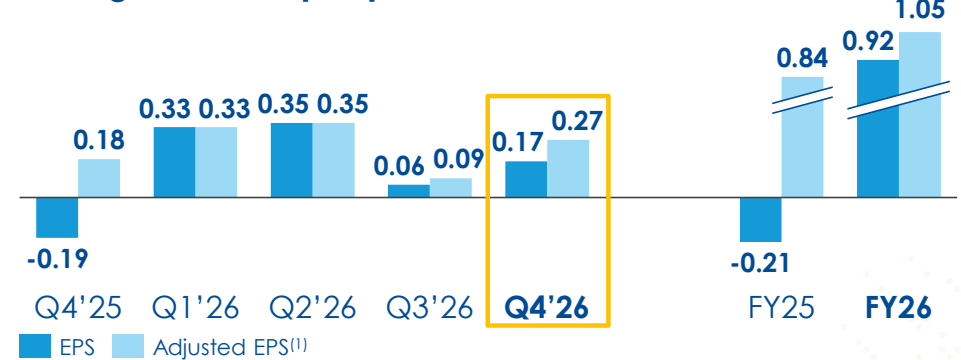
Operating margin [%]



Operating income + D&A [USD m]



Earnings Per Share [USD]



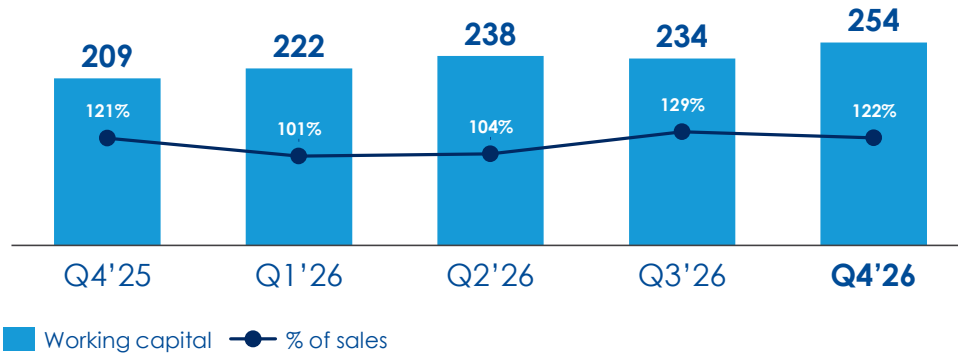
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(2) Note: Amounts for individual quarters may not sum to full-year totals due to rounding.

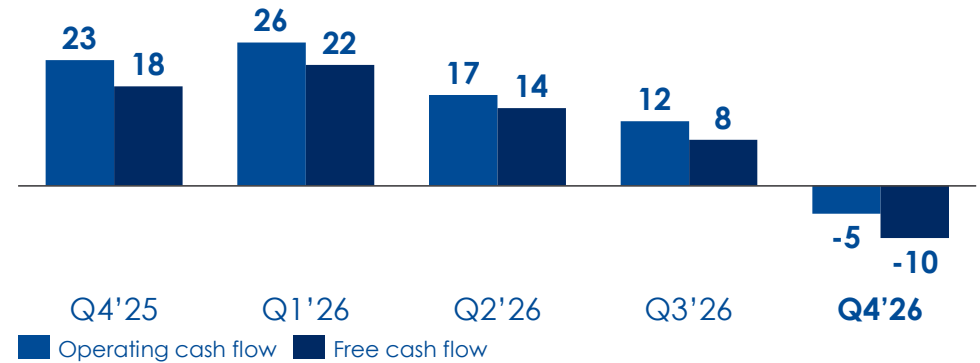


Balance sheet and capital management

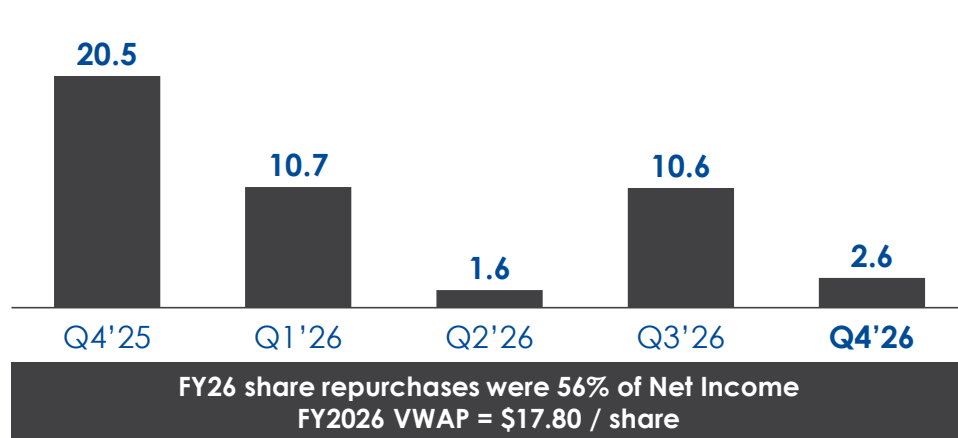
Working capital [USD m, %]



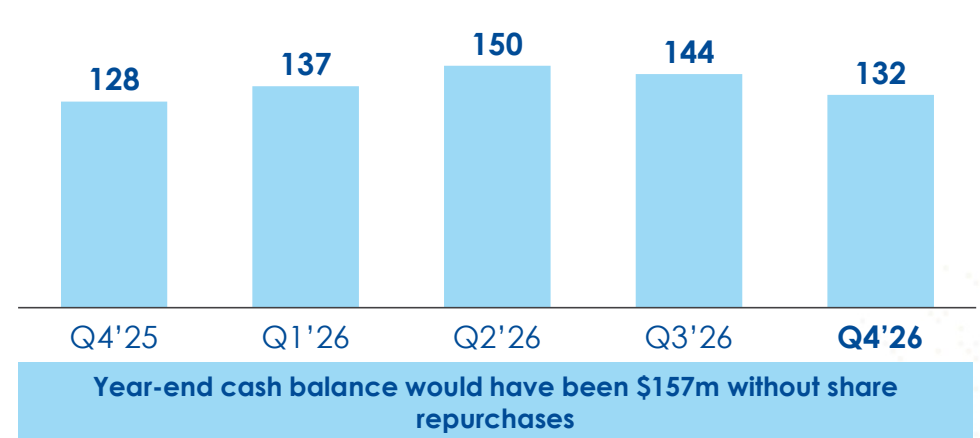
Cash flow [USD m]



Share repurchases [USD m]



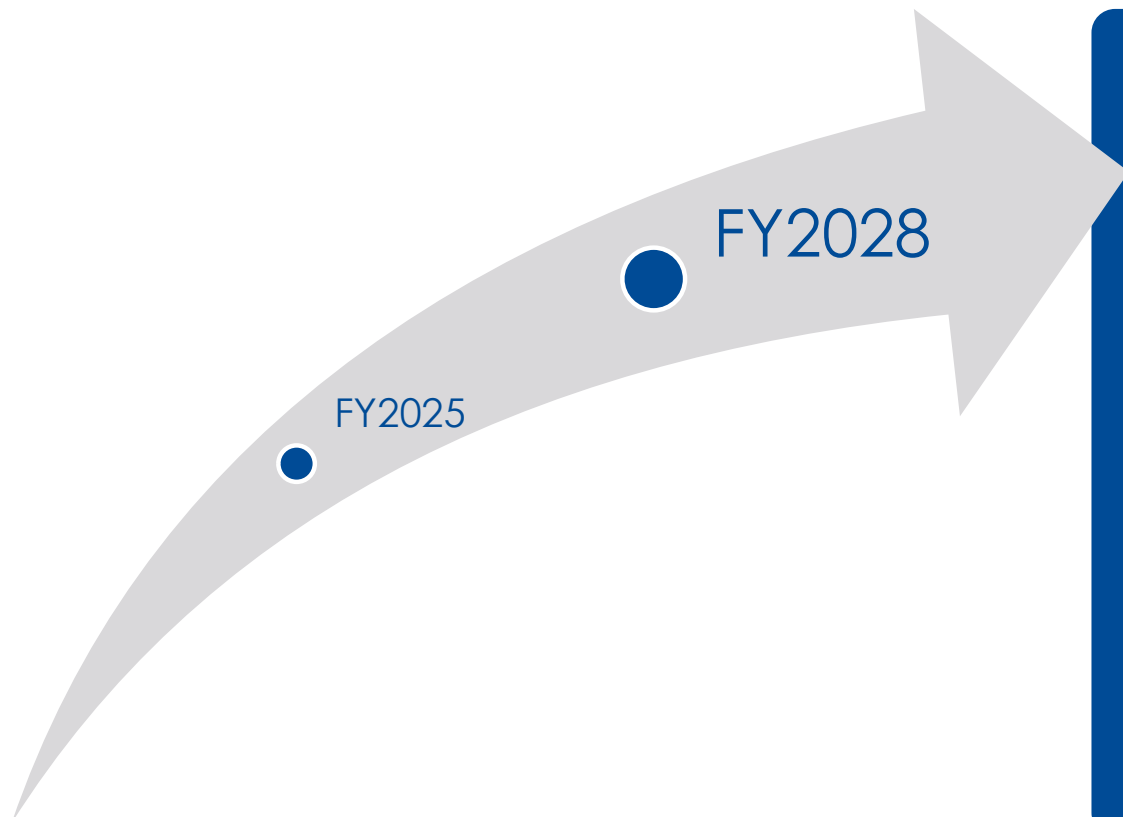
Cash and cash equivalents [USD m]





Tracking to target

Disciplined growth, expanding margins, improving returns



Revenue growth | 7-10% CAGR

- Value-based pricing
- Revenue mix diversification
- New products/software solutions

Operating margin | 10-12%

- Structural cost reduction across supply chain
- High value investment in hardware and software development

ROIC | 17-20%



FY2027 outlook and forward strategy

Year outlook



- Robust pipeline across all end markets supports continued growth opportunities.
- \$356m backlog provides revenue tailwind as enter FY2027
- Execute strategic growth, operational excellence, and capital deployment initiatives to achieve financial targets and expand shareholder value
- Potential for tariff refund

Strategy execution



Growth

- Organic growth in core
- New market vertical expansion
- Software & services innovation and commercialization
- International growth



Operational excellence

- Integrated strategic sourcing
- Manufacturing network optimization
- Advanced factory automation
- Lean deployment



Capital deployment

- Continued high-return organic investments
- Disciplined inorganic growth expansion
- Return excess capital to shareholders while preserving strategic flexibility



APPENDIX





Net sales and orders(1) by business unit

[USD k]

	Three Months Ended				Twelve Months Ended			
	May 2, 2026	April 26, 2025	Dollar Change	Percent Change	May 2, 2026	April 26, 2025	Dollar Change	Percent Change
Net Sales:								
Commercial	\$ 40,347	\$ 40,589	\$ (242)	(0.6)%	\$ 180,772	\$ 156,203	\$ 24,569	15.7 %
Live Events	84,861	59,597	25,264	42.4	321,053	291,484	29,569	10.1
High School Park and Recreation	46,287	40,477	5,810	14.4	183,250	165,921	17,329	10.4
Transportation	23,578	18,304	5,274	28.8	76,700	81,061	(4,361)	(5.4)
International	13,537	13,584	(47)	(0.3)	76,931	61,808	15,123	24.5
	<u>\$ 208,610</u>	<u>\$ 172,551</u>	<u>\$ 36,059</u>	<u>20.9 %</u>	<u>\$ 838,706</u>	<u>\$ 756,477</u>	<u>\$ 82,229</u>	<u>10.9 %</u>
Orders:								
Commercial	\$ 44,131	\$ 48,930	\$ (4,799)	(9.8)%	\$ 172,089	\$ 176,583	\$ (4,494)	(2.5)%
Live Events	81,195	84,225	(3,030)	(3.6)	336,012	283,780	52,232	18.4
High School Park and Recreation	50,136	59,263	(9,127)	(15.4)	188,245	176,097	12,148	6.9
Transportation	21,692	23,496	(1,804)	(7.7)	89,467	72,315	17,152	23.7
International	24,892	24,769	123	0.5	75,022	72,572	2,450	3.4
	<u>\$ 222,046</u>	<u>\$ 240,683</u>	<u>\$ (18,637)</u>	<u>(7.7)%</u>	<u>\$ 860,835</u>	<u>\$ 781,347</u>	<u>\$ 79,488</u>	<u>10.2 %</u>

(1) Orders and backlog metrics are non-GAAP measures, 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 May 2, 2026.



Reconciliation of free cash flow ⁽¹⁾

[USD k]

	Twelve Months Ended	
	May 2, 2026	April 26, 2025
Net cash provided by operating activities	\$ 49,217	\$ 97,713
Purchases of property and equipment	(14,917)	(19,494)
Proceeds from sales of property and equipment	615	277
Free cash flow	<u>\$ 34,915</u>	<u>\$ 78,496</u>

(1) In evaluating its business, Daktronics considers and uses free cash flow as a key measure of its operating performance. The term free cash flow is not defined under accounting principles generally accepted in the United States of America ("GAAP") and is not a measure of operating income, cash flows from operating activities or other GAAP figures and should not be considered alternatives to those computations. Free cash flow is intended to provide information that may be useful for investors when assessing period to period results.



Non-GAAP reconciliation: adjusted operating income ⁽¹⁾

[USD k]

	Three Months Ended		Twelve Months Ended	
	May 2, 2026	April 26, 2025	May 2, 2026	April 26, 2025
Operating income (loss) (GAAP Measure)	\$ 14,091	\$ (1,740)	\$ 60,848	\$ 33,118
Management transition expenses	100	2,614	2,145	2,614
XDC acquisition, advisory, and legal costs	126	—	575	—
Consultant related expenses associated with business transformation initiatives	1,062	1,031	1,062	7,085
Corporate governance expenses	—	3,881	—	6,825
Adjusted operating income (non-GAAP measure)	<u>\$ 15,379</u>	<u>\$ 5,786</u>	<u>\$ 64,630</u>	<u>\$ 49,642</u>

(1) Adjusted operating 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 provide investors with a consistent way to analyze our performance.



Non-GAAP reconciliation: adjusted net income and adjusted EPS ⁽¹⁾

[USD k]

	Three Months Ended		Twelve Months Ended	
	May 2, 2026	April 26, 2025	May 2, 2026	April 26, 2025
Net income (loss) (GAAP measure)	\$ 8,415	\$ (9,425)	\$ 45,376	\$ (10,121)
Management transition, net of taxes	74	1,934	1,587	1,934
XDC acquisition, advisory, and legal costs	93	—	426	—
Consultant related expenses associated with business transformation initiatives, net of taxes	786	763	786	5,243
Allowance for credit losses on affiliate loan	3,750	15,480	3,750	15,480
Corporate governance expenses, net of taxes	—	2,872	—	5,050
Change in fair value of convertible note	—	(2,848)	—	22,521
Adjusted net income (non-GAAP measure)	<u>\$ 13,118</u>	<u>\$ 8,776</u>	<u>\$ 51,925</u>	<u>\$ 40,107</u>
Diluted weighted-average number of common shares outstanding	49,032	49,516	49,382	47,587
Diluted earnings (loss) per share (GAAP measure)	\$ 0.17	\$ (0.19)	\$ 0.92	\$ (0.21)
Adjusted diluted earnings per share (non-GAAP measure)	\$ 0.27	\$ 0.18	\$ 1.05	\$ 0.84

(1) Adjusted net income and adjusted EPS. We disclose adjusted net income and adjusted EPS 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 provide investors with a consistent way to analyze our performance.



Reconciliation of long-term debt

[USD k]

	May 2, 2026	April 26, 2025
Mortgage	10,925	12,375
Long-term debt, gross	10,925	12,375
Debt issuance costs, net	(146)	(388)
Current portion	(1,150)	(1,500)
Long-term debt, net	<u>\$ 9,629</u>	<u>\$ 10,487</u>