

Item 1.01. Entry into a Material Definitive Agreement.

On December 1, 2022, Cantaloupe, Inc. (“the Company”) entered into that certain first amendment (the “Amendment”) to its Amended and Restated Credit Agreement, dated as of March 17, 2022 (the “Credit Agreement”), among the Company, as the borrower, its subsidiaries, as guarantors, and JP Morgan Chase Bank, N.A., as lender and administrative agent, which, among other things, amended the definition of the Company’s EBITDA under the Credit Agreement.

The foregoing description of the Amendment and the Credit Agreement is not intended to be complete and is qualified in its entirety by the copies thereof which are filed herewith as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

As described below under Item 8.01, on December 1, 2022, the Company completed its acquisition of the Acquired Companies (as defined below, and the acquisition collectively, the “Acquisition”). In partial consideration for the Acquisition, the Company issued the Equityholders (as defined below) an aggregate of 1,240,920 shares an aggregate value of approximately \$4.1 million of the Company’s common stock, no par value. The stock consideration is subject to a two-year vesting schedule.

The foregoing was undertaken in reliance on an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to Section 4(a)(2) thereof.

Item 8.01. Other Events.

On December 1, 2022, the Company acquired Three Square Market, Inc., a Wisconsin corporation, and Three Square Market Limited, a UK private limited company (collectively, the “Acquired Companies”) pursuant to an Equity Purchase Agreement by and among the Company, T.W. Vending, Inc., Timothy Westby and Todd Westby (Timothy Westby and Todd Westby collectively, the “Equityholders”) for an aggregate base purchase price of approximately \$41 million, including approximately \$4.1 million in the Company’s common stock. The Company funded the cash portion of the transaction consideration by borrowing \$25 million of debt from its existing Credit Agreement and funding the remaining cash consideration by utilizing cash on hand. The aggregate base purchase price is subject to certain adjustments that will be reflected in the final amounts paid to the Equityholders.

The Acquired Companies are in the business of designing, manufacturing and selling vending kiosks and cabinets for micromarkets and providing software and other services to manage and maintain micromarkets. A copy of the press release announcing the acquisition is included as Exhibit 99.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits

Exhibit Number	Ex. Description
10.1	First Amendment to Amended and Restated Credit Agreement, by and among the Company, its subsidiaries, and JPMorgan Chase Bank, N.A., dated December 1, 2022
99.1	Press release dated December 5, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Cantaloupe, Inc.

Date: December 5, 2022

By: /s/ Davina Furnish
Davina Furnish
General Counsel and Secretary

FIRST AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT

FIRST AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment") dated as of December 1, 2022 by and among CANTALOUPE, INC., a Pennsylvania corporation (the "Borrower"), the Loan Parties hereto, the Lenders party hereto, and JPMORGAN CHASE BANK, N.A., as administrative agent (in such capacity, the "Administrative Agent").

WHEREAS:

A. The Borrower, the Loan Parties thereto and the lenders party thereto from time to time (the "Lenders") and the Administrative Agent are parties to that certain Amended and Restated Credit Agreement dated as of March 17, 2022 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), pursuant to which the Lenders agreed, subject to the terms and conditions thereof, to extend credit and make certain other financial accommodations available to the Borrower; and

B. The Borrower has requested that the Administrative Agent and the Lenders agree to amend certain provisions of the Credit Agreement as further set forth herein, and the Administrative Agent and the Lenders have agreed to such requested amendments, subject in all cases to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties signatory hereto agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given such terms in the Credit Agreement (as amended hereby).

2. Amendments to Credit Agreement. Subject to the satisfaction of the conditions set forth in Section 4 below, the Credit Agreement is hereby amended as follows:

(a) Section 1.01 of the Credit Agreement is hereby amended by replacing the definition of "EBITDA" in its entirety as follows:

"**EBITDA**" means, for any period, the sum of the following:

Net Income for such period, plus

without duplication and to the extent deducted in determining Net Income for such period, the sum of the following:

- (i) Interest Expense for such period,
- (ii) income tax expense for such period net of income tax refunds in such period,
- (iii) all amounts attributable to depreciation and amortization expense for such period,
- (iv) any unusual, extraordinary or non-recurring, non-cash fees, charges and expenses for such period as included in filings with the SEC,
- (v) any other non-cash charges for such period (but excluding any non-cash charge in respect of an item that was included in Net Income in a prior period),

(vi) any unusual, extraordinary or non-recurring fees (including system interruption costs and those associated with settlement period delays), cash charges and other cash expenses (including Acquisition-related fees and expenses and severance costs) that are paid or otherwise accounted for in such period; provided that the amount thereof added back to EBITDA pursuant to this clause (vi) shall not exceed 10% of EBITDA for such period,

(vii) the amount of expected run-rate cost savings, operating expense reductions, restructuring charges and expenses and synergies related to Acquisitions, divestitures, Dispositions, restructurings, cost savings initiatives, operating improvements and other similar initiatives projected by the Borrower in good faith to be realized as a result of any Disposition, restructuring activity, consolidation, integration, operational change, Permitted Acquisition or any other Investment or other actions that have been taken or initiated or are expected to be taken or initiated, net of the amount of actual benefits realized from such actions, in each case within the 12 month period following the consummation thereof and such amounts are reasonably identifiable and factually supportable, reasonably attributable to the actions specified and reasonably anticipated to result from such actions, provided that aggregate amount added back pursuant to this clause (vii) shall not exceed 20% of EBITDA for such period,

(viii) to the extent incurred on or prior to June 30, 2023, litigation expense (net of insurance proceeds received with respect thereto), costs associated with the restatement of Borrower's financial statements, costs associated with implemented new financial controls, and one-time signing bonuses for the new management team and investment banking fees; provided that the amount added back pursuant to this clause (viii) shall not exceed \$2,000,000 in the aggregate for all periods following December 31, 2020,

(ix) the proceeds of any business interruption insurance received during such period or expected to be received in respect of such period; provided that if any such amount is not received within 12 months from such period, EBITDA shall be reduced for such subsequent period by the amount not actually received,

(x) costs, fees, and expenses contractually agreed to be reimbursed by third parties within a 12-month period; provided that if such costs, fees, and expenses are not reimbursed within such period, EBITDA shall be reduced for such subsequent period by the amount not actually received,

(xi) losses, costs and expenses incurred in connection with any foreign currency hedging transaction or currency fluctuations;

(xii) costs, fees, charges and expenses incurred prior to December 31, 2022 in connection with the TSM Transactions in an amount not to exceed \$2,500,000; minus

(c) without duplication and to the extent included in Net Income, the sum of the following: (i) any cash payments made during such period in respect of non-cash charges described in clause (a)(v) taken in a prior period and (ii) any extraordinary gains and any non-cash items of income for such period, all calculated for the Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP.

(b) Section 1.01 of the Credit Agreement is hereby further amended by adding the following definitions in the appropriate alphabetical order:

“*TSM Transactions*” means the transactions and the other agreements contemplated by that certain Equity Purchase Agreement dated as of December 1, 2022, among the Borrower, T.W. Vending Inc., Tim Westby and Todd Westby.

3. No Default. The Borrower hereby acknowledges and agrees that after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing as of the date hereof.

4. Conditions Precedent. This Amendment shall not be effective until each of the following conditions precedent are satisfied:

(a) The Administrative Agent shall have received, in form and substance reasonably satisfactory to the Administrative Agent, this Amendment, duly authorized and executed by the Borrower, the Loan Parties, the Administrative Agent and each of the Lenders;

(b) after giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing, nor shall any Default or Event of Default result from the consummation of the transactions contemplated herein; and

(c) the Borrower shall have paid to the Administrative Agent, for the account of the Lenders, an amendment fee equal to \$59,437.50 as of the date hereof in consideration of the Lenders’ execution and delivery of this Amendment.

5. Effect on Loan Documents. As amended hereby, the Credit Agreement and the other Loan Documents shall be and remain in full force and effect in accordance with their terms and hereby are ratified and confirmed by the Borrower in all respects. Except as expressly set forth herein, the execution, delivery, and performance of this Amendment shall not operate as a waiver of any right, power, or remedy of the Administrative Agent or the Lenders under the Credit Agreement or the other Loan Documents. Each Loan Guarantor hereby acknowledges and agrees that, after giving effect to this Amendment, all of its obligations and liabilities under the Loan Documents to which it is a party, as such obligations and liabilities have been amended or otherwise modified by this Amendment, are reaffirmed and remain in full force and effect. After giving effect to this Amendment, each Loan Guarantor reaffirms each Lien granted by it to the Administrative Agent for the benefit of the Secured Parties under each of the Loan Documents to which it is a party, which Liens shall continue in full force and effect during the term of the Credit Agreement, and shall continue to secure the Obligations (after giving effect to this Amendment), in each case, on and subject to the terms and conditions set forth in the Credit Agreement and the other Loan Documents.

6. No Novation; Entire Agreement. This Amendment is not a novation or discharge of the obligations of the Borrower or any other Loan Party under the Credit Agreement and the other Loan Documents. There are no other understandings, express or implied, among the Loan Parties, the Administrative Agent and the Lenders regarding the subject matter hereof or thereof.

7. Governing Law. This Amendment shall be construed in accordance with and governed by the internal laws of the State of New York.

8. Counterparts; Electronic Execution. This Amendment may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment that is an Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be

of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; provided that nothing herein shall require the Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept any Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of any Loan Party without further verification thereof and without any obligation to review the appearance or form of any such Electronic Signature and (ii) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, each party hereto agrees that Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Amendment shall have the same legal effect, validity and enforceability as any paper original.

9. Construction. This Amendment and the Credit Agreement shall be construed collectively and in the event that any term, provision or condition of any of such documents is inconsistent with or contradictory to any term, provision or condition of any other such document, the terms, provisions and conditions of this Amendment shall supersede and control the terms, provisions and conditions of the Credit Agreement. Upon and after the effectiveness of this Amendment, each reference in the Credit Agreement, to “this Agreement”, “hereunder”, “herein”, “hereof” or words of like import referring to the Credit Agreement and each reference in the other Loan Documents to “the Credit Agreement”, “thereunder”, “therein”, “thereof” or words of like import referring to the Credit Agreement shall mean and be a reference to the Credit Agreement as modified hereby.

10. Headings. Headings and captions used in this Amendment are included for convenience of reference only and shall not be given any substantive effect.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date first above written.

CANTALOUPE, INC., as Borrower

By: /s/ Scott Stewart
Name: Scott Stewart
Title: Chief Financial Officer

Loan Guarantors:

USAT CAPITAL CORP, LLC

By: /s/ Ravi Venkatesan
Name: Ravi Venkatesan
Title: President of Sole Member

CANTALOUPE SYSTEMS, INC.

By: /s/ Ravi Venkatesan
Name: Ravi Venkatesan
Title: President

STITCH NETWORKS CORPORATION

By: /s/ Scott Stewart
Name: Scott Stewart
Title: Treasurer

CANTALOUPE INTERNATIONAL, INC.

By: /s/ Scott Stewart
Name: Scott Stewart
Title: Treasurer

JPMORGAN CHASE BANK, N.A., individually,
and as Administrative Agent, Lender, Swingline Lender and Issuing Bank

By: /s/ Alec Pillar
Name: Alec Pillar
Title: Authorized Officer

Cantaloupe Acquires Three Square Market (32M), Accelerating the Company's Micro Market Presence and International Expansion

Combined Company Offers Full Range of Self-Service Kiosk, Payment, and Software Solutions to the Fast-Growing Micro Market Industry

32M's Presence in Europe Accelerates Expansion of Cantaloupe's Geographic Footprint

Immediately Accretive to Cantaloupe's Growth, Margins and Profitability

MALVERN, Pa., December 5, 2022 — Cantaloupe, Inc. (NASDAQ: CTLP), a digital payments and software company, today announced the completion of its acquisition of **Three Square Market (32M)** for \$41 million. 32M is a leading provider of software and self-service kiosk-based point of sale and payment solutions that power the micro market industry. The acquisition delivers full service capabilities to Cantaloupe's presence in the high growth micro market industry while also immediately expanding Cantaloupe's international footprint for its full suite of products.

"The acquisition of 32M, with its expansive portfolio of micro-market technology and broad geographic footprint, immediately accelerates two of our most important strategic growth priorities. 32M is already an integrated partner of our Seed Markets software platform, which will enable Cantaloupe to capture additional revenue synergies through cross-sell and upsell opportunities throughout our combined customer base. We are now well positioned as a best-in-class technology provider for the accelerating self-service commerce industry," said Ravi Venkatesan, CEO of Cantaloupe, Inc.

"This exciting acquisition builds upon the strong organic growth we are experiencing in our core business today. This combination will accelerate our organic top line growth while also expanding our margins, offering attractive financial returns to our investors. We believe that this combination also enhances the value and attractiveness of our company for future partners and strategic opportunities" noted Venkatesan.

"We look forward to providing updated guidance, including the impact of our 32M acquisition, at our analyst day on December 12," concluded Venkatesan.

Acquisition Highlights:

- a. Provides a comprehensive line of self-service kiosks, smart coolers, and cloud-based software, already integrated with Cantaloupe's Seed Markets software platform
- b. Expands Cantaloupe's micro market presence by adding nearly 3000 locations across North America and international markets including the UK, Sweden and Romania.
- c. Increases direct salesforce and customer service teams in both the US and UK
- d. Generates opportunities for revenue synergies through converting current 32M customers to SEED Markets software platform, as well as cross-selling 32M's micro market technology to Cantaloupe's existing food and beverage customers.
- e. Enhances Cantaloupe's revenue growth and EBITDA margins immediately.

"Bringing 32M into Cantaloupe and gaining access to Cantaloupe's 25,000+ customer base, from small and medium businesses to large enterprises, is an exciting opportunity for us," said Tony Danna, president of 32M. "We can now better leverage Cantaloupe's Seed platform with our existing customers, both in the US and other geographies, and expect to benefit from a combined salesforce to help our products reach more customers"

Transaction Details:

- a. The purchase price of \$41 million was funded with 90% cash and 10% stock. The stock consideration is subject to a two-year vesting schedule.
- b. Cantaloupe has funded the cash portion with \$25 million of debt from its existing credit facility and existing cash on hand.
- c. 32M is estimated to produce \$19 million of revenue with EBITDA margins of 20%+ for calendar year 2022 on a standalone basis.
- d. Piper Sandler & Co. served as financial advisor and King & Spalding served as legal advisor to Cantaloupe.

About Cantaloupe, Inc.

Cantaloupe, Inc. is a software and payments company that provides end-to-end technology solutions for self-service commerce. Cantaloupe is transforming the self-service industry by offering one integrated solution for payments processing, logistics, and back-office management. The company's enterprise-wide platform is designed to increase consumer engagement and sales revenue through digital payments, digital advertising, and customer loyalty programs, while providing retailers with control and visibility over their operations and inventory. As a result, customers ranging from vending machine companies to operators of micro markets, gas and car charging stations, laundromats, metered parking terminals, kiosks, amusements, and more can run their businesses more proactively, predictably, and competitively.

About Three Square Market (32M)

Three Square Market (32M) is a leader in providing micro market solutions to vending operators and provides one-stop-shopping for everything micro-market related, including self-pay and convenience. 32M was the first in the micro market industry to realize the importance of a mobile app and made a user-friendly app for operators on the go. As a leader in technology, 32M continues to lead the way in micro market innovation. 32M brought the introduction of the first kiosk for markets under 35 employees and added market advancements like RFID technology, second screen promotions, intelligent inventory management, campaigns, loyalty and rewards programs.

Forward-looking Statements:

All statements other than statements of historical fact included in this release, including without limitation Cantaloupe's and 32M's future prospects and performance following Cantaloupe's acquisition of 32M, Cantaloupe's business strategy and the plans and objectives of Cantaloupe's management for future operations, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this release, words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "guidance," "predict," "potential," "continue," "likely," "will," "would" and variations of these terms and similar expressions, or the negative of these terms or similar expressions, as they relate to Cantaloupe or its management, may identify forward-looking statements. Such forward-looking statements are based on the reasonable beliefs of Cantaloupe's management, as well as assumptions made by and information currently available to Cantaloupe's management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, including but not limited to: general economic, market or business conditions unrelated to our operating performance, including the impact of the ongoing COVID-19 pandemic; potential mutations of COVID-19 and the efficacy of vaccines and treatment developments and their deployment; failure to comply with the financial covenants in the Amended JPMorgan Credit Facility; our ability to raise funds in the future through sales of securities or debt financing in order to sustain operations in the normal course of business or if an unexpected or unusual event were to occur; our ability to compete with our competitors and increase market share; disruptions in or inefficiencies to our supply chain and/or operations including the impacts of the COVID-19 pandemic; the risks related to the availability of, and cost inflation in, supply chain inputs, including labor, raw materials, packaging and transportation; whether our current or future customers purchase, lease, rent or utilize ePort devices, Seed's

software solutions or our other products in the future at levels currently anticipated; whether our customers continue to utilize the Company's transaction processing and related services, as our customer agreements are generally cancellable by the customer on thirty to sixty days' notice; our ability to satisfy our trade obligations included in accounts payable and accrued expenses; the incurrence by us of any unanticipated or unusual non-operating expenses, which may require us to divert our cash resources from achieving our business plan; our ability to predict or estimate our future quarterly or annual revenue and expenses given the developing and unpredictable market for our products; our ability to integrate acquired companies into our current products and services structure; our ability to retain key customers from whom a significant portion of our revenue is derived; the ability of a key customer to reduce or delay purchasing products from us; our ability to obtain widespread commercial acceptance of our products and service offerings; whether any patents issued to us will provide any competitive advantages or adequate protection for our products, or would be challenged, invalidated or circumvented by others; our ability to operate without infringing the intellectual property rights of others; the ability of our products and services to avoid disruptions to our systems or unauthorized hacking or credit card fraud; geopolitical conflicts, such as the ongoing conflict between Russia and Ukraine; whether we are able to fully remediate our material weaknesses in our internal controls over financial reporting or continue to experience material weaknesses in our internal controls over financial reporting in the future, and are not able to accurately or timely report our financial condition or results of operations; the ability to remain in compliance with the continued listing standards of the Nasdaq Global Select Market and continue to remain as a member of the US Small-Cap Russell 2000®; whether our suppliers would increase their prices, reduce their output or change their terms of sale; and the risks associated with the currently pending investigation, potential litigation or possible regulatory action arising from the 2019 Investigation and its findings, from the failure to timely file our periodic reports with the Securities and Exchange Commission, from the restatement of the affected financial statements, from allegations related to the registration statement for the follow-on public offering, or from potential litigation or other claims arising from these events or other risks discussed in Cantaloupe's filings with the U.S. Securities and Exchange Commission, including but not limited to its Annual Report on Form 10-K for the year ended June 30, 2022 and Quarterly Report on Form 10-Q for the period ended September 30, 2022. Readers are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statement made by us in this release speaks only as of the date of this release. Unless required by law, Cantaloupe does not undertake to release publicly any revisions to these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events. If Cantaloupe updates one or more forward-looking statements, no inference should be drawn that Cantaloupe will make additional updates with respect to those or other forward-looking statements.

Cantaloupe, Inc.
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