

Data I/O is the leading global provider of advanced data and security deployment solutions. These solutions are used by some of the world's largest manufacturers, programming centers, and contract manufacturers to securely program integrated circuits and bring their electronic devices to life. Virtually every electronic product today incorporates one or more programmable semiconductor devices that contains data and operating instructions essential for the proper operation of the product.



Corporate Update

Data I/O is the largest company in the programming industry, nearly 2x the size of nearest competitors. Data I/O's market leading products and global service and support provide it with exciting growth opportunities as a result of favorable secular trends within the automotive electronics and the Internet of Things ("IoT") markets. The PSV family of data programming systems is considered the industry's "gold standard" and offers customers proven technology and handling capabilities that deliver the lowest total cost of programming. The SentiX® Security Deployment Platform offers customers unique capabilities to provide strong security for their IoT and automotive products with an as-a-Service model.

Technology Arms Race for Connected Cars is Driving Demand for Data I/O's Programming Solutions

Programming requirements for automotive applications are rapidly increasing due to new growing demand for instrument clusters, infotainment systems, Advanced Driver Assist Systems (ADAS), connectivity and electrification. Data I/O's programming systems and technology are well positioned to serve this growing market as other forms of programming cannot keep pace with the disruptive growth in file sizes. As a result, eight of the top nine automotive electronics companies are Data I/O customers, and automotive orders have grown to approximately 60% of sales.

The Automotive Electronics market is expected to have a CAGR of 10-15% over the next decade

Strong Balance Sheet Provides Financial Flexibility, while Financial Model Produces Significant Earnings Leverage

Data I/O had \$14.2 million of cash at December 31, 2021, which provides the company with flexibility to withstand fluctuations in its markets, while investing in new products. Our operating model produces significant operating leverage and meaningful incremental profitability. Data I/O is committed to creating shareholder value and intends to grow by investing for automotive and IoT markets, gaining market share, pursuing accretive acquisitions if possible, and returning excess capital to its shareholders.

Investment Overview

Recent price	\$4.85
Market cap	\$42M
Enterprise value	\$28M
TTM Sales	\$25.8M
TTM Adjusted EBITDA	\$1.5M
TTM EPS	\$(0.06)

(1) Stock price and market cap as of 2/24/22; Source: Yahoo

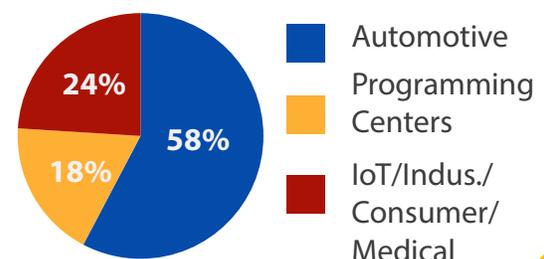
(2) Financial data for the period ended 12/31/21

(3) Adjusted EBITDA also excludes equity comp.

Investment Considerations

- Transitioning from cash preservation during COVID-19 to upcycle recovery
- Compelling financial model with significant operating leverage
- Strong balance sheet; No debt
- Secular multi-year growth in automotive electronics & IoT markets
- Ground breaking security provisioning platform
- Attractive product mix with both equipment and recurring sales
- Track record of returning capital to shareholders with 3 buybacks since 2012

2021 Annual Orders by End Markets

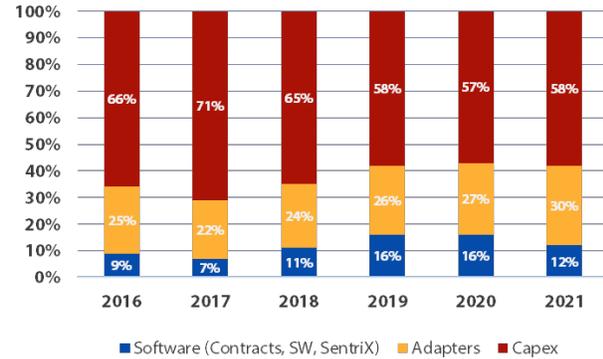




2021 Highlights

- Net sales of \$25.8M, up 27%
- Bookings of \$25.5M, up from \$20.8M for 2020
- Year-end backlog of \$2.9M
- Deferred revenue of \$1.5M
- Gross margin % of sales 57.0%, compared to 53.2% for 2020
- Cash of \$14.2M & no debt at 12/31/21
- Adjusted EBITDA, excluding equity compensation, of \$1.5M
- Automotive electronics sector 58% of bookings for the year
- Over 390 PSV systems worldwide
- 12 new customer wins in 2021
- 2021 GLOBAL Technology Award for programming with SentiX Product Creator™ tool suite
- Deployed 1st SentiX capital equ. order with software license
- Upgraded 1st installed PSV system to SentiX
- Deployment to date of 5 company-owned SentiX Systems

Strong Recurring Revenue



SentiX® Security Deployment Platform

Over the past 2+ years, Data I/O has been developing the SentiX® Security Deployment Platform. SentiX Security Deployment Platform support secure elements and secure microcontrollers for Automotive and Internet-of-Things applications. Data I/O also announced relationships with Cypress, Infineon, Maxim, Microchip, NXP, Renesas, Arrow, Avnet, EBV, ARM and DigiCert as part of the SentiX platform. Security Silicon is expected to be a 4 billion unit market in 2023, according to ABI Research, a leading market research firm.



Customer Overview

Data I/O delivers industry leading products and technology to hundreds of customers around the globe. With headquarters in Redmond, Washington and offices located in Shanghai, China and Munich, Germany, Data I/O is the only true global programming solutions provider with the capability to support the most demanding automotive, industrial/IoT and medical customers.



Eight of the top nine Automotive Electronics Companies, and all of the top five Automotive Programming Centers are Data I/O customers

This profile is for informational purposes only. No statement or expression of opinion, or any other matter herein, directly or indirectly, is an offer, solicitation or recommendation to buy or sell this security. Investors should consult a professional investment adviser prior to making any investment decision. Statements contained in this profile that are not historical facts are forward-looking statements that involve risks and uncertainties. For a summary of important factors that could cause Data I/O Corporation's results to differ materially from those projected in, or inferred by, the forward-looking statements, please refer to the Company's Annual Report on Form 10-K or quarterly report on Form 10-Q. *EBITDA, Adjusted EBITDA and Adjusted gross margin are non-GAAP financial measures and may include 1x items. A reconciliation is provided in the tables of the Company's financial results press releases.

Investor Relations Contact: Jordan Darrow, Darrow Associates, Inc. Ph: 512-551-9296 Email: jdarrow@darrowir.com

Data I/O Corp. | 6645 185th Ave. NE, Ste. 100 | Redmond, WA 98052 | Ph: 425-881-6444 | www.dataio.com