PAR®

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PAR TECHNOLOGY CORPORATION ANNOUNCES SECOND QUARTER 2025 RESULTS

- **Annual Recurring Revenue (ARR)[(1)] grew to $286.7 million - total growth of 49% inclusive of organic growth of 16% from $192.2 million reported in Q2 '24**
- **Quarterly subscription service revenues increased 60% year-over-year, inclusive of organic growth of 21% from Q2 '24**

New Hartford, NY - August 8, 2025 -- PAR Technology Corporation (NYSE: PAR) ("PAR Technology" or the "Company") today announced its financial results for the second quarter ended June 30, 2025.

"Q2 was another strong quarter in proving out our "Better Together" thesis. We signed a record amount of multi-product logos in the quarter and restarted our largest rollout," commented PAR CEO, Savneet Singh. "In addition to these multi-product wins, we ended the quarter with our largest company-wide pipeline to date. Our business continues to build a solid foundation for growth and profitability for years to come."

Q2 2025 Financial Highlights[(2)]

(in millions, except % and per share amounts)	**GAAP**			**Non-GAAP[(1)]**		
	Q2 2025	**Q2 2024**	**vs. Q2 2024**	**Q2 2025**	**Q2 2024**	**vs. Q2 2024**
Revenue	$112.4	$78.2	better 43.8%			
Net Loss from Continuing Operations/Adjusted EBITDA	$(21.0)	$(23.6)	better $2.5 million	$5.5	$(4.3)	better $9.9 million
Diluted Net (Loss) Income Per Share from Continuing Operations	$(0.52)	$(0.69)	better $0.17	$0.03	$(0.23)	better $0.26
Subscription Service Gross Margin Percentage	55.3%	53.1%	better 220 bps	66.4%	66.4%	no change

Year-to-Date 2025 Financial Highlights[(2)]

(in millions, except % and per share amounts)	**GAAP**			**Non-GAAP[(1)]**		
	Q2 2025	**Q2 2024**	**vs. Q2 2024**	**Q2 2025**	**Q2 2024**	**vs. Q2 2024**
Revenue	$216.3	$148.2	better 45.9%			
Net Loss from Continuing Operations/Adjusted EBITDA	$(45.6)	$(44.0)	worse $1.6 million	$10.1	$(14.5)	better $24.6 million
Diluted Net (Loss) Income Per Share from Continuing Operations	$(1.13)	$(1.33)	better $0.20	$0.02	$(0.66)	better $0.68
Subscription Service Gross Margin Percentage	56.5%	52.4%	better 410 bps	67.7%	66.1%	better 160 bps

[(1)] *See "Key Performance Indicators and Non-GAAP Financial Measures" for descriptions of key performance indicators and non-GAAP financial measures, and reconciliations of non-GAAP financial measures to corresponding GAAP financial measures. Amounts presented in the reconciliations and other tables presented herein may not sum due to rounding.*
[(2)] *Results exclude historical results from our Government segment which are reported as discontinued operations.*

The Company's key performance indicators ARR and Active Sites[1] are presented as two subscription service product lines:

- Engagement Cloud consisting of PAR Engagement (Punchh and PAR Ordering), PAR Retail (including GoSkip), and Plexure product offerings.
- Operator Cloud consisting of PAR POS, PAR Pay, PAR OPS (Data Central and Delaget), and TASK product offerings.

Highlights of Engagement Cloud - Second Quarter 2025[1]:

- ARR at end of Q2 '25 totaled $167.5 million
- Active Sites as of June 30, 2025 totaled 119.1 thousand

Highlights of Operator Cloud - Second Quarter 2025[1]:

- ARR at end of Q2 '25 totaled $119.2 million
- Active Sites as of June 30, 2025 totaled 57.4 thousand

[1] See “Key Performance Indicators and Non-GAAP Financial Measures” below.

Earnings Conference Call.

There will be a conference call at 9:00 a.m. (Eastern) on August 8, 2025, during which management will discuss the Company's financial results for the second quarter ended June 30, 2025. The conference call will be webcast live. To access the webcast, please visit the Investor Relations section of the Company's website at www.partech.com/investor-relations/. A recording of the webcast will be available on this site after the event.

About PAR Technology Corporation.

PAR Technology Corporation (NYSE: PAR) is a leading foodservice technology provider, powering a unified, purpose-built platform engineered to scale and adapt with brands at every stage of growth. Designed with flexibility and openness at its core, PAR’s solutions—spanning point-of-sale, digital ordering, loyalty, back-office, payments, and hardware—integrate with others, yet deliver maximum impact as a unified system. With intentional innovation at the forefront, PAR’s solutions streamline operations, drive higher engagement, and strengthen guest experiences for restaurants and retailers globally. To learn more, visit partech.com or connect with us on social media. The PAR Technology 2025 Sustainability Report can be found at: https://partech.com/sustainability-at-par/.

Key Performance Indicators and Non-GAAP Financial Measures.

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 press release because 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 press release, the most directly comparable GAAP financial measures and a detailed reconciliation between GAAP and non-GAAP financial measures is included in this press release under “Non-GAAP Financial Measures”.

Unless otherwise indicated, financial and operating data included in this press release is as of June 30, 2025.

As used in this press release,

"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 recurring 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.

"Active Sites" represent locations active on PAR's subscription services as of the last day of the respective reporting period.

Trademarks.

"PAR®," "PAR POS®", "Punchh®," "PAR Ordering™", "PAR OPS™," "Data Central®," "Delaget™," "PAR Retail™", "PAR® Pay", "PAR® Payment Services", and other trademarks identifying our products and services appearing in this press release belong to us. Solely for convenience, our trademarks referred to in this press release may appear without the ® or ™ symbols, but such references are not intended to indicate in any way that we will not assert, to the fullest extent under applicable law, our rights to these trademarks.

Forward-Looking Statements.

This press release contains forward-looking statements made pursuant to the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended, Section 27A of the Securities Act of 1933, as amended, and the Private Securities Litigation Reform Act of 1995, and the accuracy of such statements is necessarily subject to risks, uncertainties and assumptions as to future events that may not prove to be accurate. Forward-looking statements can be identified by words such as "believe," "could," "would," "should," "will," "continue," "anticipate," "expect," "path," "plan," "intend," "estimate," "future," "may," "potential," and similar expressions. These statements include, but are not limited to, express or implied forward-looking statements relating to: the plans, strategies and objectives of management relating to our growth, results of operations, and financial performance, including service and product offerings, the development, demand, market share, and competitive performance of our products and services; revenues, gross margins, expenses, cash flows, and other financial measures and key performance indicators, including ARR, Active Sites, subscription service gross margin percentage, net loss, and net loss per share; the availability and terms of product and component supplies for our hardware products; anticipated benefits of acquisitions, divestitures, and capital markets transactions; and macroeconomic trends, geopolitical events, tariffs, and trade disputes and the expected impact of those trends and events on our business, results of operations, and financial performance. These statements are neither promises nor guarantees but are subject to a variety of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those contemplated in these forward-looking statements.

Factors, risks, trends and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements include our ability to successfully develop or acquire and transition new products and services and enhance existing products and services to meet evolving customer needs and respond to emerging technological trends, including our effective us of artificial intelligence (AI) in product development and integration of AI tools into our product and service offerings; our ability to add and retain Active Sites and integration partners; our ability to successfully integrate acquisitions into our operations, and realize the anticipated benefits; macroeconomic trends, such as a recession or slowed economic growth, fluctuating interest rates, inflation, and changes in consumer confidence and discretionary spending; geopolitical events affecting countries where we operate or our customers or suppliers operate, including changes in import/export regulations, such as tariffs, and trade disputes involving the United States and those countries; our ability to retain and manage suppliers, secure alternative suppliers, and manage inventory levels and costs, navigate manufacturing disruptions or logistics challenges, shipping delays, and shipping costs; and the other factors discussed in our most recent Annual Report on Form 10-K and our other filings with the Securities and Exchange Commission. Undue reliance should not be placed on the forward-looking statements in this press release, which are based on information available to us on the date hereof. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required under applicable securities law.

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PAR TECHNOLOGY CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited, in thousands, except share and per share amounts)

Assets	June 30, 2025	December 31, 2024
Current assets:		
Cash and cash equivalents	$ 85,122	$ 108,117
Cash held on behalf of customers	17,670	13,428
Short-term investments	567	524
Accounts receivable – net	72,332	59,726
Inventories	27,434	21,861
Other current assets	16,166	14,390
Total current assets	219,291	218,046
Property, plant and equipment – net	13,323	14,107
Goodwill	906,361	887,459
Intangible assets – net	229,445	237,333
Lease right-of-use assets	7,332	8,221
Other assets	15,988	15,561
Total Assets	$ 1,391,740	$ 1,380,727
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	$ 20,000	$ —
Accounts payable	38,617	34,784
Accrued salaries and benefits	18,450	22,487
Accrued expenses	7,732	13,938
Customers payable	17,670	13,428
Lease liabilities – current portion	2,037	2,256
Customer deposits and deferred service revenue	24,432	24,944
Total current liabilities	128,938	111,837
Lease liabilities – net of current portion	5,423	6,053
Deferred service revenue – noncurrent	1,259	1,529
Long-term debt	372,848	368,355
Other long-term liabilities	24,130	21,243
Total liabilities	532,598	509,017
Shareholders' equity:		
Preferred stock, $0.02 par value, 1,000,000 shares authorized, none outstanding	—	—
Common stock, $0.02 par value, 116,000,000 shares authorized, 42,153,520 and 40,187,671 shares issued, 40,580,687 and 38,717,366 outstanding at June 30, 2025 and December 31, 2024, respectively	835	798
Additional paid in capital	1,209,634	1,085,473
Equity consideration payable	—	108,182
Accumulated deficit	(325,333)	(279,943)
Accumulated other comprehensive income (loss)	2,898	(20,951)
Treasury stock, at cost, 1,572,833 and 1,470,305 shares at June 30, 2025 and December 31, 2024, respectively	(28,892)	(21,849)
Total shareholders' equity	859,142	871,710
Total Liabilities and Shareholders' Equity	$ 1,391,740	$ 1,380,727

See notes to unaudited interim condensed consolidated financial statements included in the Company's quarterly report on Form 10-Q for the quarter ended June 30, 2025 (the "Quarterly Report").

PAR TECHNOLOGY CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited, in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues, net:				
Subscription service	$ 71,903	$ 44,872	$ 140,313	$ 83,251
Hardware	26,864	20,116	48,707	38,342
Professional service	13,637	13,162	27,243	26,630
Total revenues, net	112,404	78,150	216,263	148,223
Cost of sales:				
Subscription service	32,144	21,041	61,044	39,635
Hardware	19,540	15,539	36,008	29,709
Professional service	9,728	9,542	19,877	20,793
Total cost of sales	61,412	46,122	116,929	90,137
Gross margin	50,992	32,028	99,334	58,086
Operating expenses:				
Sales and marketing	12,274	9,811	24,056	20,737
General and administrative	31,697	25,369	60,981	50,544
Research and development	20,934	16,237	40,701	32,005
Amortization of identifiable intangible assets	3,394	1,946	6,653	2,878
Adjustment to contingent consideration liability	—	(600)	—	(600)
Total operating expenses	68,299	52,763	132,391	105,564
Operating loss	(17,307)	(20,735)	(33,057)	(47,478)
Other expense, net	(1,381)	(610)	(1,472)	(310)
Interest expense, net	(1,408)	(1,630)	(3,042)	(3,338)
Loss on extinguishment of debt	—	—	(5,791)	—
Loss from continuing operations before income taxes	(20,096)	(22,975)	(43,362)	(51,126)
(Provision for) benefit from income taxes	(944)	(612)	(2,225)	7,173
Net loss from continuing operations	(21,040)	(23,587)	(45,587)	(43,953)
Net income from discontinued operations	—	77,777	197	79,855
Net (loss) income	$ (21,040)	$ 54,190	$ (45,390)	$ 35,902
Net (loss) income per share (basic and diluted):				
Continuing operations	$ (0.52)	$ (0.69)	$ (1.13)	$ (1.33)
Discontinued operations	—	2.29	—	2.42
Total	$ (0.52)	$ 1.60	$ (1.13)	$ 1.09
Weighted average shares outstanding (basic and diluted)	40,520	34,015	40,348	32,935

See notes to unaudited interim condensed consolidated financial statements included in the Quarterly Report.

PAR TECHNOLOGY CORPORATION
SUPPLEMENTAL INFORMATION
(unaudited)

Non-GAAP Financial Measures

In addition to disclosing financial results in accordance with GAAP, this press release contains references to the non-GAAP financial measures below. We believe these non-GAAP financial measures provide investors with useful supplemental information about our operating performance, enable comparison of financial trends and results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating our business and measuring our performance. Our non-GAAP financial measures reflect adjustments based on one or more of the following items below. The income tax effect of the below adjustments, with the exception of non-recurring income taxes, were not tax-effected due to the valuation allowance on all of our net deferred tax assets.

Our non-GAAP financial measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP and reconciliations from these results should be carefully evaluated. Additionally, these measures may not be comparable to similarly titled measures disclosed by other companies.

<table>
<tr><th>Non-GAAP Measure or Adjustment</th><th>Definition</th><th>Usefulness to management and investors</th></tr>
<tr><td>Non-GAAP subscription service gross margin percentage</td><td>Represents subscription service gross margin percentage adjusted to exclude amortization from acquired and internally developed software, stock-based compensation, and severance.</td><td rowspan="2">We believe that non-GAAP subscription service gross margin percentage and adjusted EBITDA provide useful perspectives with respect to the Company's core operating performance and ongoing cash earnings by adjusting for certain non-cash and non-recurring charges that may not be indicative of our financial performance.</td></tr>
<tr><td>Adjusted EBITDA</td><td>Represents net (loss) income before income taxes, interest expense, and depreciation and amortization adjusted to exclude discontinued operations, stock-based compensation, contingent consideration, transaction costs, severance, litigation expense, loss on extinguishment of debt, and other expense, net.</td></tr>
<tr><td>Non-GAAP diluted net income (loss) per share</td><td>Represents net (loss) income per share excluding amortization of acquired intangible assets, non-recurring income taxes, non-cash interest, discontinued operations, stock-based compensation, contingent consideration, transaction costs, severance, litigation expense, loss on extinguishment of debt, and other expense, net.</td><td>We believe that adjusting our diluted net (loss) income per share to remove non-cash and non-recurring charges provides a useful perspective with respect to the Company's operating performance as well as comparisons to past and competitor operating results.</td></tr>
<tr><td>Stock-based compensation</td><td>Consists of non-cash charges related to our employee equity incentive plans.</td><td>We exclude stock-based compensation because management does not view these non-cash charges as part of our core operating performance. This adjustment facilitates a useful evaluation of our current operating performance as well as comparisons to past and competitor operating results.</td></tr>
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<table>
<tr><th>Non-GAAP Measure or Adjustment</th><th>Definition</th><th>Usefulness to management and investors</th></tr>
<tr><td>Contingent consideration</td><td>Adjustment reflects a non-cash reduction to the fair market value of the contingent consideration liability related to our acquisition of MENU Technologies AG (the "MENU Acquisition").</td><td>We exclude changes to the fair market value of our contingent consideration liability because management does not view these non-cash, non-recurring charges as part of our core operating performance. This adjustment facilitates a useful evaluation of our current operating performance as well as comparisons to past and competitor operating results.</td></tr>
<tr><td>Transaction costs</td><td>Adjustment reflects non-recurring professional fees incurred in transaction due diligence and integration, including costs incurred in the acquisitions of Stuzo Blocker, Inc., Stuzo Holdings, LLC and their subsidiaries (the "Stuzo Acquisition"), TASK Group Holdings Limited, and Delaget, LLC.</td><td>We exclude professional fees incurred in corporate development because management does not view these non-recurring charges, which are inconsistent in size and are significantly impacted by the timing and valuation of our transactions, as part of our core operating performance. This adjustment facilitates a useful evaluation of our current operating performance, comparisons to past and competitor operating results, and additional means to evaluate expense trends.</td></tr>
<tr><td>Severance</td><td>Adjustment reflects severance tied to non-recurring restructuring events included in cost of sales, sales and marketing expense, general and administrative expense, and research and development expense.</td><td rowspan="5">We exclude these non-recurring adjustments because management does not view these costs as part of our core operating performance. These adjustments facilitate a useful evaluation of our current operating performance as well as comparisons to past and competitor operating results.</td></tr>
<tr><td>Litigation expense</td><td>Adjustment reflects non-recurring legal fees incurred in connection with certain litigation matters.</td></tr>
<tr><td>Loss on extinguishment of debt</td><td>Adjustment reflects loss on extinguishment of debt related to the early repayment of the former credit facility with Blue Owl Capital Corporation.</td></tr>
<tr><td>Discontinued operations</td><td>Adjustment reflects income from discontinued operations related to the divestiture of our Government segment.</td></tr>
<tr><td>Other expense, net</td><td>Adjustment reflects foreign currency transaction gains and losses and other non-recurring income and expenses recorded in other expense, net in the accompanying statements of operations.</td></tr>
<tr><td>Non-recurring income taxes</td><td>Adjustment reflects a partial release of our deferred tax asset valuation allowance resulting from the Stuzo Acquisition.</td><td rowspan="3">We exclude these non-cash and non-recurring adjustments for purposes of calculating non-GAAP diluted net income (loss) per share because management does not view these costs as part of our core operating performance. These adjustments facilitate a useful evaluation of our current operating performance, comparisons to past and competitor operating results, and additional means to evaluate expense trends.</td></tr>
<tr><td>Non-cash interest</td><td>Adjustment reflects non-cash amortization of issuance costs and discount related to the Company's long-term debt.</td></tr>
<tr><td>Acquired intangible assets amortization</td><td>Adjustment reflects amortization expense of acquired developed technology included within cost of sales and amortization expense of acquired intangible assets.</td></tr>
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The tables below provide reconciliations between net (loss) income and adjusted EBITDA, diluted net (loss) income per share and non-GAAP diluted net income (loss) per share, and subscription service gross margin percentage and non-GAAP subscription service gross margin percentage.

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
Reconciliation of Net (Loss) Income to Adjusted EBITDA	2025	2024	2025	2024
Net (loss) income	$ (21,040)	$ 54,190	$ (45,390)	$ 35,902
Discontinued operations	—	(77,777)	(197)	(79,855)
Net loss from continuing operations	(21,040)	(23,587)	(45,587)	(43,953)
Provision for (benefit from) income taxes	944	612	2,225	(7,173)
Interest expense, net	1,408	1,630	3,042	3,338
Depreciation and amortization	12,415	8,834	24,297	16,127
Stock-based compensation	7,887	6,286	15,068	10,696
Contingent consideration	—	(600)	—	(600)
Transaction costs	561	1,573	1,716	4,978
Severance	638	294	710	1,728
Litigation expense	1,347	—	1,347	—
Loss on extinguishment of debt	—	—	5,791	—
Other expense, net	1,381	610	1,472	310
Adjusted EBITDA	$ 5,541	$ (4,348)	$ 10,081	$ (14,549)

(in thousands, except per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
Reconciliation between GAAP and Non-GAAP Diluted Net Income (Loss) per share	2025	2024	2025	2024
Diluted net (loss) income per share	$ (0.52)	$ 1.60	$ (1.13)	$ 1.09
Discontinued operations	—	(2.29)	—	(2.42)
Diluted net loss per share from continuing operations	(0.52)	(0.69)	(1.13)	(1.33)
Non-recurring income taxes	—	0.01	—	(0.23)
Non-cash interest	0.01	0.02	0.03	0.03
Acquired intangible assets amortization	0.24	0.20	0.48	0.36
Stock-based compensation	0.19	0.18	0.37	0.32
Contingent consideration	—	(0.02)	—	(0.02)
Transaction costs	0.01	0.05	0.04	0.15
Severance	0.02	0.01	0.02	0.05
Litigation expense	0.03	—	0.03	—
Loss on extinguishment of debt	—	—	0.14	—
Other expense, net	0.03	0.02	0.04	0.01
Non-GAAP diluted net income (loss) per share	$ 0.03	$ (0.23)	$ 0.02	$ (0.66)
Diluted weighted average shares outstanding	40,520	34,015	40,348	32,935

(in thousands, except percentages)	Three Months Ended June 30,		Six Months Ended June 30,	
Reconciliation between GAAP and Non-GAAP Subscription Service Gross Margin Percentage	2025	2024	2025	2024
Subscription Service Gross Margin Percentage	55.3 %	53.1 %	56.5 %	52.4 %
Subscription Service Gross Margin	$ 39,759	$ 23,831	$ 79,269	$ 43,616
Depreciation and amortization	7,836	5,860	15,431	11,260
Stock-based compensation	172	94	299	126
Severance	—	—	—	54
Non-GAAP Subscription Service Gross Margin	$ 47,767	$ 29,785	$ 94,999	$ 55,056
Non-GAAP Subscription Service Gross Margin Percentage	66.4 %	66.4 %	67.7 %	66.1 %