

**PAR**<sup>TM</sup>

Acquisition of **punchh**.<sup>®</sup>

April 8, 2021

# Disclosure

## Forward Looking Statements

This presentation contains “forward-looking statements” within the meaning 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. Forward-looking statements are not historical in nature, but rather are predictive of PAR Technology’s future operations, financial condition, business strategies and prospects. Forward-looking statements are generally identified by words such as “anticipate”, “believe,” “belief,” “continue,” “could,” “expect,” “estimate,” “intend,” “may,” “opportunity,” “plan,” “should,” “will,” “would,” “will likely result,” and similar expressions. Forward-looking statements are based on current expectations and assumptions as to future occurrences and trends, including statements expressing optimism or pessimism about future operating results or events and projected sales, earnings, capital expenditures and business strategies, that are subject to risks and uncertainties, which could cause actual results to differ materially from those expressed in, or implied by, the forward-looking statements, including potential business uncertainties relating to PAR’s acquisition of Punchh, disruptions to PAR’s business and operational relationships, PAR’s ability to achieve anticipated synergies, and the anticipated costs, timing and complexity of integration. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in PAR’s Annual Report on Form 10-K for the year ended December 31, 2020 and PAR’s other filings with the Securities and Exchange Commission. PAR undertakes no obligation to update or revise publicly 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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# Transaction Summary

## Punchh Overview

- A market-leading customer engagement platform encompassing loyalty, promotional campaigns and marketing AI
- Serves 210 brands across the restaurant spectrum, with \$53m Contracted-ARR and 115% net dollar retention
- Punchh ended 2020 with ~\$32 million in ARR, having grown ARR 54% CAGR since 2017, despite COVID headwinds, and having ~\$21m in contracted backlog

## Transaction Overview

- PAR has acquired Punchh for a total estimated consideration of \$500 million:
  - \$390 million of the total consideration in cash, of which:
    - \$160 million funded from a concurrent issuance of common stock and warrants;
    - \$180 million funded from a concurrent term loan, and;
    - \$50 million funded from the balance sheet of PAR
  - \$110 million of the total consideration in shares of common stock of PAR issued directly to Punchh
- Act III + T. Rowe providing funds for common stock. PAR will expand its Board with 1 board seat and 1 board observer seat (including former Panera CEO/founder Ron Shaich)

## Strategic Rationale

- Builds out PAR's unified commerce cloud platform
- PAR's Brink POS® platform and Punchh are category leaders in their respective industries
- Dramatic deepening of the PAR engineering bench, including significant AI experience
- Almost doubles ARR while maintaining growth

# A Powerful Combination in Restaurant Transformation

Punchh is an industry-leading loyalty & engagement platform that enables brands to deliver omnichannel customer loyalty programs both in-store and digitally

45k

2020 Active Restaurant Locations

\$32mm

2020 Live-ARR

\$53m

2020 Contracted-ARR

54%

ARR CAGR 2017 – 2020

95%

SaaS Revenue

115%

Net Dollar Retention Rate

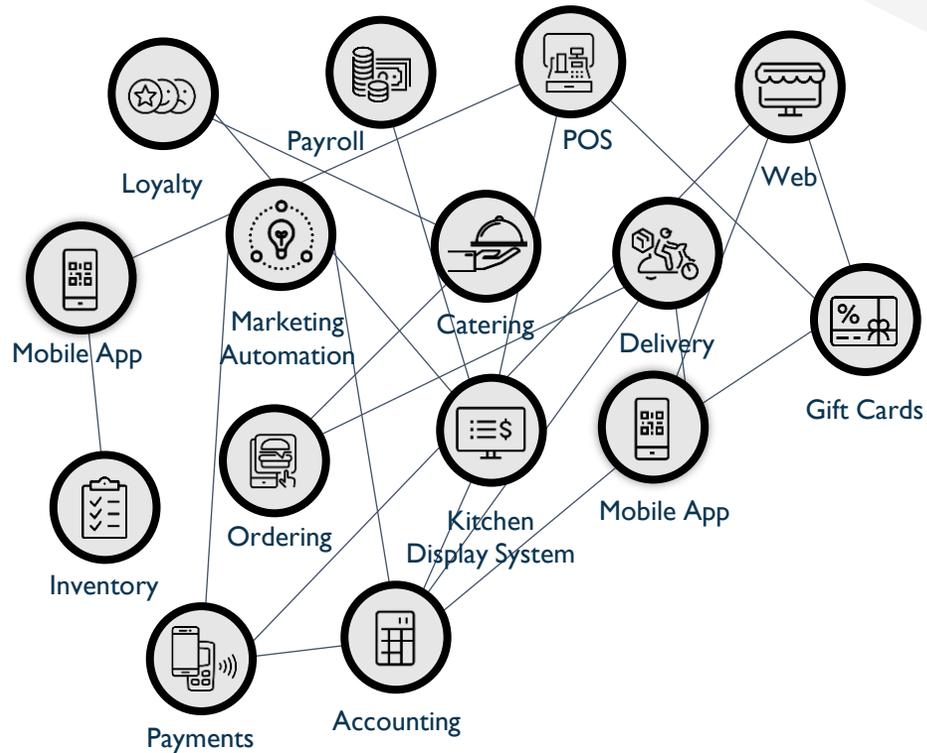
Why we love this combo:

$$1 + 1 = 3$$

# Today Tech is Driving a Wedge ... and Making Innovation a Pain Point

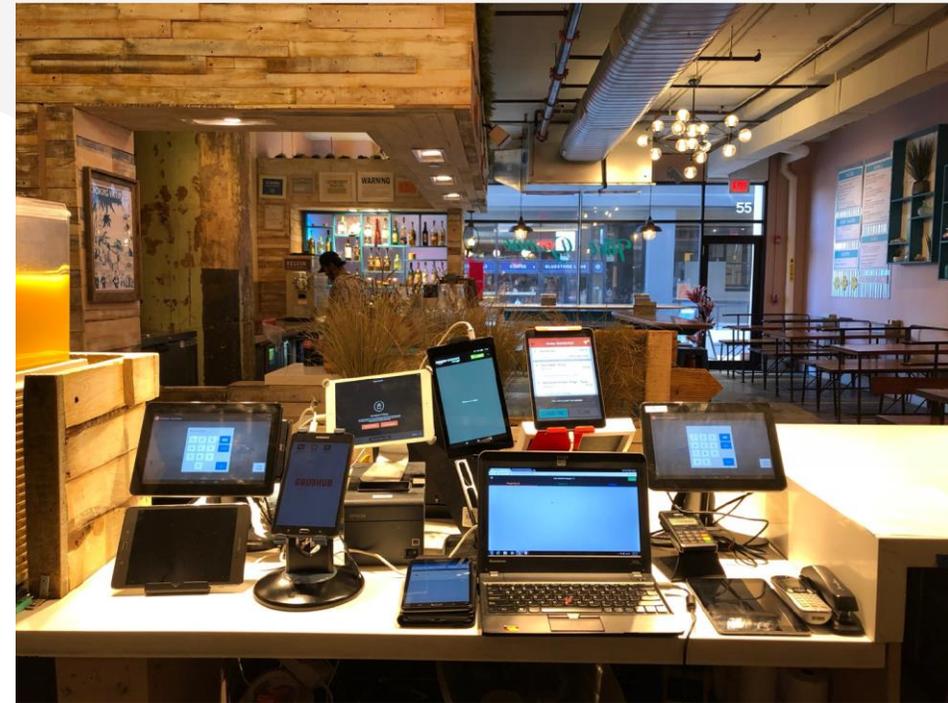
## Integration Spaghetti:

The average restaurant has 13 applications and struggles with complex integration networks



## Tablet Hell:

Additional systems create operational pain and inhibits a positive customer experience



Source: PAR customers



# Restaurants are Evolving in Response...

## Old Preference

## New Direction

Access to marketplace



Direct customer relationships

Best of breed tools



Tightly integrated solutions

Building tech in-house



Finding strong tech partners

Mass marketing campaigns



Targeted personalization

# ...And Demanding a Unified Platform



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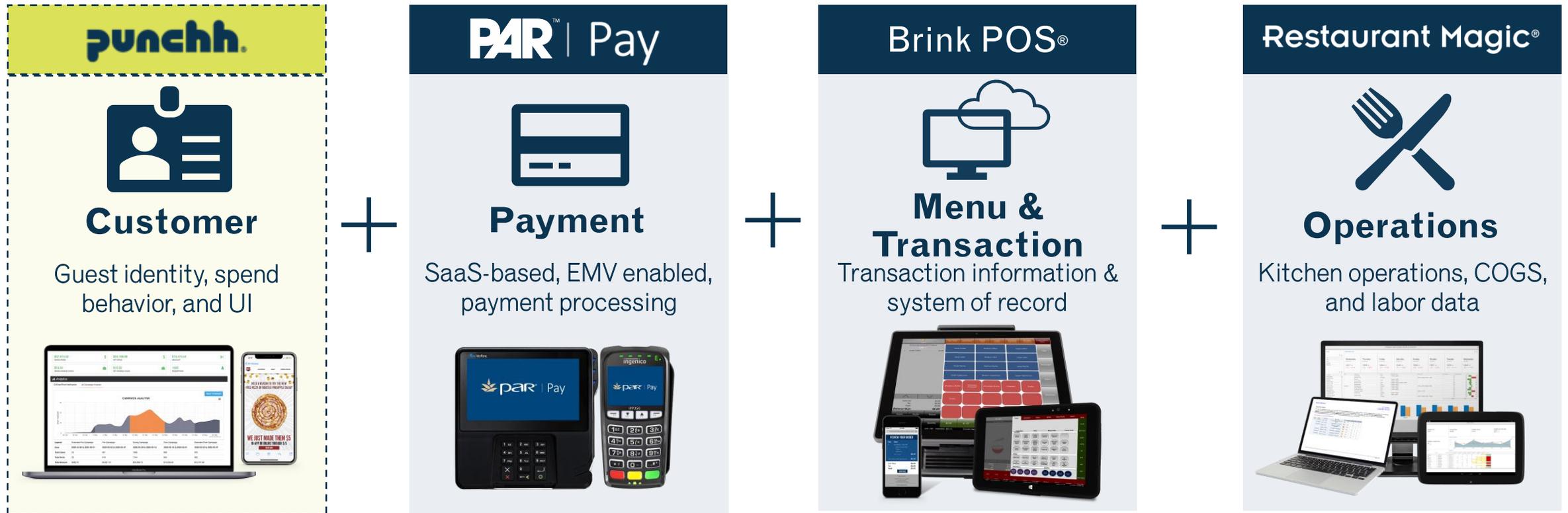
**Customer Identity &  
Habits**

**Payment &  
Customer Spend**

**Menu & SKU Level  
Transactions**

**Operational,  
Inventory, & Labor**

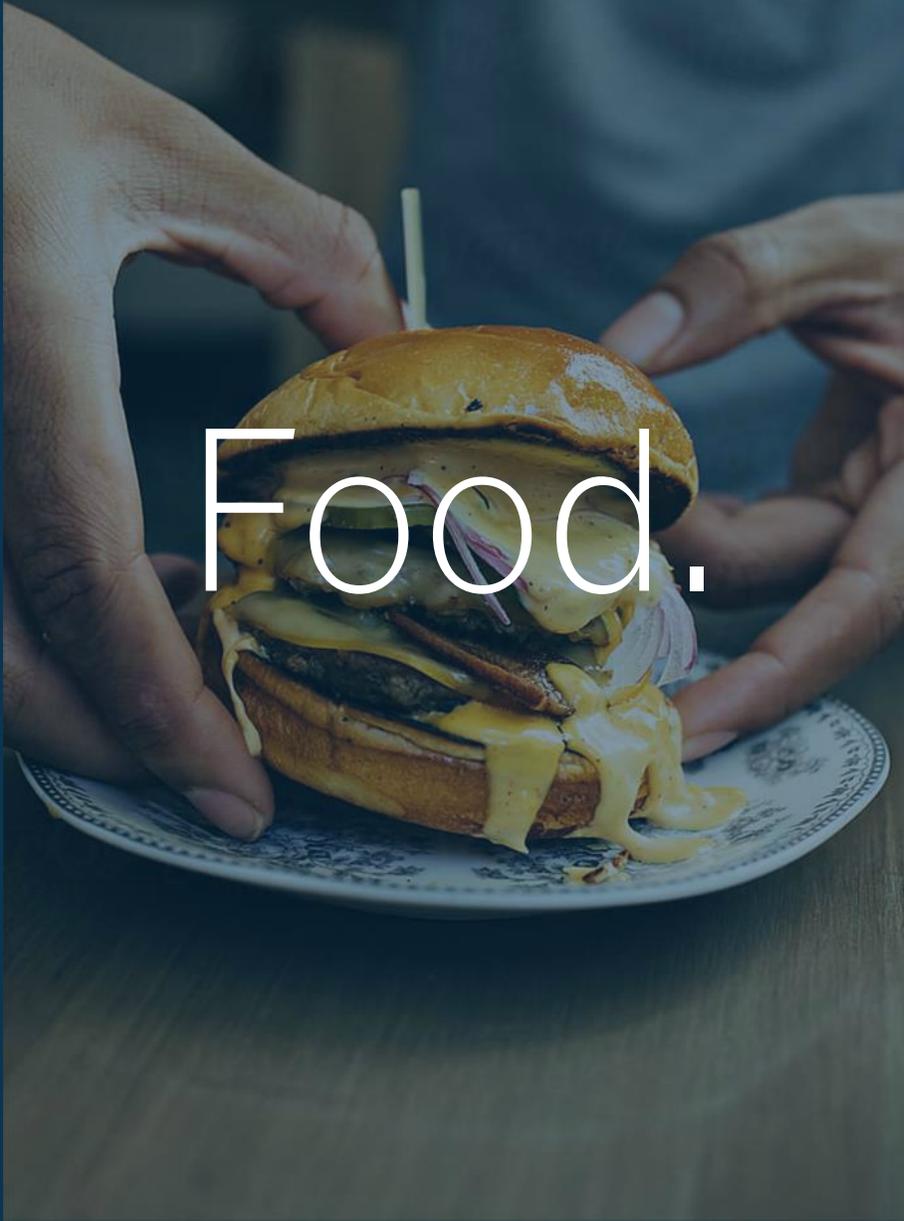
# Punchh Extends PAR's Unified Commerce Cloud to Help Solve the Modern Restaurants Problems



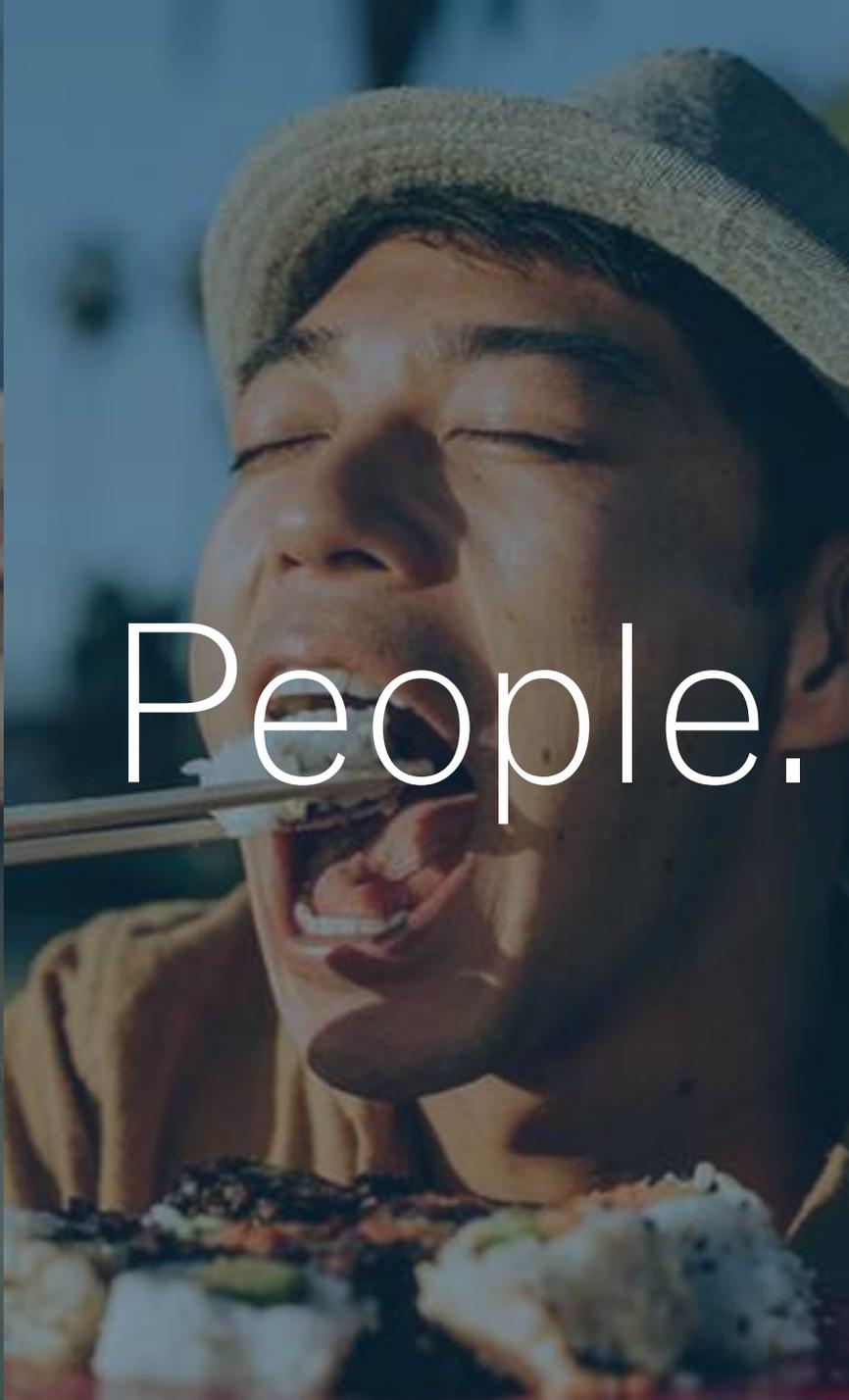
Combine capabilities into one cloud platform | Eliminate need for cumbersome best-of-breed  
Avoid P2P integrations & 3<sup>rd</sup> party dependencies | Enable new insights from unified data source

# Redefining the Restaurant of the Future





Food.



People.

Nothing  
in-between.™

# Key Transaction Highlights

## Punchh Extends PAR's Unified Commerce Cloud Platform

Adds customer engagement and loyalty to transactional (Brink POS®), payments (PAR Pay) and operational (Restaurant Magic) expertise, extending the platform

## Further Expands the Industry's Largest Integration Ecosystem

The acquisition builds upon the restaurant industry's largest integration ecosystem and provides more options to our customers

## Opportunity to Improve Value within Shared & Target Customers

Ability to deliver better account management and improve customer support for mutual customers, while finding new go-to-market synergies

## Deepen Engineering Bench and Innovation Horsepower

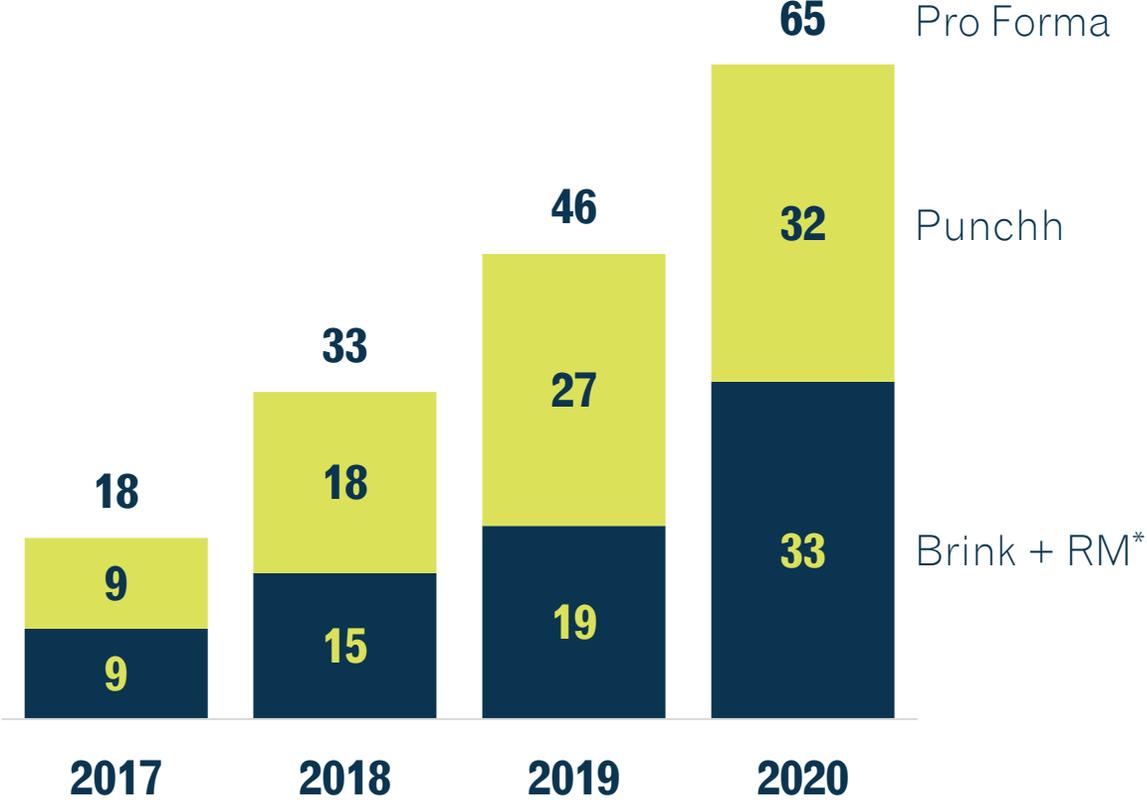
Increase the depth of our engineering bench with strong global capabilities across the US, Canada, and Internationally in order to extend our innovation and service capabilities

## Continue Transformation of Financial Profile

Continue transformation into recurring revenue business, doubling our ARR while maintaining high growth profile

# Combination Scales and Strengthens ARR Profile

Pro Forma ARR (USD '000,000)



- ✓ Improved scale
- ✓ Maintain high growth
- ✓ Accelerated shift to SaaS
- ✓ Improved margin profile

\*Note: Brink+RM ARR numbers do not include historical RM numbers prior to PAR's 2020 acquisition



**PAR**<sup>TM</sup>

Thank You!