



CORPORATE OVERVIEW • NASDAQ: DAIO

Bringing electronic devices to life

Building the leader in secure data provisioning

Investor meetings • October 2026

DATA I/O

Programming and secure provisioning systems since 1972

ACQUISITION #1

Tape & reel, test & inspection, U.S. programming services

ACQUISITION #2

Embedded security software and IP , License/Support revenues, Key silicon vendor engagement

IMPORTANT NOTICE

Safe harbor statement

Statements in this presentation concerning economic outlook, expected revenue, expected margins, expected savings, expected results, orders, deliveries, backlog and financial positions, supply chain expectations, the expected benefits, synergies and integration of acquired businesses, as well as any other statement that may be construed as a prediction of future performance or events, are forward-looking statements which involve known and unknown risks, uncertainties and other factors which may cause actual results to differ materially from those expressed or implied by such statements. Forward-looking statement disclaimers also apply to the impact of global and geopolitical events.

These factors include uncertainties as to the ability to record revenues based upon the timing of product deliveries, shipping availability, installations and acceptance, accrual of expenses, business interruptions, changes in economic conditions, part shortages, the integration of acquisitions, and other risks including those described in the Company's filings on Forms 10-K and 10-Q with the Securities and Exchange Commission, press releases and other communications. We encourage you to review those filings for a complete description.

Forward-looking statements are made as of today, and we take no obligation to update them. This presentation includes non-GAAP financial measures, including Adjusted EBITDA; a reconciliation is available in our earnings releases and herein.

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DATA I/O AT A GLANCE

Every smart device starts with programmed silicon

1972

Founded the data provisioning market

57

U.S. and international patents

50+

Years in production lines;
largest installed base

~160

Employees across the combined companies

01

Design

OEM develops the product and its firmware



02

Data

Code, keys and IDs to be provisioned



03

Data I/O platform

Device algorithms and secure provisioning



04

Programming

Data written into the chip at the EMS or programming center



05

End products

Automotive, industrial and medical devices

Customers: automotive (75%+ of sales), industrial and medical manufacturers and their contract manufacturers.

LEADERSHIP

Industry veterans who have scaled this before



Bill Wentworth
President & CEO

Founded Source Electronics, built the global leader in programming services; sold to Avnet. CEO since Nov 2024.



Charles DiBona
Chief Financial Officer

Former GM of Strategy and M&A, Microsoft Server & Tools. Venture and PE investor. Harvard MBA.



Dwayne Jones
SVP Operations & Engineering

35+ years at Data I/O in engineering, design, manufacturing and service. Six Sigma Black Belt.



Monty Reagan
VP Sales & Marketing

30 years at Avnet, BPM Microsystems and DataTrans. Led Source Electronics' Asia expansion.



Doug Adams
Global Services Executive

Former COO of Source Electronics. SVP Quality, Logistics & Services at Avnet EM.



Cynthia Larson
Interim Chief HR Officer

30+ years in HR and organizational consulting for global tech firms. Adjunct professor, USD.

Over 40% of the Data I/O team has 20+ years of experience, with deep bench strength in engineering and device support.

BUSINESS MODEL

Over half of revenue is already recurring

45%

of Q2 2026 revenue came from socket adapters and service, consumed as customers produce

THE ASSET

A 50-year installed base

Systems running in production lines worldwide. Once qualified into a line, they stay for years.

THE ANNUITY

Adapters and service

Consumed as customers build product, not only when they buy new equipment.

WHERE IT GOES

Services and software

Programming paid per device and security licensing turn capital sales into revenue streams.

We are moving a lumpy capital equipment business toward recurring services.

From range-bound to a return to growth

2019 – 2024

Underperformance

- Revenue range-bound at \$20–28M
- 75%+ automotive concentration
- Cyclical hardware, limited products
- Zero investments core Platform and business operations
- Cash eroded from \$15M to \$9.7M

2025 – 1H 2026

Transition

- New leadership team
- Reinvested in the LumenX core platform
- Expanded the product portfolio
- Rightsized operating expenses; modernized IT (saved \$750K annually and more secure).
- Launched M&A program in Q3 2025

2H 2026 ONWARD

Return to growth

- Unified programming platform
- Three target markets: 10× TAM Data I/O
- Programming-as-a-Service On-Site multi-year contracts
- 2 acquisitions near closing
- Significant growth capital raised first raise \$9.0M second raise \$11.25M

RESULTS

Q2 2026: the turnaround shows in the numbers

57.0%

Gross margin, up 7.5 points from Q1 2026

+58%

Revenue growth from Q1 to Q2 2026

<\$22M

Annual operating cost run rate after restructuring

\$10.8M

Cash on June 30, 2026

- ✓ **Costs came down and stayed down.** Structural realignment in Germany and Redmond is already in reported results.
- ✓ **Margins rose on discipline.** Pricing actions and manufacturing efficiency: improvement that holds.
- ✓ **Catalysts are in place.** Acquisition #1 doubles revenue; Acquisition #2 adds security software. Total new accounts that Data I/O can sell into 75 and Automotive drops to 35%

One platform, three routes to a 10× market



Unified data provisioning family: LumenX, FlashCORE III and PSV automated systems on one platform, from engineering desk to production line.

Growth of the data provisioning market each route addresses

- 1 Core systems**
Programming systems from design to production, backed by a global brand **5-10%+**
- 2 Programming services**
Data I/O-run programming on customer sites or regional centers, paid per device. Large installed base Data I/O take share through quality execution and lower costs **10%**
- 3 Provisioning at test**
“Powered by Data I/O” software inside test and partner equipment **5-10%**

Four Sources of Value

1 Accelerates PaaS

Programming brings an established U.S. services platform and blue-chip customers, plus capacity and lower material costs to scale faster.

2 Consolidates the supply chain

Tape & reel and vision inspection sit right beside programming. Small-parts handling expertise supports platforms for new chips.

3 Expands the customer base

Adds data center, aerospace and defense, industrial/AI and consumer customers. U.S. sales force more than doubles ours.

4 Financial upside

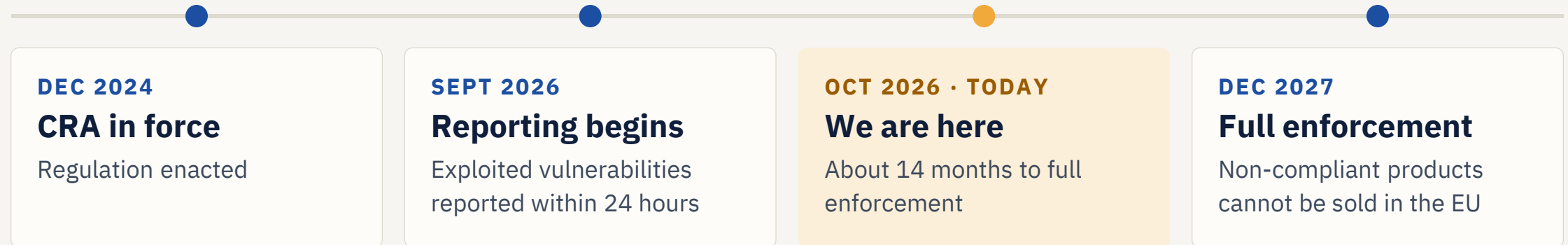
Accretive earnings and cash flow expected; day one synergies \$1M identified, before any savings from redundancies.

WHY CUSTOMERS HAVE TO CARE NOW

EU law makes secure provisioning mandatory

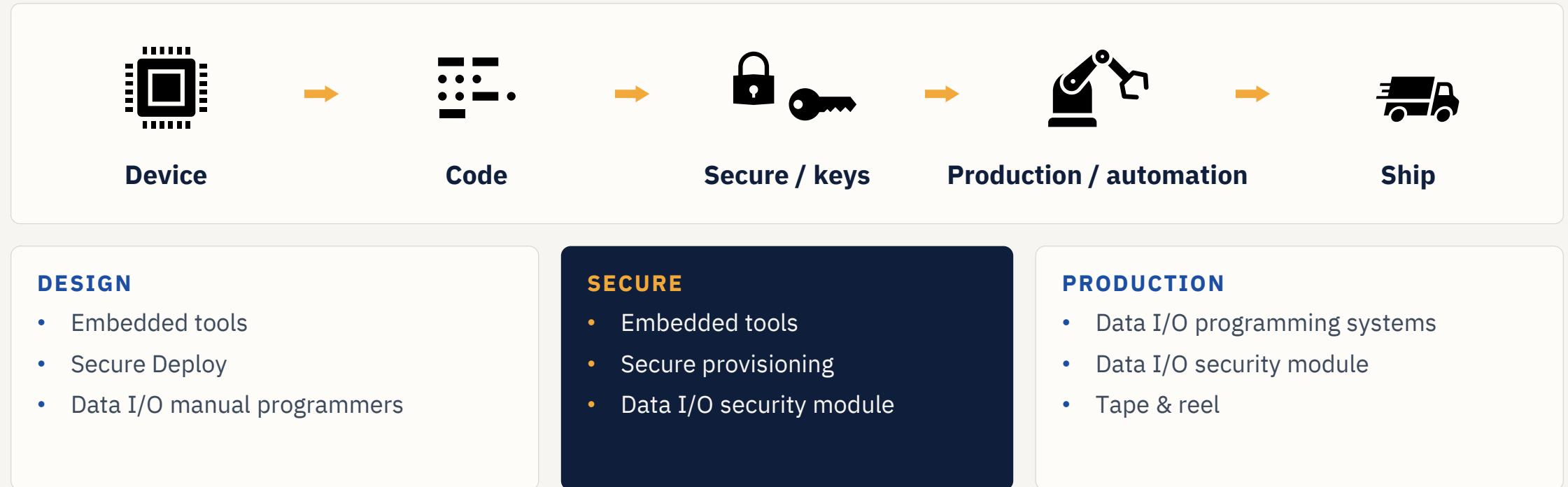
December 11, 2027: connected products that do not comply with the EU Cyber Resilience Act can no longer be sold in the EU. Penalties reach €15M or 2.5% of global revenue.

COMPLIANCE TIMELINE



What it means for Data I/O: every OEM building EU-bound products is racing to add security to its manufacturing flow and needs the equipment and software to do it. We sell both.

One partner from design to production



Programming and provisioning solutions: one partner across the flow, from Security design tools from Acquisition #2, to Data I/O systems, and Tape & reel from Acquisition #1.

The new Data I/O: equipment, services, security



Equipment

- Programming systems: LumenX, FlashCORE, PSV
- Tape & reel (from Acq. #1)
- Lead inspection, test and die sorting (from Acq. #1)



Services

- Programming-as-a-Service on customer sites
- Regional programming center in Silicon Valley (from Acq. #1)
- Annual agreements for PaaS On-Site



Software and security

- Acq. #2 security IP and SDK
- SentiX secure provisioning
- Algorithm library and “Powered by Data I/O”

\$20M→\$42M

Revenue: Data I/O alone vs. combined with Acq. #1

~\$1.5M

Run-rate synergies identified

2x+ 75 new accounts

U.S. direct sales footprint

~160

Employees in the U.S., China, Germany and UK

Why Data I/O now

- 01 A 50-year franchise in a critical production step, with 45% of revenue recurring
- 02 A new team that rebuilt the platform, cut costs and lifted gross margin to 57%
- 03 Acquisitions that double revenue and add services and security software
- 04 A 10× larger market, with EU CRA device security from December 2027
- 05 A funded balance sheet: Growth capital raised in 2026 Total of \$20M

2026 BUSINESS FRAMEWORK

- Organic revenue growth after Q1 in 2026 over 2025
- Accelerating recurring and services revenue
- Growing programming services funnel
- Operational optimization lifting gross margin
- AI embedded across multiple functional departments with real measurable results



NASDAQ: DAIO

Thank you

Bill Wentworth

President & Chief Executive Officer

Charles DiBona

Chief Financial Officer

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APPENDIX

Financial snapshot

Nasdaq	DAIO
Headquarters	Redmond, WA
Recent stock price	\$2.93
Market cap	\$30.5M
Diluted shares	10.4M
3-month avg. daily volume	36,200
Net operating losses (12/31/25)	\$19.3M

Sales (TTM)	\$17.8M
Net income (TTM)	(\$8.9M)
Diluted EPS (TTM)	(\$0.95)
Adj. EBITDA (TTM)	(\$4.8M)*
Cash & securities (6/30/26)	\$10.8M
Debt (6/30/26)	\$0.0
Enterprise value (6/30/26)	\$19.7M

Stock price, market cap and volume as of 9/30/26 intraday (source: Yahoo). Financials for the TTM period ended 6/30/26 unless noted; pre-acquisition, Data I/O standalone. Adjusted EBITDA* is a non-GAAP measure excluding one-time items and equity compensation. Reconciliation details next slide.

APPENDIX

EBITDA reconciliation

\$ thousands	Q2 2026	Q2 2025	1H 2026	1H 2025
Net income (loss)	(\$1,629)	(\$742)	(\$4,800)	(\$1,124)
Interest (income)	11	(35)	26	(73)
Interest expense	873	–	873	–
Taxes	–	(20)	–	2
Depreciation and amortization	102	110	217	237
EBITDA	(\$643)	(\$687)	(\$3,684)	(\$959)
Equity compensation	155	250	232	424
Adj. EBITDA, excl. equity comp	(\$488)	(\$437)	(\$3,452)	(\$535)
One-time expense adjustments	527	480	–	–
Adj. EBITDA, excl. equity comp and one-time items	\$39	\$43	–	–

ONE-TIME ITEMS

\$ thousands	Q2 26	Q2 25
Restructuring	345	–
Consulting and placement	159	145
IT and other	23	335
Total	\$527	\$480

Non-GAAP financial measure reconciliation. Unaudited; Data I/O standalone, before the V-TEK acquisition. Source: Data I/O Investor Relations, July 2026.