



Q1 '24 Earnings Presentation

May 9, 2024

NYSE: PAR





Forward-Looking Statements.

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Industry and Market Data.

Market, industry, and other data included in this presentation are from or based on our own internal good faith estimates and research, and on publicly available publications, research, surveys and studies conducted by third parties, which we believe are reliable, but have not independently verified. Similarly, while we believe our internal estimates and research are reliable, we have not independently verified our internal estimates or research. While we are not aware of any misstatements regarding any market, industry, or other data used by us or expressed in this presentation, such information, because it has not been verified or, by its nature - market surveys, estimates, projections or similar data, are inherently subject to uncertainties, and actual results may differ materially from the assumptions and circumstances reflected in this information.

Key Performance Indicators and Non-GAAP Financial Measures.⁽¹⁾

We monitor certain key performance indicators and non-GAAP financial measures in the evaluation and management of our business; certain key performance indicators and non-GAAP financial measures are provided in this presentation as we believe they are useful in facilitating period-to-period comparisons of our business performance. Key performance indicators and non-GAAP financial measures do not reflect and should be viewed independently of our financial performance determined in accordance with GAAP. Key performance indicators and non-GAAP financial measures are not forecasts or indicators of future or expected results and should not have undue reliance placed upon them by investors.

Where non-GAAP financial measures are included in this presentation, the most directly comparable GAAP financial measures and a detailed reconciliation between GAAP and non-GAAP financial measures is included in the Appendix to this presentation.

Unless otherwise indicated, financial and operating data included in this presentation is as of March 31, 2024.

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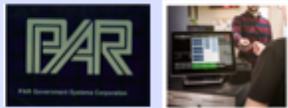
(1) See Appendix A for non-GAAP reconciliation and Key Performance Indicators

PAR[®] Our Journey ... Thus Far ...

(Dollar values represent ARR)

Early Innovation

- Founded in 1968 as a DoD Tech Contractor.
- Pioneered the first commercial POS.



1980s+

Software Renaissance

- Restructured PAR, new team, mission, values.
- Recapitalized PAR to invest in SaaS.
- Acquired Data Central.
- Shifted focus to SaaS.



\$10.7M
Q3 2018

\$19.2M
Q4 2019

2018

2019

Resurgence

- Acquired loyalty provider Punchh.
- Acquired digital ordering MENU.
- Acquired loyalty provider Stuzo.
- Building best-of-breed open platform.
- Continued development of the unified experience platform.



\$33.5M
Q4 2020



\$185.7M
Q1 2024

2020

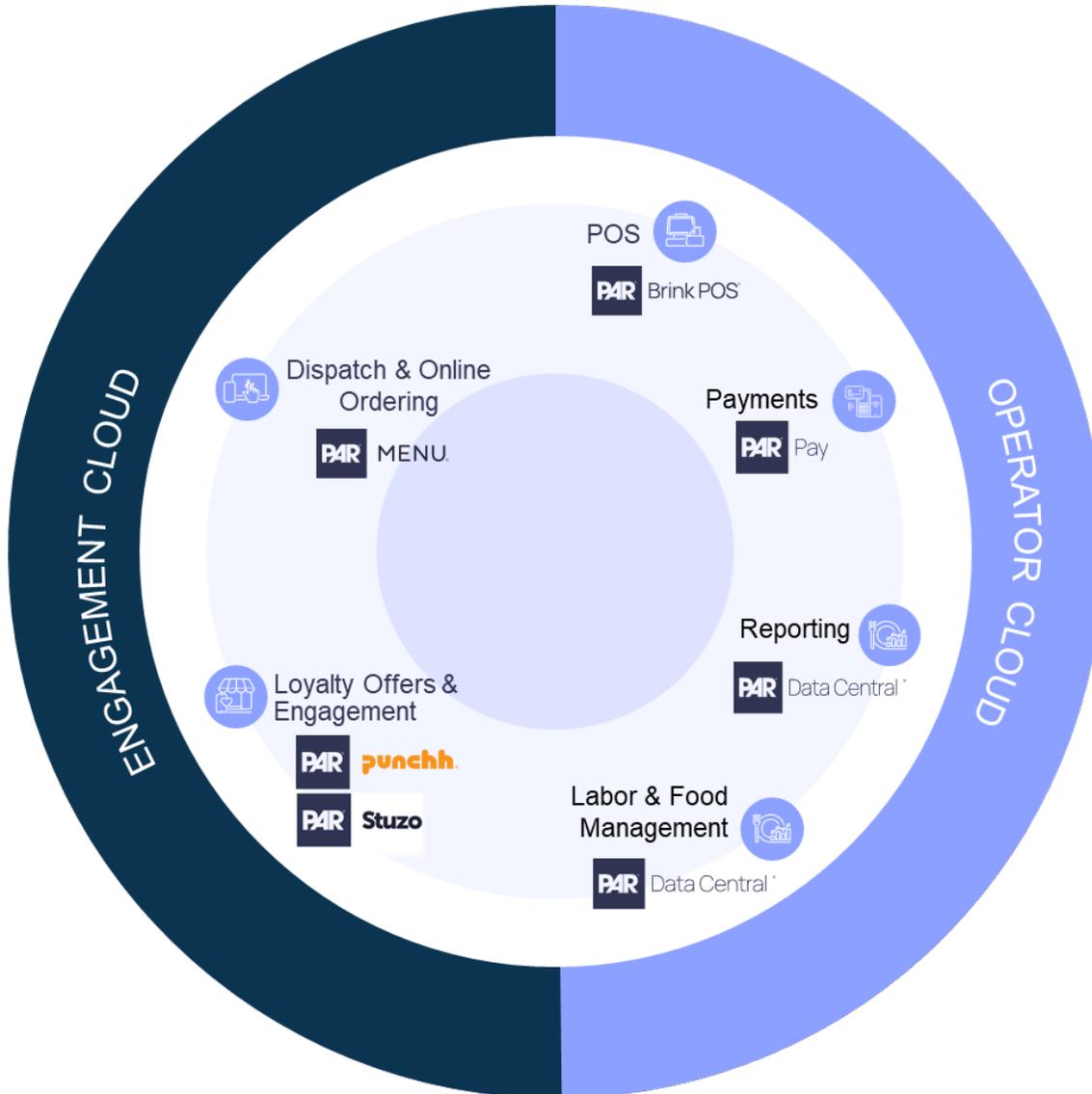
2021

2022

2023

2024+

Building a Unified Experience



- **Unified technology platform offering integrated solutions and sophisticated data insights**
- **Pairs with our state of the art hardware offerings for a complete tech stack**
- **Supported by our comprehensive professional service offerings to drive a positive customer experience**

Financial Review

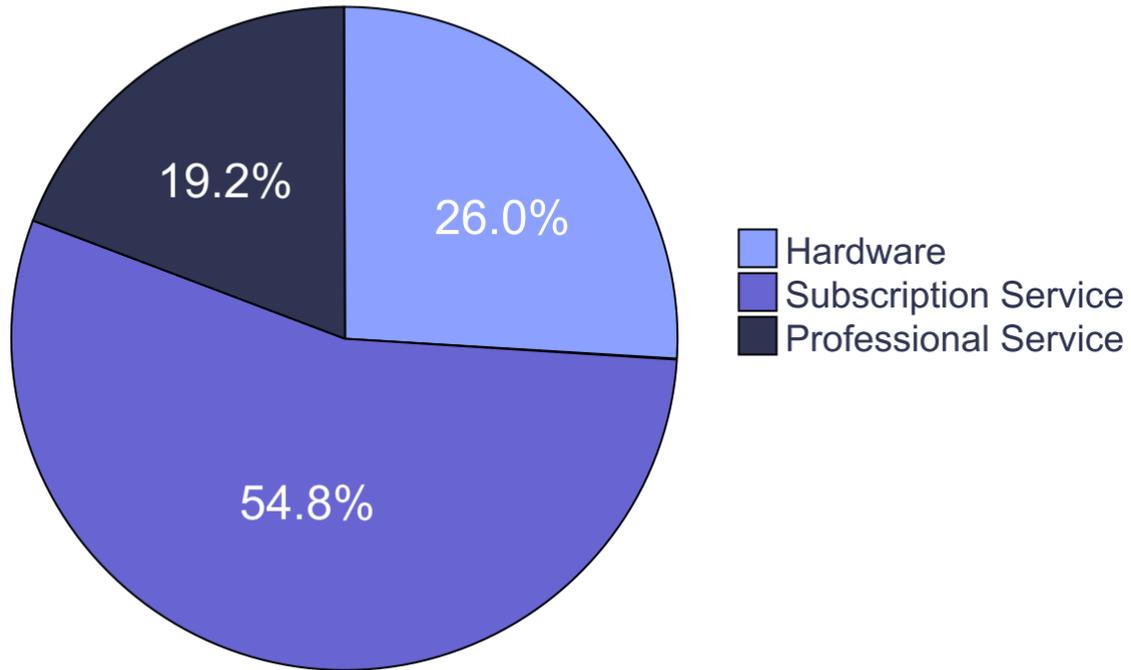
First Quarter 2024 Highlights

Q1 2024 Highlights

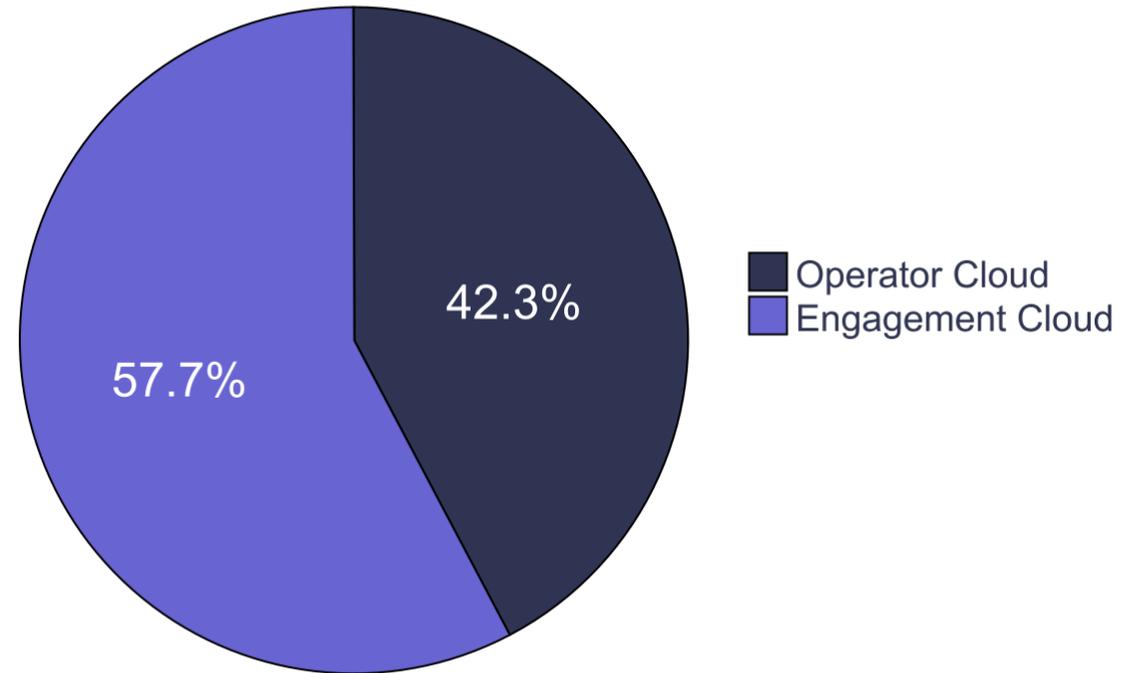
1. Consistent delivery on strong organic ARR growth
2. Cross-sell traction creating meaningful revenue opportunity from existing and potential future whitespace
3. Strong visibility towards profitability and beyond
4. Large and actionable sales pipeline across operator cloud products
5. Proven and repeatable M&A motion

Q1 2024 Revenue Breakout

Revenue by Offering - R/R Segment



ARR by Subscription Product Line



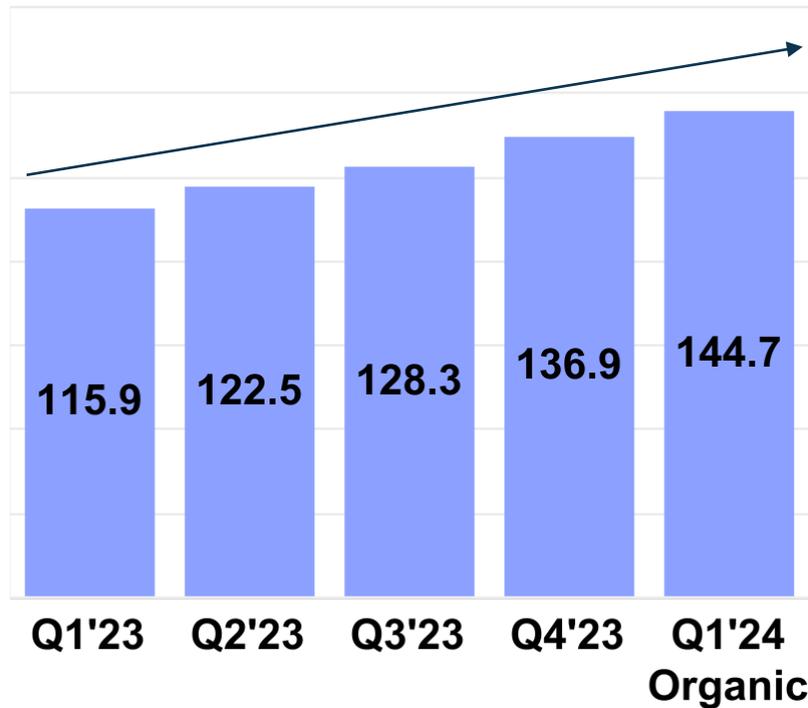


Quarterly KPI Trends

Annual Recurring Revenue

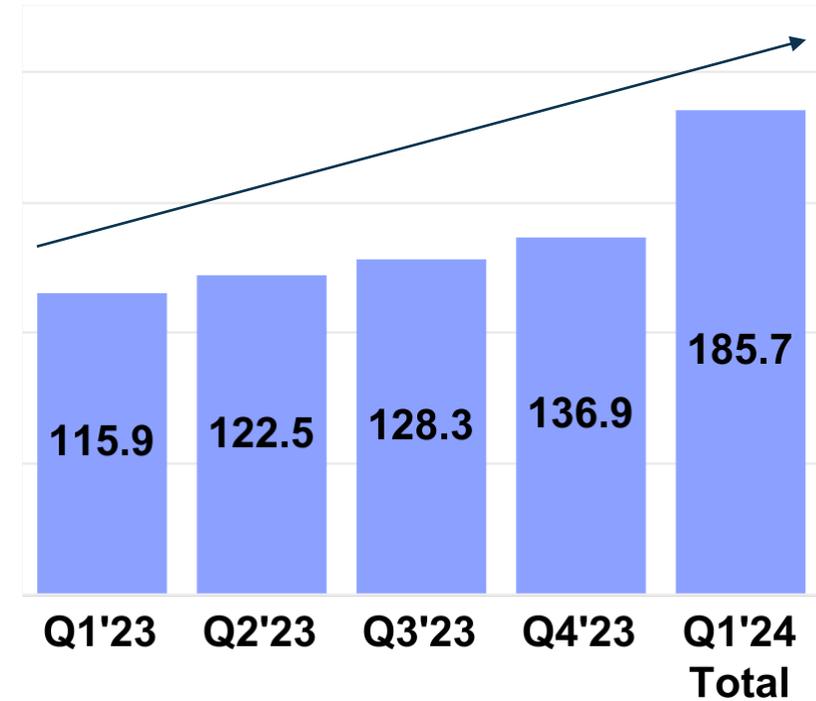
Organic ARR (\$'000,000)

25%
Y/Y Organic Growth



Total ARR (\$'000,000)

60%
Y/Y Total Growth

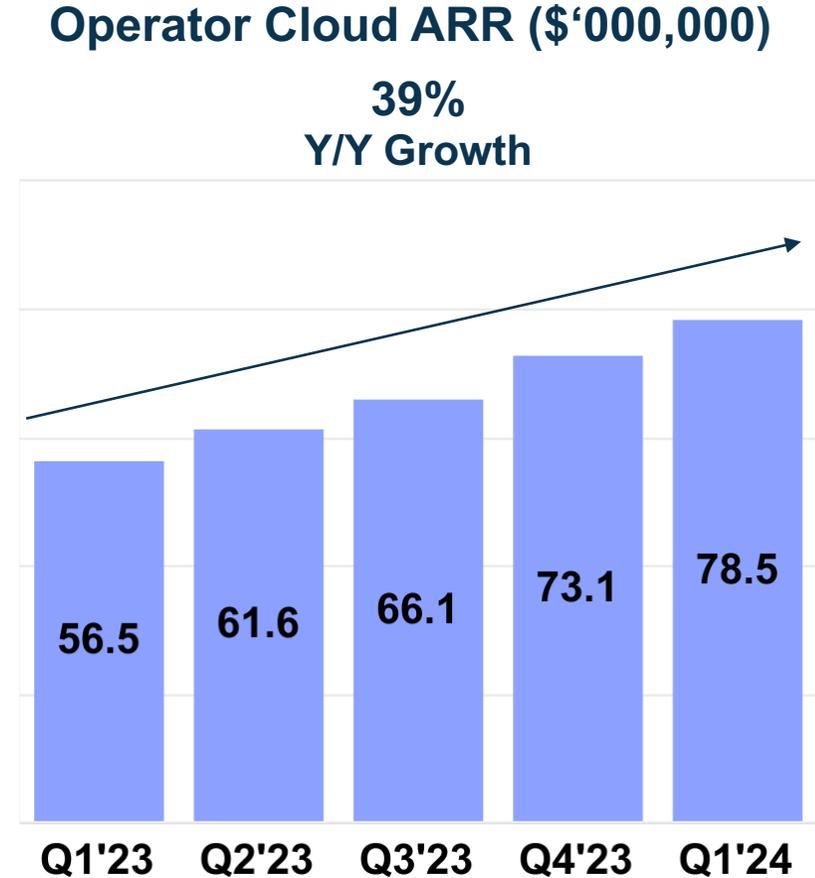
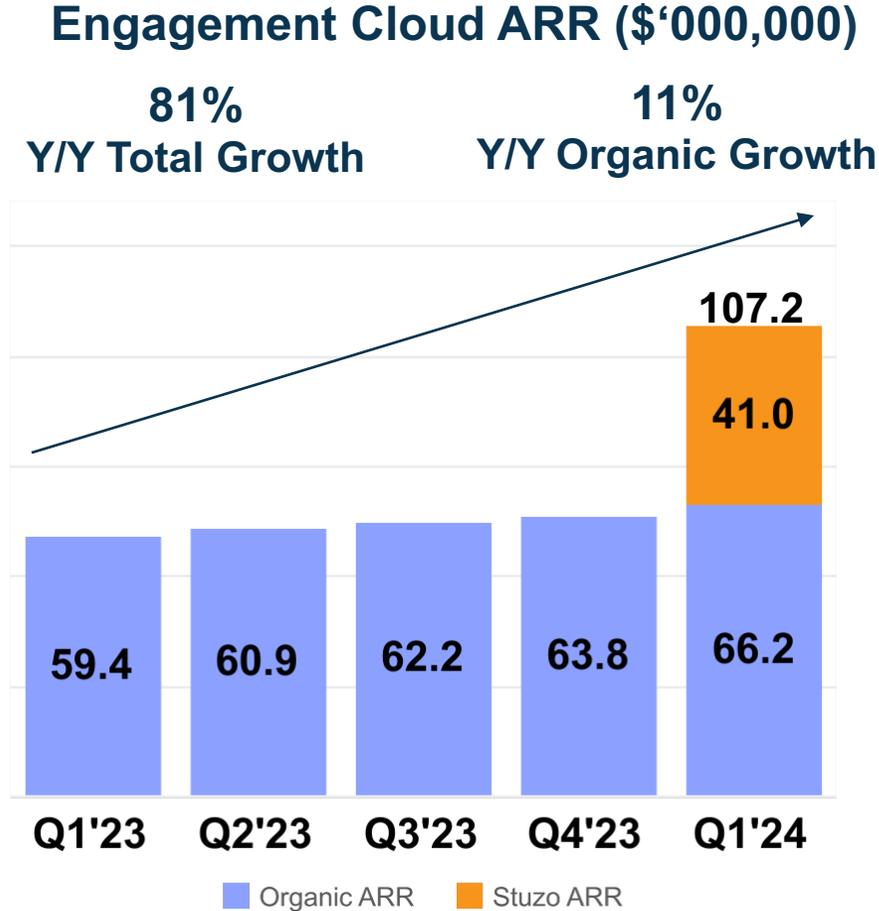


Year-over-year metrics are for the quarter ended 3/31/2024 compared to the quarter ended 3/31/2023. Please see Appendix A — Key Performance Indicators for more information on ARR.



Quarterly KPI Trends

Annual Recurring Revenue by Subscription Service Product Line



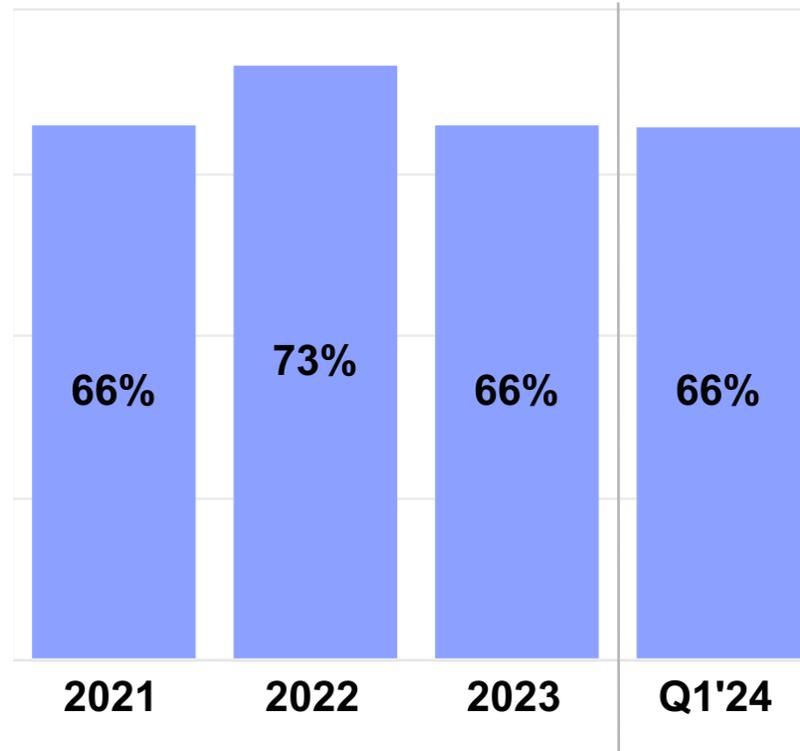
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Annual KPI Trends

Subscription Service

Adjusted Subscription Service Gross Margin⁽¹⁾



(1) Adjusted Subscription Service Gross Margin is a non-GAAP financial measure. Please see Appendix A for a detailed reconciliation to Subscription Service Gross Margin (GAAP).

Q1 '24 Financials

| in thousands | Three Months Ended March 31, | |
|--|------------------------------|-----------------|
| | 2024 | 2023 |
| Revenues, net: | | |
| Hardware | \$ 18,226 | \$ 26,777 |
| Subscription service | 38,379 | 27,965 |
| Professional service | 13,468 | 13,842 |
| Contract | 35,424 | 31,853 |
| Total revenues, net | 105,497 | 100,437 |
| Total gross margin | 28,563 | 23,193 |
| Operating expenses | | |
| Sales and marketing | 10,926 | 9,398 |
| General and administrative | 25,608 | 18,080 |
| Research and development | 15,768 | 14,315 |
| Amort of identifiable intangible assets | 932 | 464 |
| Adjustment to contingent consideration liability | — | (5,200) |
| Total operating expenses | 53,234 | 37,057 |
| Other income (expense), net | 306 | (59) |
| Interest expense, net | (1,708) | (1,667) |
| Loss before benefit from (provision for) income taxes | (26,073) | (15,590) |
| Benefit from (provision for) income taxes | 7,785 | (315) |
| Net loss | (18,288) | (15,905) |
| Non-GAAP adjustments | 7,520 | 3,253 |
| Adjusted net loss | (10,768) | (12,652) |
| Adjusted diluted net loss per share | (0.36) | (0.46) |
| Weighted average shares outstanding | 29,516 | 27,344 |

All amounts in thousands, except for Adjusted diluted net loss per share

Consolidated Highlights

- 5% increase in revenue from Q1 2023
- 23% increase in gross margin from Q1 2023

Subscription Service Highlights

- 60% increase in ARR from Q1 2023
- 37% increase in revenue from Q1 2023

Appendix A



Adjusted Subscription Gross Margin Non-GAAP Reconciliation

| (\$'000,000), except % | 12 Months Ended | | | 3 Months Ended |
|---|-----------------|-------------|-------------|----------------|
| | Dec 2021 | Dec 2022 | Dec 2023 | Mar 2024 |
| Subscription Service Revenue | \$63 | \$97 | \$123 | \$38 |
| Subscription Service Gross Margin | 24 | 50 | 59 | 20 |
| Add back Amortization from Acquired and Internally Developed Technology included in Subscription Service Gross Margin | 17 | 21 | 22 | 5 |
| Adjusted Subscription Service Gross Margin | \$41 | \$71 | \$81 | \$25 |
| Adjusted Subscription Service Gross Margin % | 66% | 73% | 66% | 66% |

May not sum/recalculate due to rounding.

The presentation of this non-GAAP reconciliation reflects the bifurcation of service revenue between subscription service revenue and professional service revenue that was implemented in Q4 2022.

Investment Thesis

1. Foodservice market ready for disruption

- Large TAM in restaurants with ~1m locations in the US spending 2-3% of total revenue on technology¹
- The industry shift to cloud technology has led to an explosion in new technology from Voice AI to marketing technology

2. Meeting market need with a Unified Experience

- Today technology is driving a wedge between restaurants and their guests
- Brands are shifting to well integrated vendors and more targeted guest interactions
- There is an opportunity to create an integrated solution with unified data that enables restaurants to have 1:1 relationship with their guests

3. ARR at scale with strong SaaS metrics

- Through both organic and inorganic strategies, ARR has reached \$185.7M with significant opportunity to expand within existing customers and win new business.



Key Performance Indicators

- **Annual Recurring Revenue or "ARR"** is the annualized revenue from subscription services, including subscription fees for our SaaS solutions and related software support, managed platform development services, and transaction-based payment processing services. We generally calculate ARR by annualizing the monthly subscription service revenue for all Active Sites as of the last day of each month for the respective reporting period.
- **"Active Sites"** represent locations active on PAR's subscription services as of the last day of the respective fiscal period.
- **"Adjusted Subscription Gross Margin"** is a non-GAAP financial measure for PAR's gross margin of subscription service revenue excluding amortization of acquired and internally developed technology.
- **"Churn"** reflects the negative change in Active Site count of PAR customers, for a specific period.

Thank You!