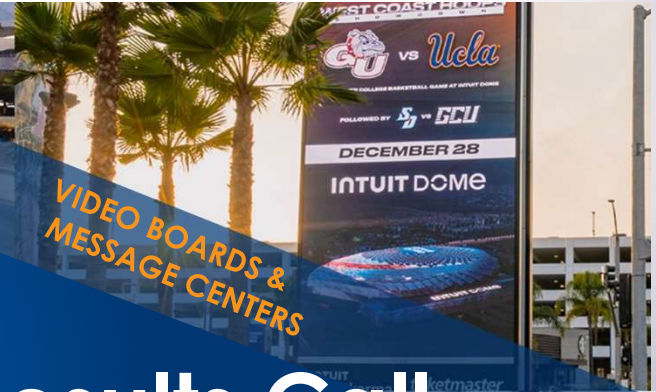




TECHNICAL & PROFESSIONAL SERVICES



DYNAMIC MESSAGE SIGNS



VIDEO BOARDS & MESSAGE CENTERS



Fiscal Third Quarter 2026 Results Call

March 4, 2026
NASDAQ: DAKT



INDOOR HIGH RESOLUTION



CONTROL SYSTEMS



DIGITAL BILLBOARDS

SAFE HARBOR STATEMENT

Forward-Looking Statements:

In addition to statements of historical fact, this news release 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, trends, and uncertainties described more fully 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 news release 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.



FQ3 2026 BUSINESS REVIEW



- Solid revenue and operating income growth
- Efficient fulfilment of large number of sports installations for key sports customers
 - Notable installs nearing completion include Seattle Mariners and several other MLB stadiums. Early phase of Installation starting Tennessee Titans, New York City Football Club and University of Illinois.
- Product backlog of \$342 million – up 25% – extends multi-quarter revenue runway
 - Orders +7.6% year-over-year
- Acquired XDC's intellectual property and absorbed its microLED development staff
- Market outcomes of SCOTUS decision on reciprocal tariffs is uncertain for suppliers, importers, US vendors and their customers

MARKET VERTICALS – FQ3 REVIEW



Live Events

- Installing 5 Major League baseball projects for start of season
- Won another Major League Baseball project
- FY26 Q3 Orders: -6.1% YoY
- Pictured is Seattle Mariners MLB



Commercial

- FY26 Q3 Orders: +1.1%
- On Premise grew YoY; booked a large fuel display order from a national customer
- OOH added several new customers; order shift from national customer to future date
- Spectaculars strong order growth
- Pictured is Miami Beach Convention Center



Transportation

- Record Order quarter
- Won large airport project
- ITS Order level increase, including new orders from California (CalTrans)
- Q3 Orders +129.7% YoY
- Pictured is rendering of large airport win



International

- Won two sizable orders from repeat stadium customers in Spain and Australia as they expand their systems in their venues
- Demand for indoor solutions continues to grow for multiple markets, especially Government, Retail and Education
- Q3 Orders: -21% YoY
- Pictured is a large, high-resolution indoor display at United Arab Emirates University



High School Park & Recreation

- Strong finish to Q3 pushed orders +13.4% YoY
- Partnership with American Association of Professional Baseball highlights collaboration with our High School Curriculum and DakClassroom service offerings
- Continue to win and grow pipeline of video projects by leveraging strong value propositions and market differentiators
- Pictured is Marathon High School, Florida

FY 2026 Q3 KEY PRODUCT DEVELOPMENTS



New Product Offerings

- Q3 Milestones
 - Next gen preconfigured indoor video (LPN series) released for High School Arenas
 - Next gen digital audio façade for standard outdoor audio cabinets
- FY26 Q4 Planned Releases
 - Next generation LED Street Furniture
 - Large Digit Fuel Price System



LPN series preconfigured indoor video
Cardinal Community School District (Eldon, Iowa)



Digital Audio Facade – Dallas ISD (Dallas, TX)

Transformation: Momentum

Driving profitable growth

- Value-based pricing changes – service parts and certain products – **on track**
- Prioritizing high-growth international geographies and segments – **on track**
- 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**
- Launch of SaaS product trials to target customers – ✓
- 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**
- Align operations with expected evolution in underlying technologies - **on track**
- Reduced product complexity and speed to market – **on track**
- Faster inventory turnover and improved efficiency – ✓
- Leveraging purchasing power on input costs ✓
- Aggressively renegotiating key supply contracts ✓

FQ3 FY2026 FINANCIAL HIGHLIGHTS

(\$ in millions, except per share data)

	<u>FQ3 2025</u>	<u>FQ2 2026</u>	<u>FQ3 2026</u>
Orders	\$186.9	\$199.1	\$201.1
Net sales	\$149.5	\$229.3	\$181.9
<i>Gross margin</i>	24.6%	27.0%	24.0%
Operating income	\$(3.6)	\$21.6	\$1.9
<i>Operating margin</i>	(2.4%)	9.4%	1.1%
Adjusted operating income	\$1.2		\$4.0
Net income	\$(17.2)	\$17.5	\$3.0
Adjusted net income	\$0.5		\$4.6

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 operating income 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.



SEGMENT REVENUE

	<u>FQ3</u> <u>2025</u>	<u>% of total</u>	<u>FQ2</u> <u>2026</u>	<u>% of total</u>	<u>FQ3</u> <u>2026</u>	<u>% of total</u>	<u>FQ3 2026</u> <u>Gross Profit</u> <u>Margin</u>
Live Events	\$46.1	31%	\$81.5	36%	\$74.9	41%	20%
High School Parks and Recreation	29.3	20%	46.0	20%	31.7	17%	30%
Commercial	38.0	25%	50.7	22%	43.5	24%	28%
Transportation	18.8	13%	21.3	9%	15.3	8%	29%
International	17.3	12%	29.8	13%	16.5	9%	15%
Total Revenue	\$149.5		\$229.3		\$181.9		

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

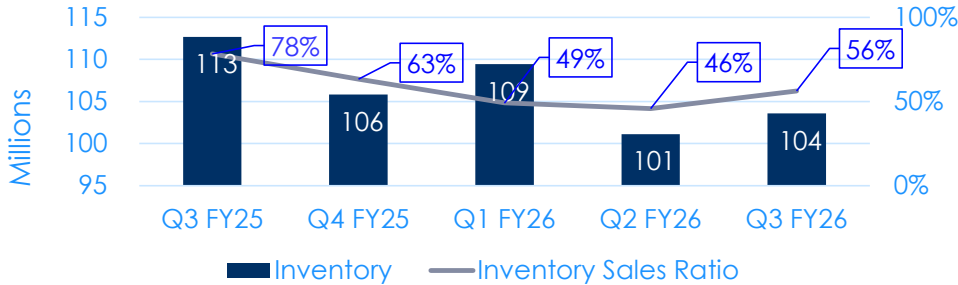
SEGMENT PRODUCT BACKLOG

	<u>FQ3 2025</u>	<u>FQ2 2026</u>	<u>FQ3 2026</u>	<u>Estimated remaining Backlog after Q4</u>
Live Events	\$129.1	\$165.7	\$168.2	\$94.9
High School Parks and Recreation	43.3	54.3	62.7	29.9
Commercial	44.1	40.2	37.5	13.0
Transportation	40.1	42.2	58.9	37.9
International	16.6	18.2	15.0	2.7
Total Backlog	\$273.2	\$320.6	\$342.3	\$178.4

(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.

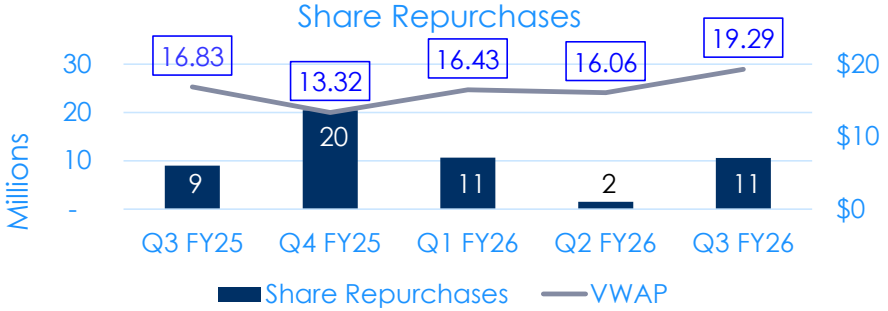
BALANCE SHEET STRENGTH

5 Quarters of Inventory vs Revenue

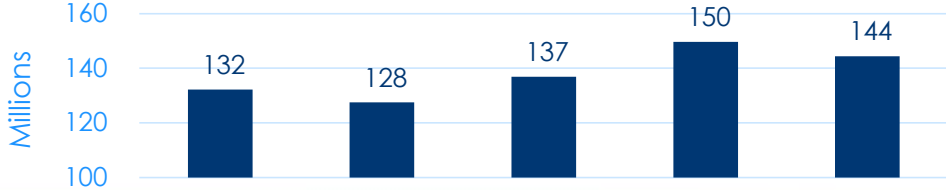


- Efficient Working Capital Management

- Total of 3.36 million shares repurchased Q3'25-Q3'26 @ \$15.53 VWAP



Cash Balance End of Quarter



- Strong Operating Cash Flows

SMOOTH TRANSITION AND HANDOVER



GEMBA WALKS w/ ASSOCIATES, CUSTOMERS and in FIELD



SUMMARY AND OUTLOOK

Finish Strong Year

- Entering FQ4 in strong position with order growth, multi-quarter backlog and solid YTD results
- Focus for remainder of year: continued efficient revenue conversion, expense management and productivity, continued cash generation

Strategy & Outlook

- Further strengthening leadership in dynamic global AV space through deepened customer focus and continued innovation
- Operational excellence and transformation opportunities supporting growth objectives
- Continued focus on roadmap and 3-year growth, profitability and return targets

Investor Day *April 9th NYC*

- Outline next phase of strategic transformation and growth
- Meet senior leadership team who will provide a look into each business area



Archbishop Spalding High School
Severn, Maryland

APPENDIX

NET SALES AND ORDERS BY BUSINESS UNIT

(\$ in thousands)

<i>(in thousands)</i>	Three Months Ended				Nine Months Ended			
	January 31, 2026	January 25, 2025	Dollar Change	Percent Change	January 31, 2026	January 25, 2025	Dollar Change	Percent Change
Net Sales:								
Commercial	\$ 43,506	\$ 37,976	\$ 5,530	14.6 %	\$ 140,425	\$ 115,614	\$ 24,811	21.5 %
Live Events	74,911	46,072	28,839	62.6	236,192	231,887	4,305	1.9
High School Park and Recreation	31,649	29,367	2,282	7.8	136,963	125,444	11,519	9.2
Transportation	15,273	18,789	(3,516)	(18.7)	53,122	62,757	(9,635)	(15.4)
International	16,532	17,303	(771)	(4.5)	63,394	48,224	15,170	31.5
	<u>\$ 181,871</u>	<u>\$ 149,507</u>	<u>\$ 32,364</u>	<u>21.6 %</u>	<u>\$ 630,096</u>	<u>\$ 583,926</u>	<u>\$ 46,170</u>	<u>7.9 %</u>
Orders:								
Commercial	\$ 41,454	\$ 40,983	\$ 471	1.1 %	\$ 127,958	\$ 127,653	\$ 305	0.2 %
Live Events	73,370	78,132	(4,762)	(6.1)	254,817	199,555	55,262	27.7
High School Park and Recreation	39,177	34,549	4,628	13.4	138,109	116,834	21,275	18.2
Transportation	31,790	13,838	17,952	129.7	67,775	48,819	18,956	38.8
International	15,320	19,402	(4,082)	(21.0)	50,130	47,803	2,327	4.9
	<u>\$ 201,111</u>	<u>\$ 186,904</u>	<u>\$ 14,207</u>	<u>7.6 %</u>	<u>\$ 638,789</u>	<u>\$ 540,664</u>	<u>\$ 98,125</u>	<u>18.1 %</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 April 26, 2025.



RECONCILIATION OF FREE CASH FLOW ⁽¹⁾

(\$ in thousands, unaudited)

	Nine Months Ended	
	January 31, 2026	January 25, 2025
Net cash provided by operating activities	\$ 54,322	\$ 74,839
Purchases of property and equipment	(10,395)	(14,668)
Proceeds from sales of property and equipment	553	212
Free cash flow	<u>\$ 44,480</u>	<u>\$ 60,383</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.



RECONCILIATION OF ADJUSTED OPERATING INCOME⁽¹⁾

(\$ in thousands, unaudited)

	Three Months Ended		Nine Months Ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
Operating income (GAAP Measure)	\$ 1,922	\$ (3,628)	\$ 46,757	\$ 34,858
Management transition expenses	1,668	—	2,045	—
XDC acquisition, advisory and legal costs	417	—	449	—
Consultant related expenses associated with business transformation initiatives	—	2,130	—	6,054
Corporate governance expenses	—	2,711	—	2,944
Adjusted operating income (non-GAAP measure)	<u>\$ 4,007</u>	<u>\$ 1,213</u>	<u>\$ 49,251</u>	<u>\$ 43,856</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.



RECONCILIATION OF ADJUSTED NET INCOME⁽¹⁾

(\$ in thousands, unaudited)

	Three Months Ended		Nine Months Ended	
	January 31, 2026	January 25, 2025	January 31, 2026	January 25, 2025
Net income (loss)	\$ 3,010	\$ (17,156)	\$ 36,961	\$ (696)
Management transition expenses	1,234	—	1,513	—
XDC acquisition, advisory and legal costs	309	—	332	—
Consultant related expenses associated with business transformation initiatives, net of taxes	—	1,576	—	4,480
Corporate governance expenses, net of taxes	—	2,006	—	2,179
Change in fair value of convertible note	—	14,083	—	25,369
Adjusted net income	<u>\$ 4,553</u>	<u>\$ 509</u>	<u>\$ 38,806</u>	<u>\$ 31,332</u>

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



RECONCILIATION OF LONG-TERM DEBT

(\$ in thousands, unaudited)

	January 31, 2026	April 26, 2025
Mortgage	\$ 11,213	\$ 12,375
Long-term debt, gross	11,213	12,375
Debt issuance costs, net	(161)	(388)
Current portion	(1,150)	(1,500)
Long-term debt, net	<u>\$ 9,902</u>	<u>\$ 10,487</u>

