



Q4 '24 Earnings Presentation

February 28, 2025

NYSE: PAR





Forward-Looking Statements.

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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 December 31, 2024.

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(1) See Appendix for Non-GAAP reconciliations and Key Performance Indicators



Our Journey ... So Far ...

(Dollar values represent ARR)

EARLY INNOVATION

- Founded in 1968 as a DoD tech contractor
- Pioneered the first commercial POS

SOFTWARE RENAISSANCE

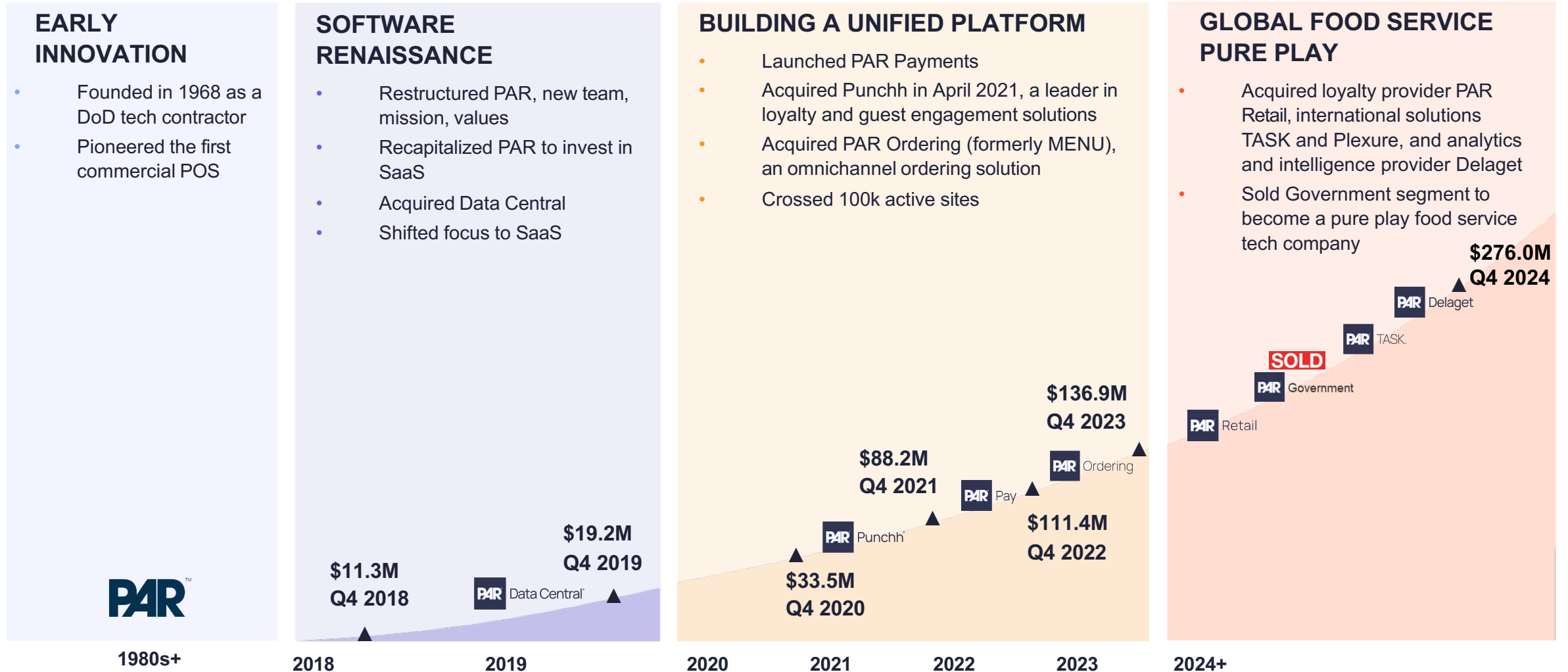
- Restructured PAR, new team, mission, values
- Recapitalized PAR to invest in SaaS
- Acquired Data Central
- Shifted focus to SaaS

BUILDING A UNIFIED PLATFORM

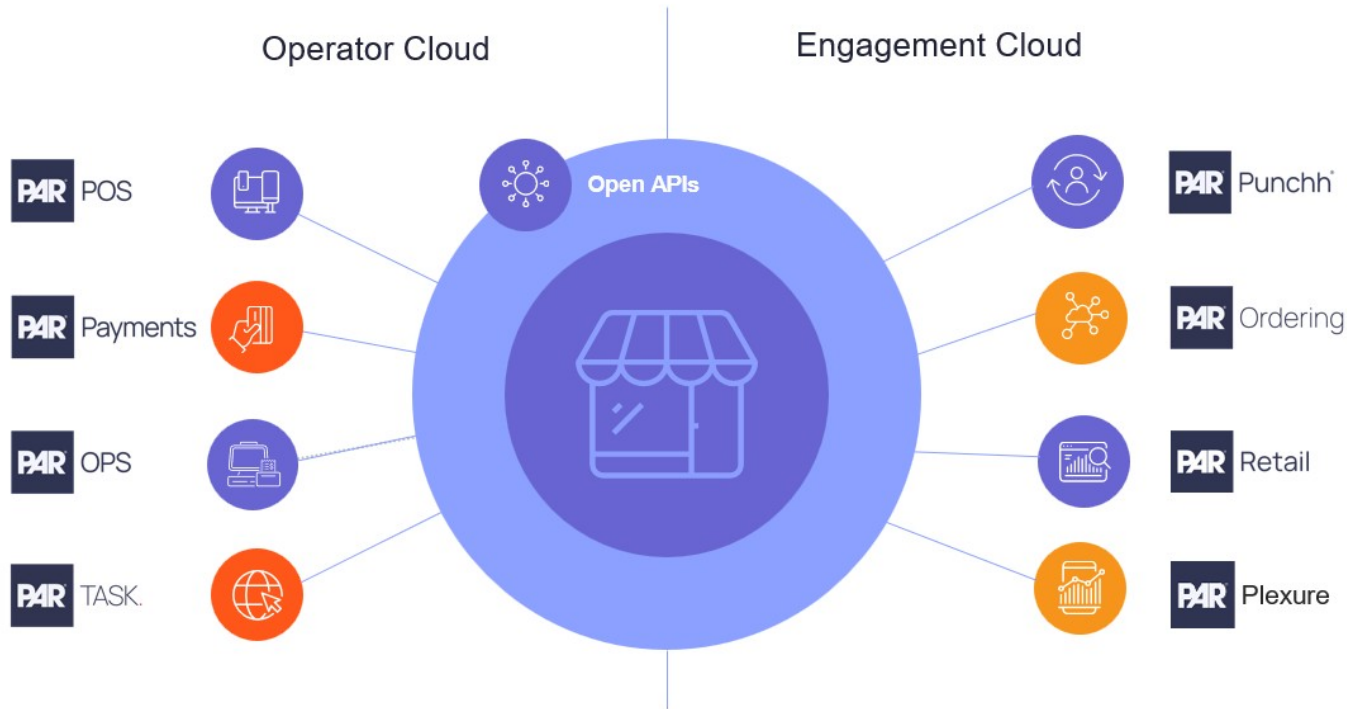
- Launched PAR Payments
- Acquired Punchh in April 2021, a leader in loyalty and guest engagement solutions
- Acquired PAR Ordering (formerly MENU), an omnichannel ordering solution
- Crossed 100k active sites

GLOBAL FOOD SERVICE PURE PLAY

- Acquired loyalty provider PAR Retail, international solutions TASK and Plexure, and analytics and intelligence provider Delaget
- Sold Government segment to become a pure play food service tech company

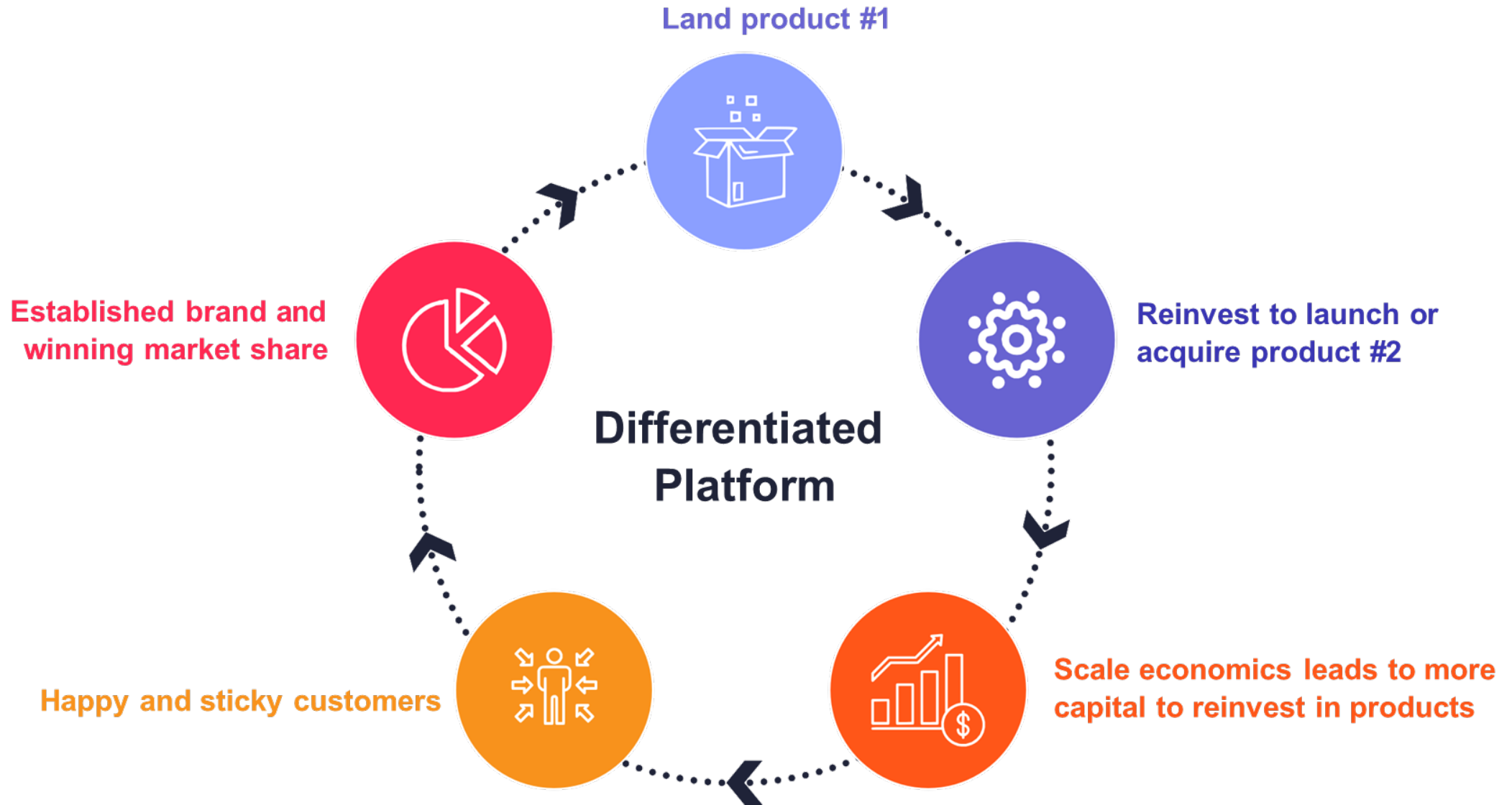


PAR[®] Building a Unified Experience... Leading To



- **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**

PAR's Success Will Be Driven by our Flywheel



Financial Review

Fourth Quarter 2024 Highlights

Q4 2024 Highlights

1**21% organic ARR growth**

- Consistent delivery on strong organic ARR growth

2**Continued Adjusted EBITDA profitability**

- Adjusted EBITDA of \$5.8 million in Q4 2024

3**Cross-sell traction**

- Cross-sell traction creating meaningful revenue opportunity from existing and potential future whitespace

4**Delaget Acquisition**

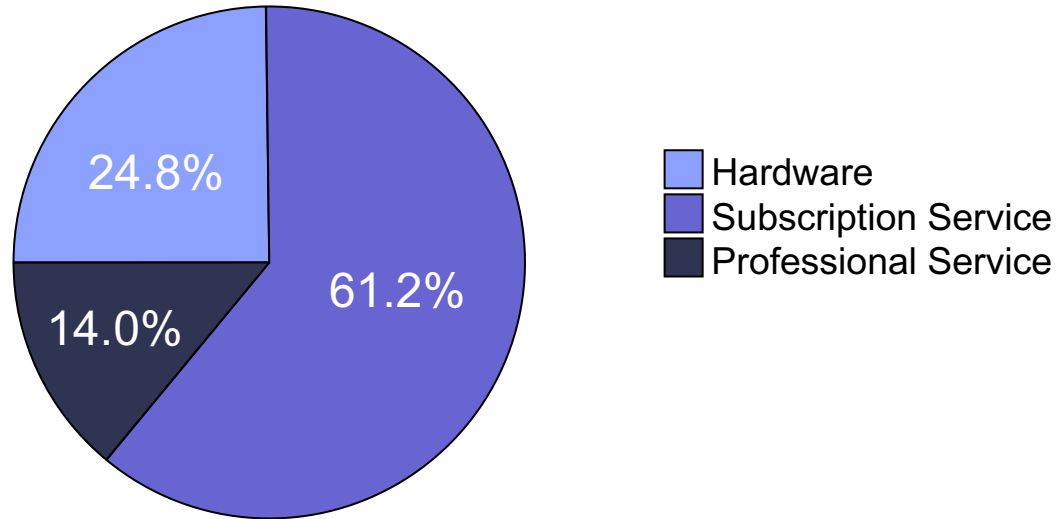
- Completed the acquisition of Delaget, LLC ("Delaget"), a leading provider of restaurant analytics and business intelligence solutions

5**Repeatable M&A motion**

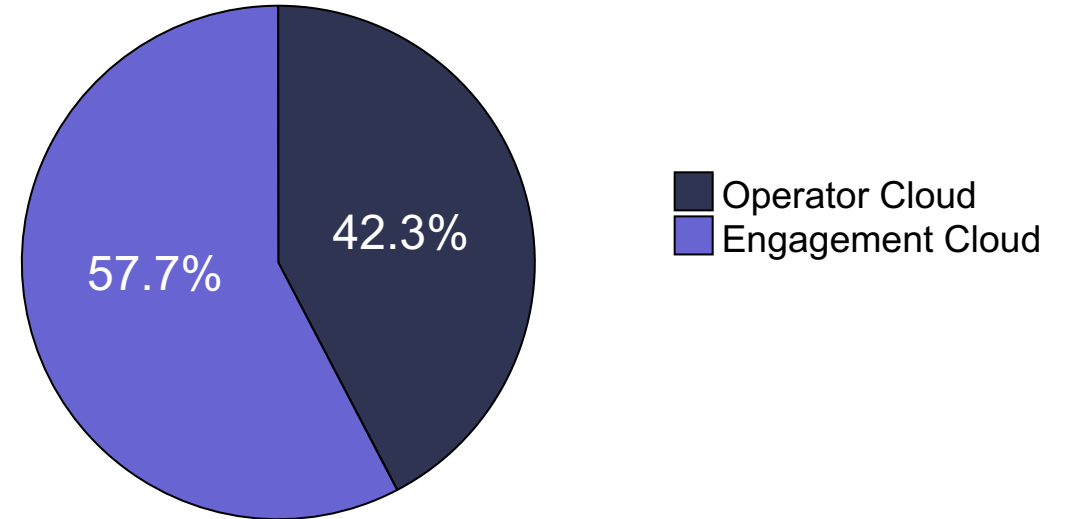
- Proven track record of strategic M&A, with the recent acquisitions of PAR Retail, TASK Group, and Delaget significantly expanding PAR's TAM into convenience stores and international markets

Q4 2024 Revenue Breakout

Revenue by Offering



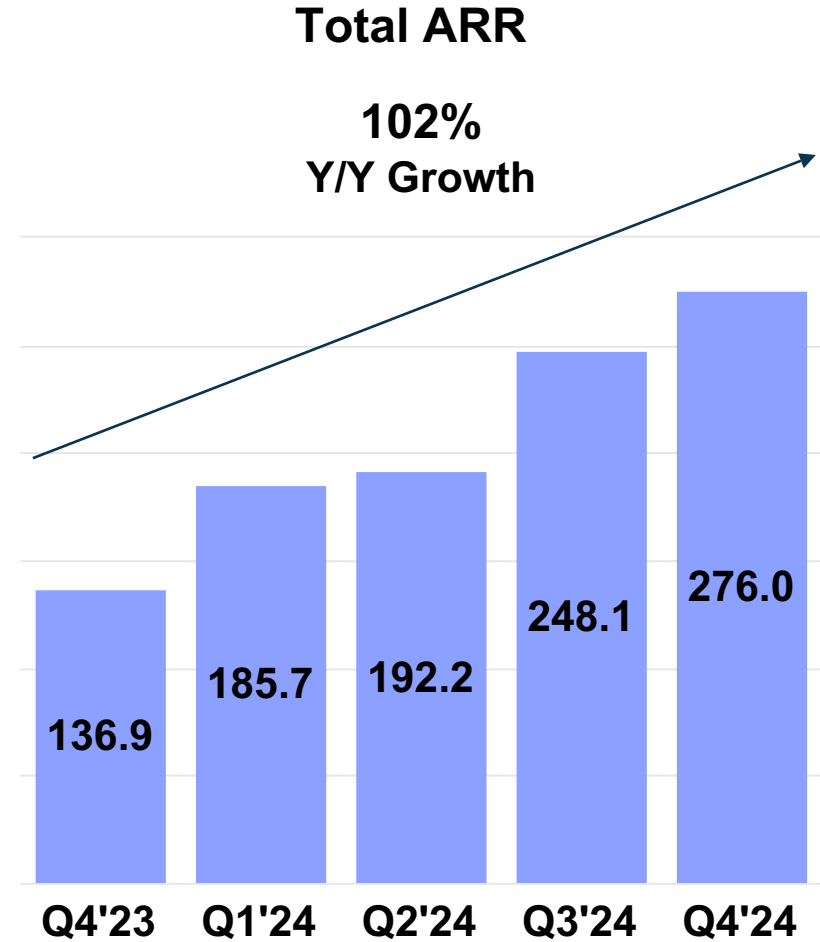
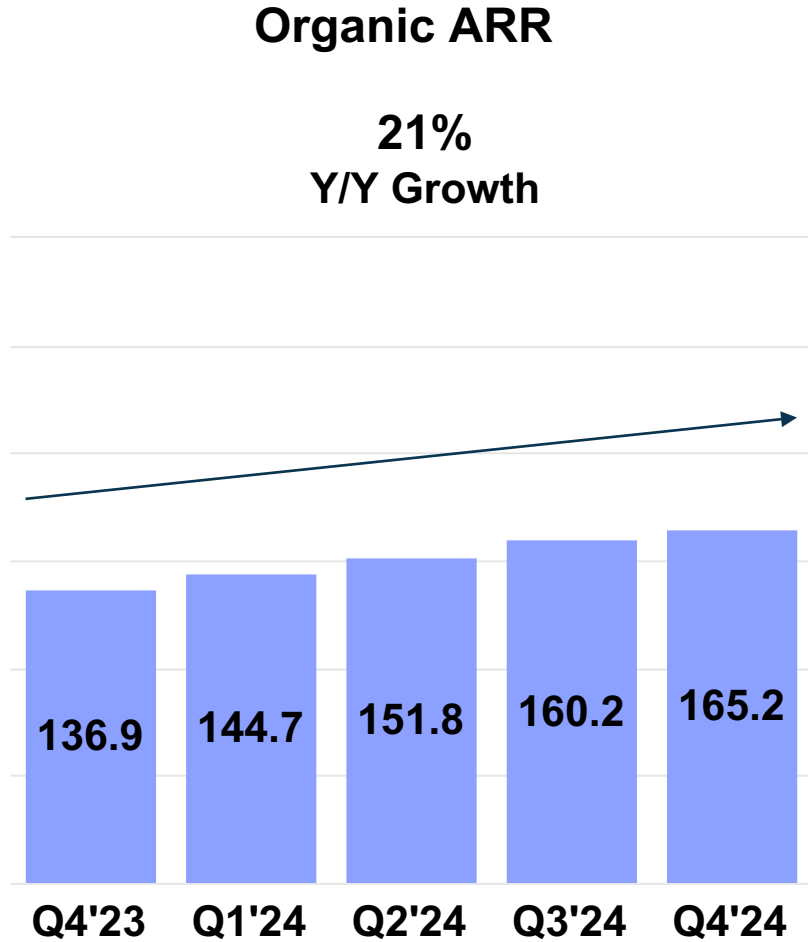
ARR by Subscription Product Line





Strong Organic & Inorganic ARR Growth

(\$'000,000)

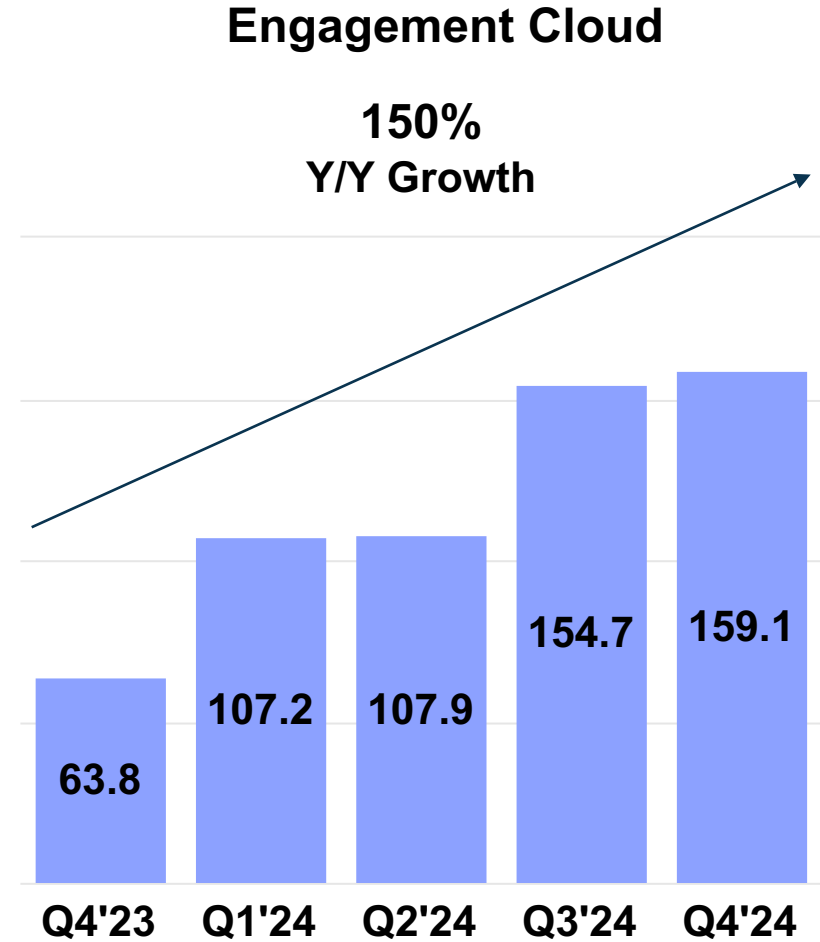
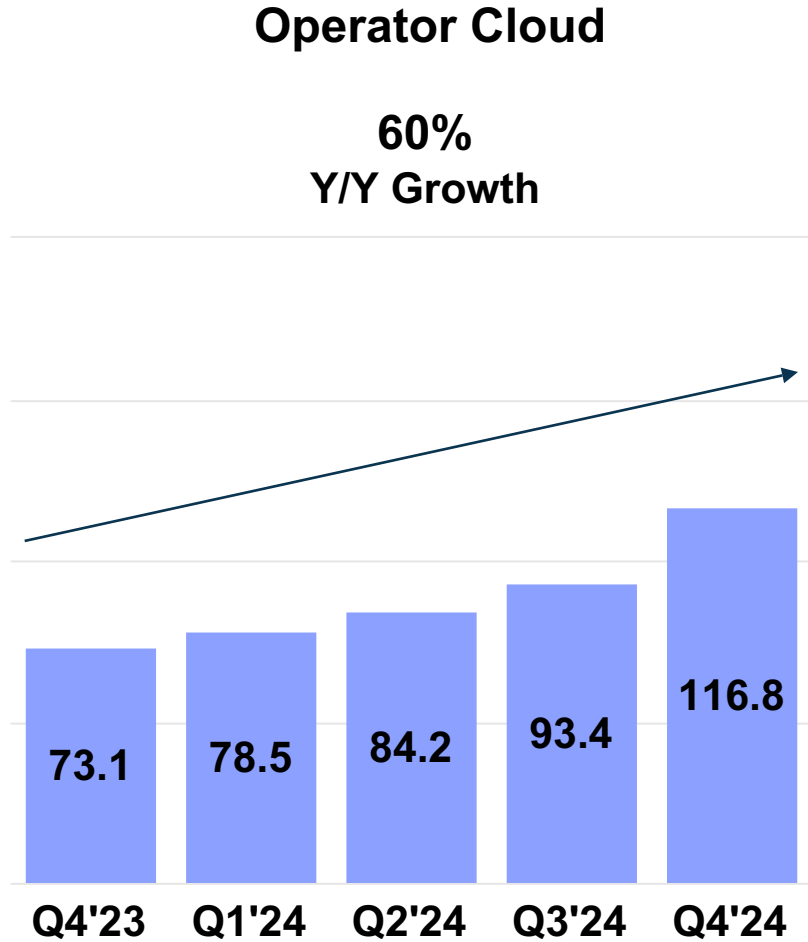


Year-over-year metrics are for the quarter ended 12/31/2024 compared to the quarter ended 12/31/2023. Please see Appendix — Key Performance Indicators for more information on ARR.



Resilient ARR Growth Across Product Lines

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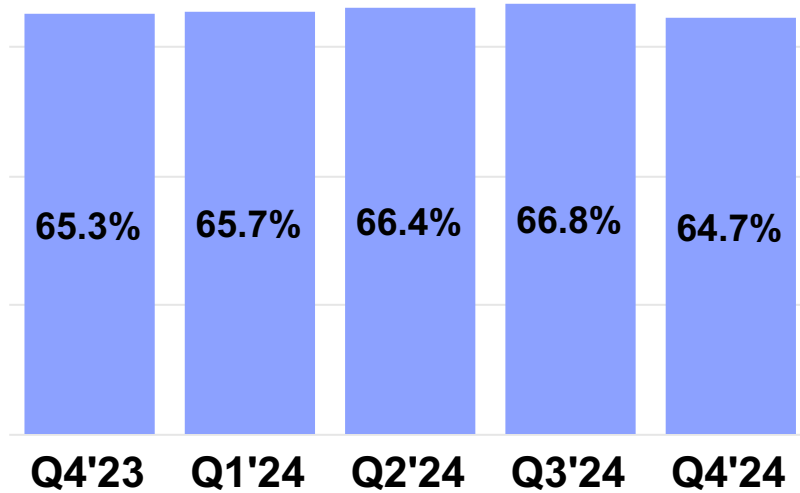


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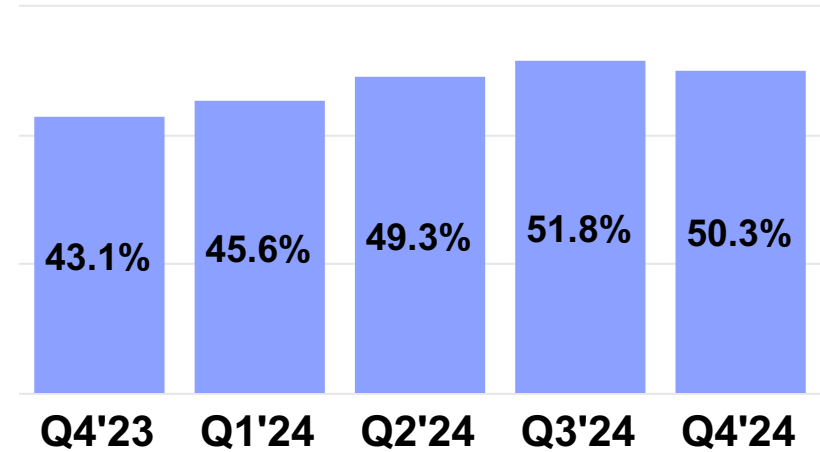
Driving Margin Expansion

**Non-GAAP Subscription Service
Gross Margin Percentage⁽¹⁾**



**Non-GAAP Consolidated Gross
Margin Percentage⁽¹⁾**

**720 Basis Point Y/Y
Margin Expansion**

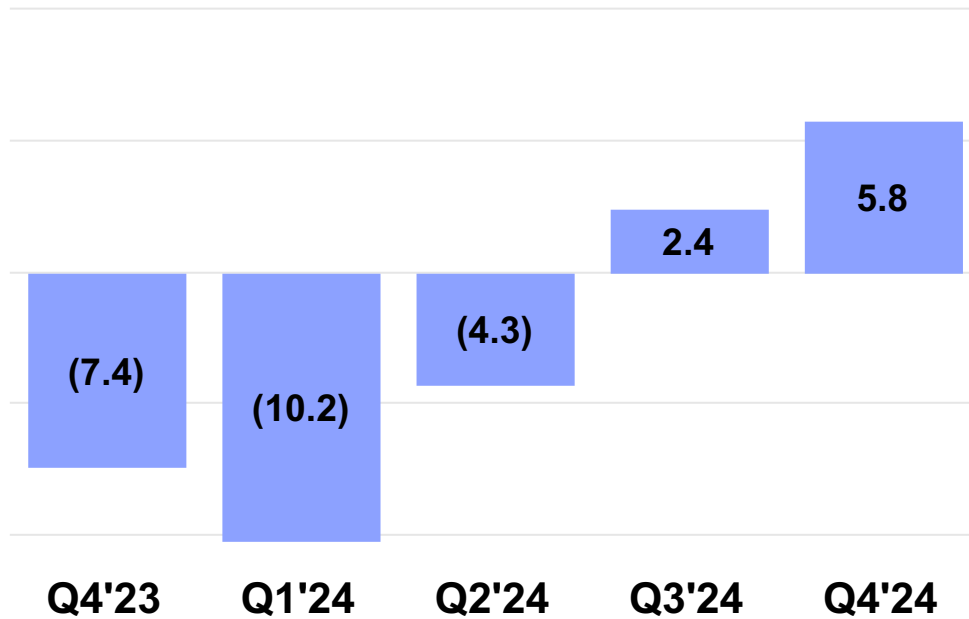


(1) Non-GAAP Subscription Service Gross Margin percentage and Non-GAAP Consolidated Gross Margin percentage are Non-GAAP financial measures. Please see Appendix for a detailed reconciliation to Subscription Service Gross Margin percentage and Consolidated Gross Margin percentage (GAAP). Year-over-year metrics are for the quarter ended 12/31/2024 compared to the quarter ended 12/31/2023.



As We Grow, Efficiency Improves

Adjusted EBITDA⁽¹⁾ (\$000,000)



**Continued Adjusted
EBITDA Growth**

**Q4
5.8M**

(1) Adjusted EBITDA is a Non-GAAP financial measure. Please see Appendix for a detailed reconciliation from net income (loss) to Adjusted EBITDA.



Q4 '24 Financials

<i>(in thousands)</i>	Three Months Ended December 31	
	2024	2023
Revenues, net:		
Subscription service	\$ 64,262	\$ 32,897
Hardware	26,048	24,400
Professional service	14,695	12,603
Total revenues, net	105,005	69,900
Total gross margin	45,007	24,214
Operating expenses:		
Sales and marketing	10,471	9,508
General and administrative	31,002	19,213
Research and development	17,432	14,493
Amortization of identifiable intangible assets	2,875	465
Adjustment to contingent consideration liability	—	(1,700)
Gain on insurance proceeds	(348)	—
Total operating expenses	61,432	41,979
Other income (expense), net	2,856	(369)
Loss on extinguishment of debt	(6,560)	(635)
Interest expense, net	(3,412)	(1,779)
Loss from continuing operations before provision for income taxes	(23,541)	(20,548)
Provision for income taxes	(1,752)	(975)
Net loss from continuing operations	(25,293)	(21,523)
Net income from discontinued operations	4,236	2,894
Net loss	(21,057)	(18,629)
Non-GAAP adjustments	26,833	11,257
Adjusted EBITDA⁽¹⁾	5,776	(7,372)

Consolidated Highlights

- **86% increase in gross margin from Q4 2023**
- **\$13.1 million increase in Adjusted EBITDA⁽¹⁾ from Q4 2023**
- **\$3.4 million increase in Adjusted EBITDA⁽¹⁾ from Q3 2024**

Subscription Service Highlights

- **102% increase in ARR from Q4 2023**
- **95% increase in revenue from Q4 2023**

(1) Adjusted EBITDA is a Non-GAAP financial measure. Please see Appendix for a detailed reconciliation from net income (loss) to Adjusted EBITDA.

Appendix



Non-GAAP Subscription Service Gross Margin Percentage Reconciliation

	3 Months Ended				
	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24
Subscription Service Gross Margin Percentage	48.1%	51.6%	53.1%	55.3%	53.2%
Add: Depreciation and amortization	16.9%	13.9%	13.1%	11.4%	11.3%
Add: Stock-based compensation	0.3%	0.1%	0.2%	0.1%	0.1%
Add: Severance	—%	0.1%	—%	—%	0.1%
Non-GAAP Subscription Service Gross Margin Percentage	65.3%	65.7%	66.4%	66.8%	64.7%

May not sum/recalculate due to rounding.



Non-GAAP Consolidated Gross Margin Percentage Reconciliation

	3 Months Ended				
	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24
Consolidated Gross Margin Percentage	34.6%	37.2%	41.0%	44.5%	42.9%
Add: Depreciation and amortization	8.2%	7.9%	7.6%	7.1%	7.0%
Add: Stock-based compensation	0.3%	0.2%	0.4%	0.2%	0.1%
Add: Severance	—%	0.3%	0.3%	—%	0.3%
Non-GAAP Consolidated Gross Margin Percentage	43.1%	45.6%	49.3%	51.8%	50.3%

May not sum/recalculate due to rounding.

Net Income (Loss) to Adjusted EBITDA Reconciliation

<i>(in thousands)</i>	3 Months Ended				
	Q4'24	Q3'24	Q2'24	Q1'24	Q4'23
Net income (loss)	\$(21,057)	\$(19,832)	\$54,190	\$(18,288)	\$(18,629)
Discontinued operations	(4,236)	(832)	(77,777)	(2,078)	(2,894)
Net loss from continuing operations	(25,293)	(20,664)	(23,587)	(20,366)	(21,523)
Provision for (benefit from) income taxes	1,752	653	612	(7,785)	975
Interest expense, net	3,412	3,417	1,630	1,708	1,779
Depreciation and amortization	11,205	10,575	8,834	7,293	6,881
Stock-based compensation	7,905	5,887	6,286	4,410	3,747
Contingent consideration	—	—	(600)	—	(1,700)
Litigation expense	—	—	—	—	(808)
Transaction costs	2,351	1,125	1,573	3,405	2,273
Gain on insurance proceeds	(348)	(147)	—	—	—
Loss on extinguishment of debt	6,560	—	—	—	635
Severance	1,088	(48)	294	1,434	—
Impairment loss	—	225	—	—	—
Other expense (income), net	(2,856)	1,400	610	(300)	369
Adjusted EBITDA	\$5,776	\$2,423	\$(4,348)	\$(10,201)	\$(7,372)

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
- Enterprise foodservice playing “catch-up” in adopting new technology and anticipate this technology spend to ramp
- 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
- Industry seeking vendor consolidation and platform experience and reduce single-product providers

3. **ARR at scale with strong SaaS metrics**

- Through both organic and inorganic strategies, ARR has reached \$276.0M with significant opportunity to expand within existing customers and win new business
- Hyper-focus on stringent OpEx spend management with real ROI mindset

(1) Source: Technomic



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. Our reported ARR is based on a constant currency, using the exchange rates established at the beginning of the year and consistently applied throughout the period and to comparative periods presented. For acquisitions made during each period, the constant currency rate applied is the exchange rate at the date of each acquisition's closure. There was no impact on our prior period ARR as a result of applying a constant currency as the exchange rate effects only began with the TASK Group Acquisition in 2024.
- **"Active Sites"** represent locations active on PAR's subscription services as of the last day of the respective reporting period.
- **"Non-GAAP Subscription Service Gross Margin Percentage"** represents subscription service gross margin percentage adjusted to exclude amortization from acquired and internally developed software, stock-based compensation, and severance.
- **"Non-GAAP Consolidated Gross Margin Percentage"** represents consolidated gross margin percentage adjusted to exclude amortization from acquired and internally developed software, stock-based compensation, and severance.
- **"Adjusted EBITDA"** represents net income (loss) before income taxes, interest expense and depreciation and amortization adjusted to exclude certain non-cash and non-recurring charges that may not be indicative of our financial performance

Thank You!