Cantaloupe Third Quarter 2025 Earnings Supplement

Financial Results & Company Highlights

May 8th, 2025

Forward Looking Statements

Forward-looking Statements:
All statements other than statements of historical fact included in this release, including without limitation Cantaloupe’s future prospects and performance, the 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 “estimate,” “could,” “should,” “would,” “likely,” “may,” “will,” “plan,” “intend,” “believes,” “expects,” “anticipates,” “projected,” and variations of these terms and similar expressions. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Actual results or business conditions may differ materially from those projected or suggested in forward-looking statements as a result of various factors including, but not limited to, those described below and in Part I, Item 1A, “Risk Factors” of our most recent Annual Report.
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 inflation, elevated interest rates, supply chain disruptions, financial institution disruptions, geopolitical conflicts, public health emergencies and declines in consumer confidence and discretionary spending; our ability to compete with our competitors and increase market share; failure to comply with the financial covenants in our debt facilities; our ability to maintain compliance with rules and regulations applicable to our business operations and industry; disruptions in other card payment processors, software and manufacturing partners upon whom we rely; whether our customers continue to utilize our transaction processing and related services, as our customer agreements are generally cancellable by the customer with thirty days’ notice; our ability to acquire and develop relevant technology offerings for current, new and potential customers and partners; risks and uncertainties associated with our expansion into and our operations in Europe, Mexico and other foreign markets, including general economic conditions, policy changes affecting international trade, imposition of tariffs by the new presidential administration, or changes and adjustments to existing tariffs, political instability, inflation rates, recessions, sanctions, foreign currency exchange rates and controls, foreign investment and repatriation restrictions, legal and regulatory constraints, civil unrest, armed conflict, war and other economic and political factors; our ability to satisfy our trade obligations included in accounts payable and accrued expenses; our ability to attract, develop and retain key personnel, or our loss of the services of our key executives; 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 successfully integrate acquired companies into our current products and services structure; our ability to add new customers and retain key existing 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; the ability of our products and services to avoid disruptions to our systems or unauthorized hacking or credit card fraud; risks associated with cyber-attacks and data breaches; and our ability to maintain effective internal controls and to timely file periodic and current reports with the Securities and Exchange Commission ("SEC").
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.

Non-GAAP Measures

Discussion of Non-GAAP Financial Measures:
This press release contains discussion of Adjusted Gross Profit, Adjusted Gross Margin and Adjusted EBITDA, which are non-GAAP financial measures that are not required or defined under U.S. GAAP (Generally Accepted Accounting Principles). Generally, a non-GAAP financial measure is a numerical measure of a company's performance, financial position or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. Reconciliations between non-GAAP financial measures and the most comparable GAAP financial measures are set forth below. However, we do not provide forward-looking guidance for certain financial measures on a GAAP basis because we are unable to predict certain items contained in the U.S. measures without unreasonable efforts. These items may include acquisition and integration related costs, severance expenses, litigation charges or settlements, and certain other unusual adjustments.

We use Adjusted Gross Profit, Adjusted Gross Margin and Adjusted EBITDA for financial and operational decision-making purposes and prospects evaluate period-to-period comparisons. We believe that these non-GAAP financial measure provide useful information about our operating results, enhance the overall understanding of past financial performance and future prospects and allows for greater transparency with respect to metrics used by our management in its financial and operational decision making. The presentation of these financial measure is not intended to be considered in isolation or as a substitute for the financial measures prepared and presented in accordance with GAAP, including our net income or net cash provided in operating activities. Management recognizes that non-GAAP financial measures have limitations in that they do not reflect all of the items associated with our net income as determined in accordance with GAAP, and are not a substitute for or a measure of our profitability or net earnings. Adjusted Gross Profit, Adjusted Gross Margin and Adjusted EBITDA are presented because we believe they are useful to investors as measures of comparative operating performance. Additionally, we utilize Adjusted EBITDA as a metric in our executive officer and management incentive compensation plans.

We define Adjusted Gross Profit as revenue less cost of sales, exclusive of depreciation of internally-developed software and amortization of intangible assets related to technologies obtained through acquisitions. We believe this non-GAAP measure is useful to view the resulting figures excluding the aforementioned non-cash charges because the amount of such expenses in any specific period may not directly correlate to the underlying performance of our business operations and such amounts vary substantially from company to company depending on their financing and capital structures and the method by which their assets were acquired. We define Adjusted Gross Margin as Adjusted Gross Profit divided by revenue.

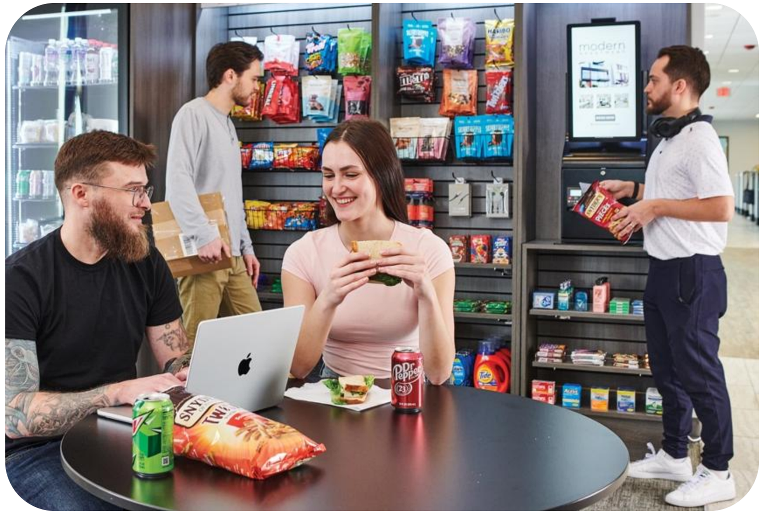
We define Adjusted EBITDA as U.S. GAAP net income (loss) before (i) interest income from cash and leases, (ii) interest expense from debt and tax liabilities, (iii) income tax provision, (iv) depreciation, (v) amortization, (vi) stock-based compensation expense, and (vii) certain other significant infrequent or unusual losses and gains that are not indicative of our core operations such as integration and acquisition expenses and auditor transition cost and remediation expense.

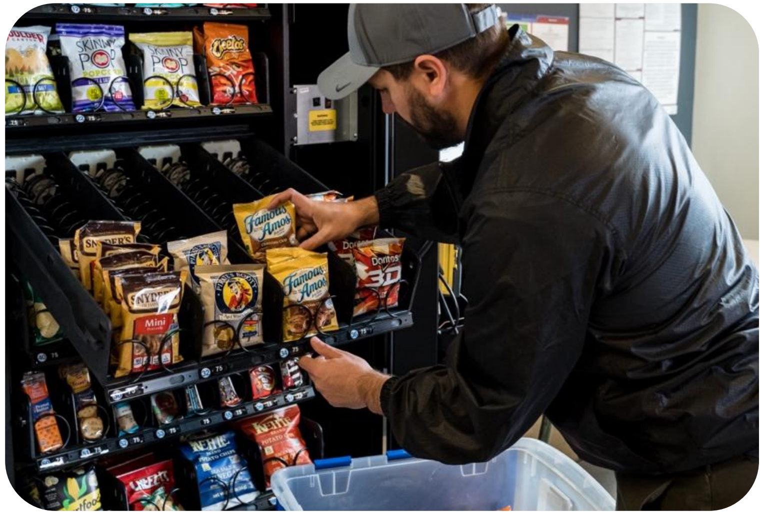
CTLP Third Quarter 2025
Earnings Call Participants

Ravi Venkatesan
Chief Executive Officer

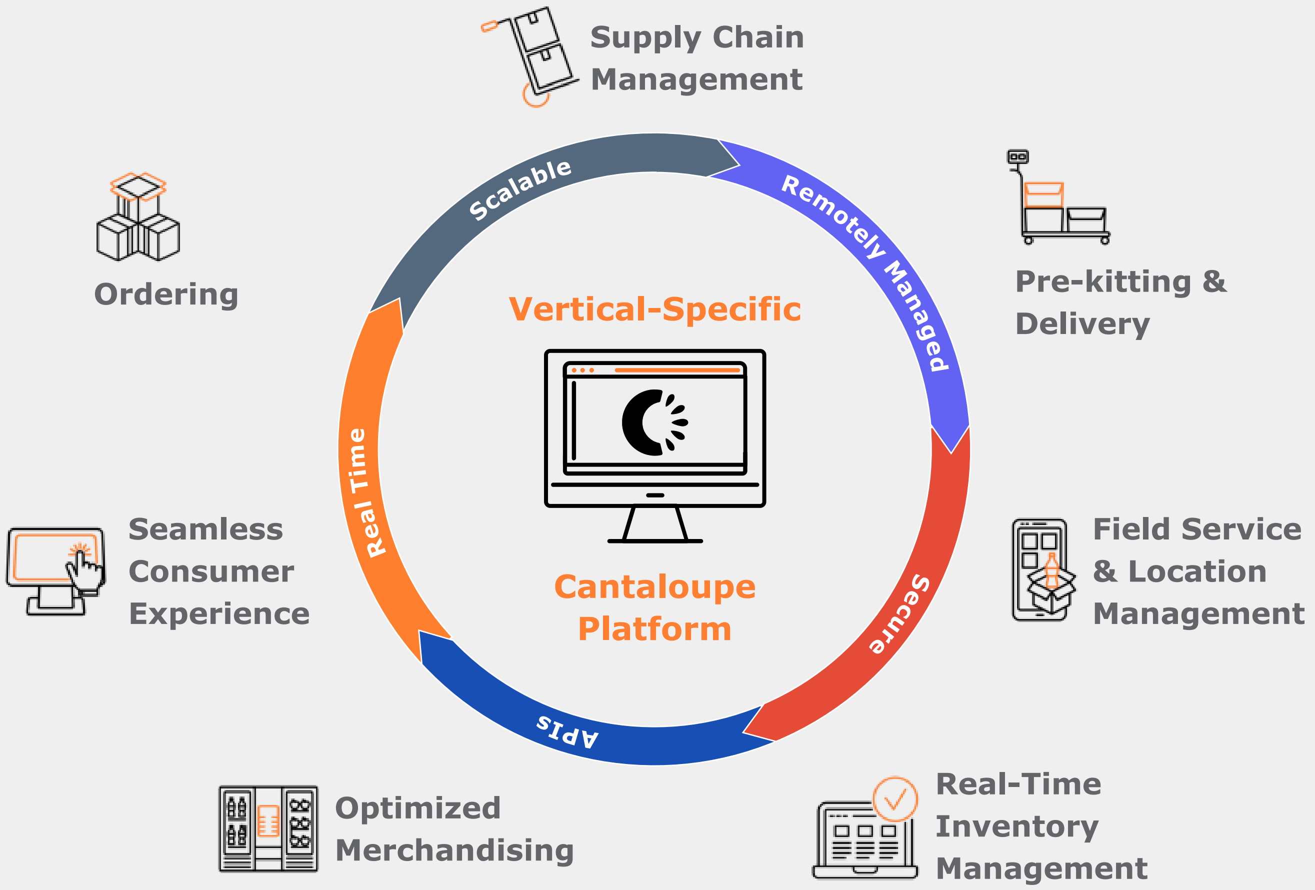
Scott Stewart
Chief Financial Officer

The global technology leader **powering self-service commerce.**





Powering Self-Service Marketplaces with Enterprise Software



cantaloupe

Driving profitability & **consumer satisfaction** with innovative self-service solutions.

Increased Revenue + Decreased Operational Costs + Frictionless Self-Service Experiences

Third Quarter 2025 **Highlights**

Recurring Revenue Growth

10%

Year over year increase in recurring revenue, to **$65.2 million**

- **10% YoY Transaction** revenue growth
- **10% YoY Subscription** revenue growth.

Adjusted Gross Margin

41.6%

Total adjusted gross margin compared to **39.6% in 3Q 2024**

- The increase in gross margin was driven by **higher margins for both subscription and transaction** revenue.

Adjusted EBITDA

$13.9M

Adjusted EBITDA for Q3, a **37% increase** compared to prior year.

- Reflects continued success with our strategy of **expanding operating leverage.**

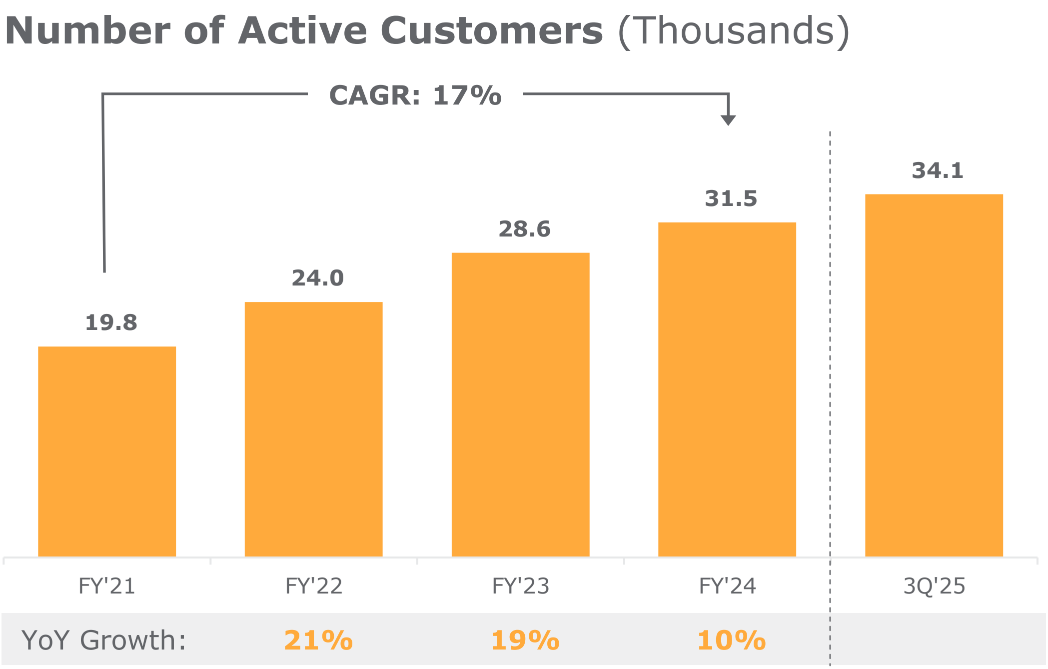
-Recurring Revenue is the combination of Subscription and Transaction revenue as reported in our 10-Q for the period ending 3/31/25.
-Adjusted figures represent non-GAAP measures. Please refer to slides in the appendix for reconciliations to the equivalent GAAP measures.

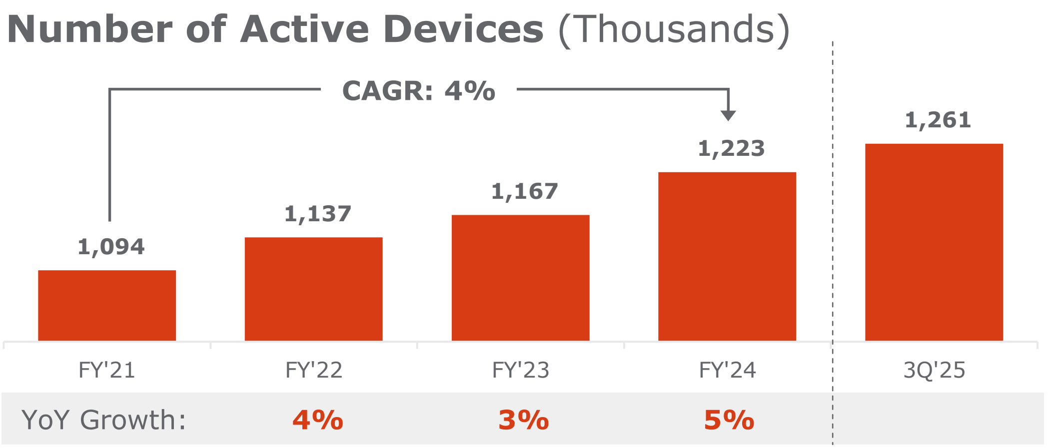
Proven Ability to **Grow Customers & Expand Footprint**

Strategic focus on expanding footprint of active devices to drive the long-tail "pull through" of recurring revenue.

34,100
total customers

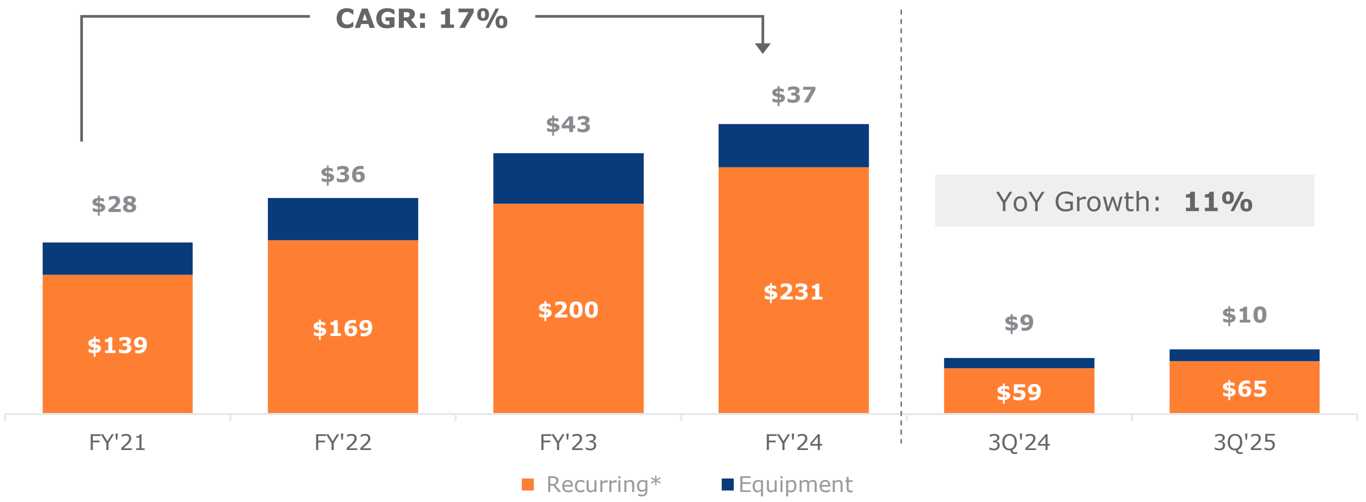
11%
YoY growth



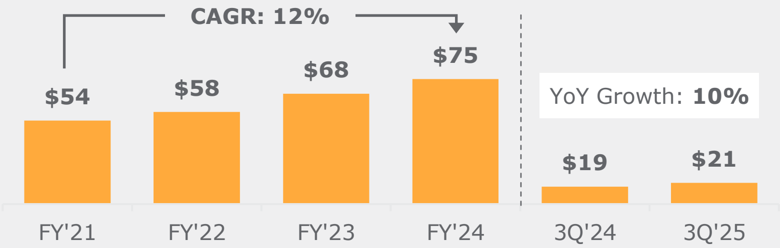


Recurring Nature of our Business **Drives Consistent Revenue Growth**

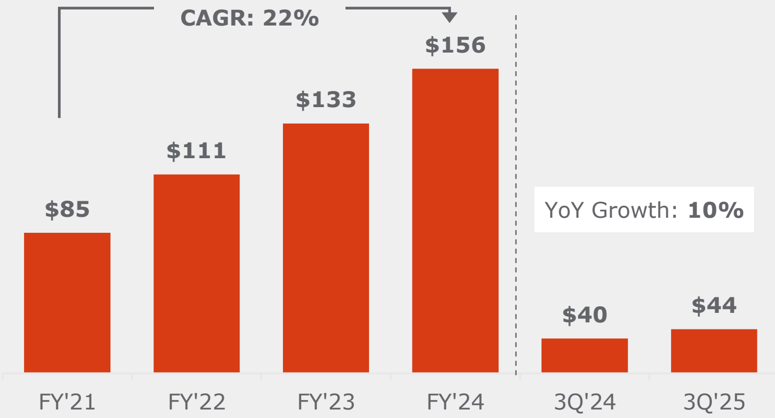
Total Revenue ($ in millions)



Subscription Fee Revenue ($ in millions)



Transaction Fee Revenue ($ in millions)



17%

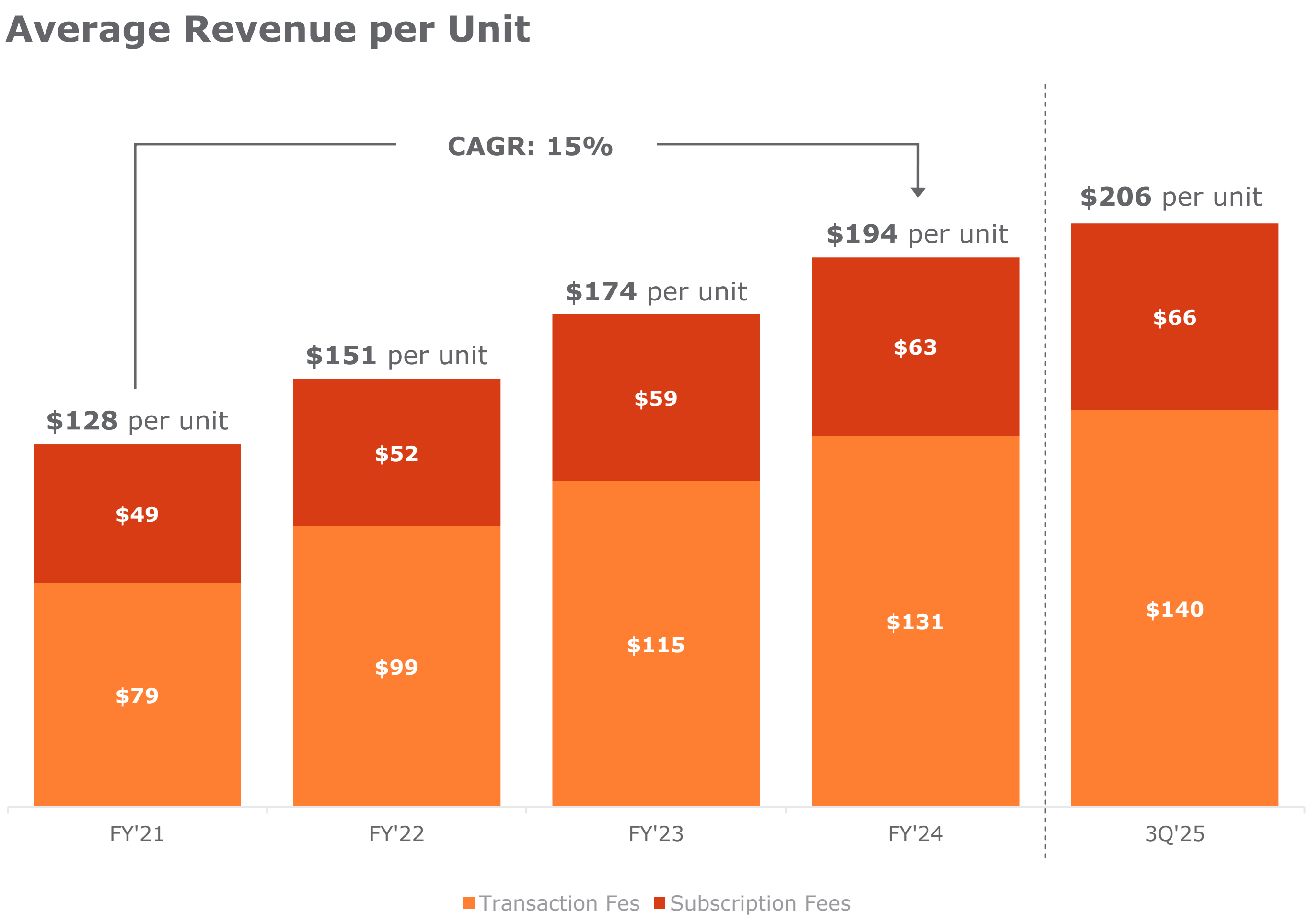
Total revenue **CAGR driven by strong growth** in recurring revenue.

18%

CAGR on recurring revenue indicating **focus on expanding margins**.

***Recurring Revenue is the combination of Subscription and Transaction revenue as reported in our 10-Q for the period ending 3/31/25.**

Strong Growth on Driving **Increased Average Revenue per Unit**



15%
CAGR

In **average revenue per unit** FY '21 to FY '24

9%
Subscription

18%
Transaction

Driven by increased diversity of products and value-added services.

Driving Outsized Transaction & Payment Volumes

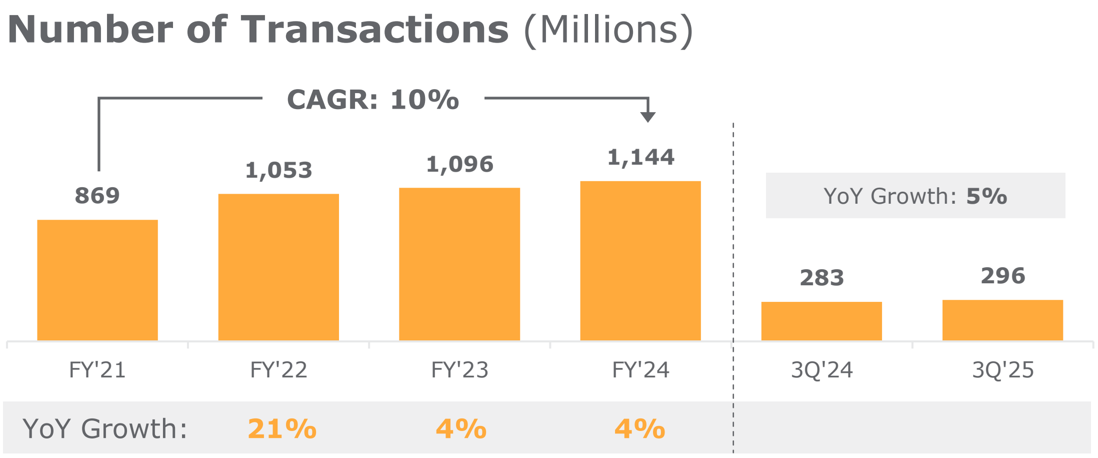
Expanded product offerings provide our customers the ability to sell higher dollar ticket items, increasing average ticket sizes.

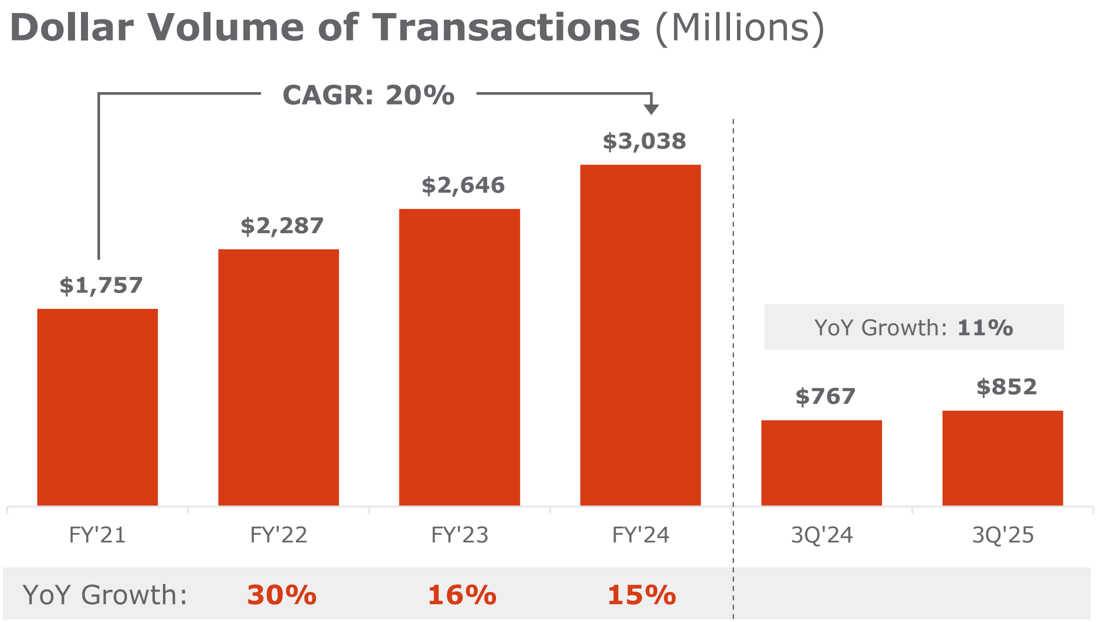
$852M

total dollar volume of transactions

11%

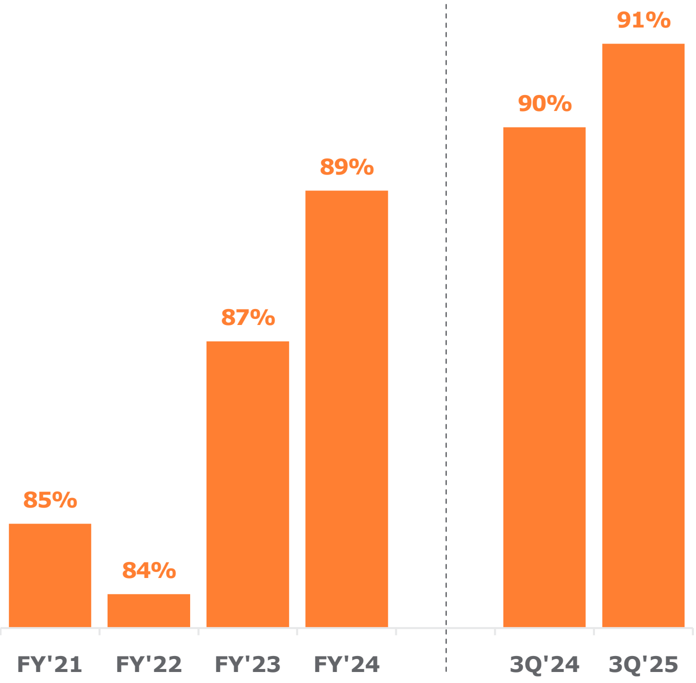
YoY growth



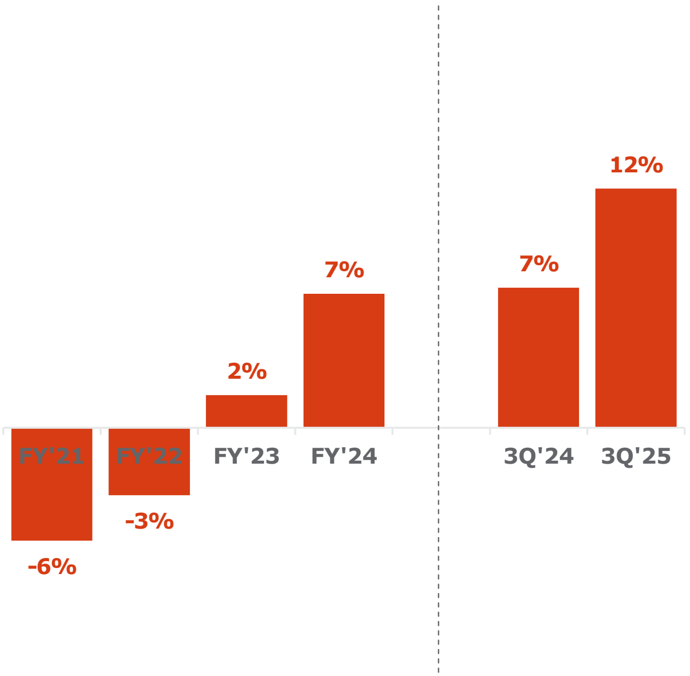


Driving Strong **Transaction and Subscription Margins**

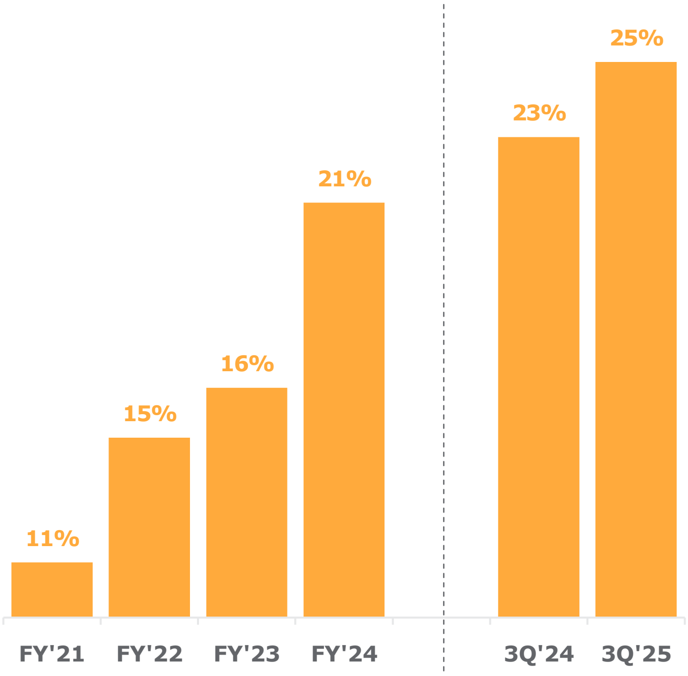
Subscription Fees Adjusted Gross Margin



Equipment Gross Margin



Transaction Fees Gross Margin

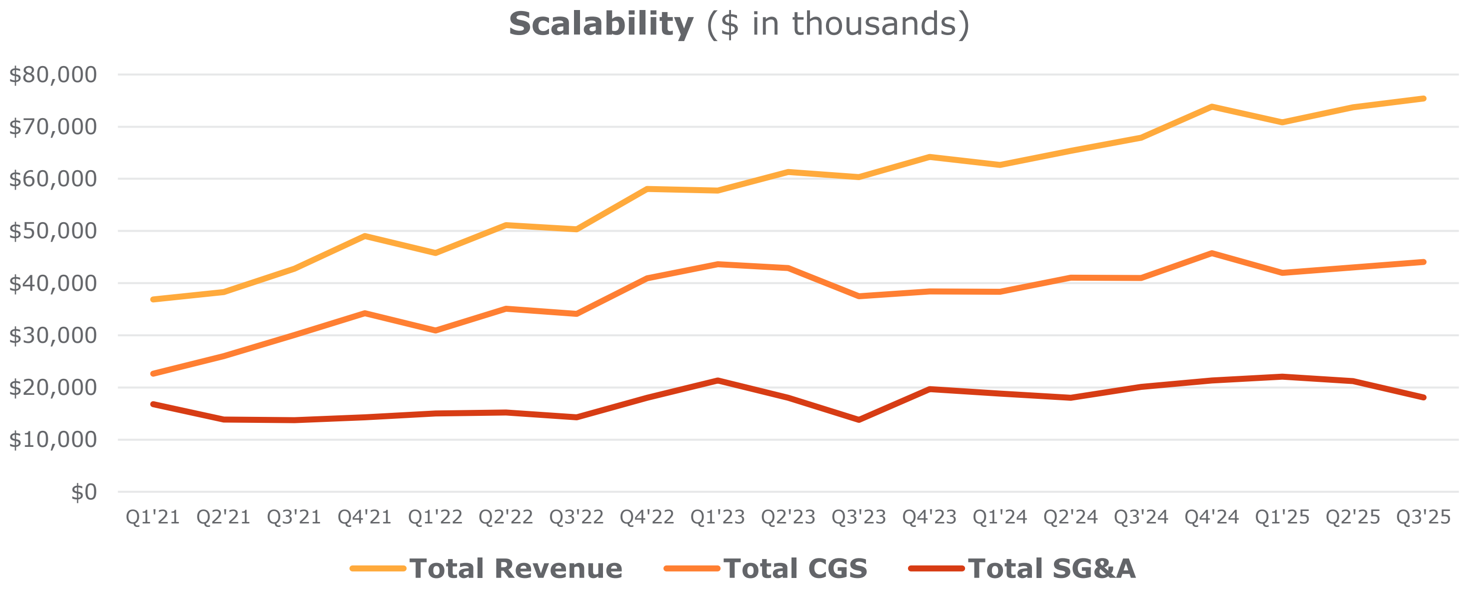


Key Takeaways

- The growth of product mix beyond food and beverage in automated retail is **driving a higher average transaction size**.
- A strong emphasis on **COGS reduction is increasing margins** across all revenue lines

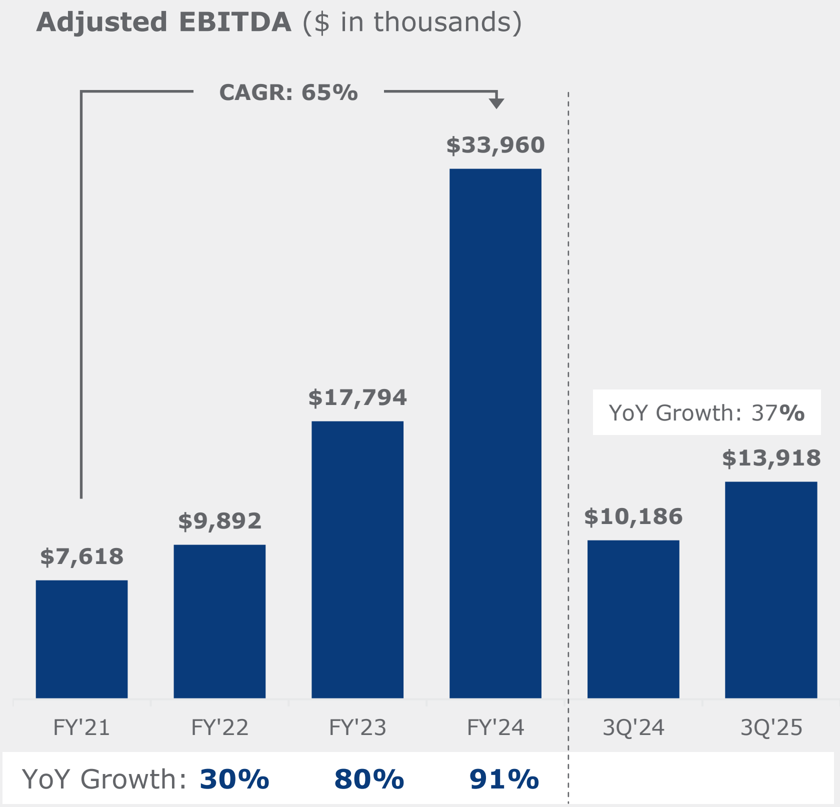
-Adjusted figures represent non-GAAP measures. Please refer to slides in the appendix for reconciliations to the equivalent GAAP measures.

Building Operating Leverage to **Increase Profitability**



Key Takeaways

- **Continued increases in ARPU** drive attractive contribution margins and operating leverage.
- **Transaction margin improvement** falls directly to the bottom line.
- **Subscription revenue**, has **~90%+ adjusted gross margins** with nominal incremental opex.
- SG&A **expense discipline** provides increased profitability.



-Adjusted figures represent non-GAAP measures. Please refer to slides in the appendix for reconciliations to the equivalent GAAP measures.

Revised 2025 Guidance

2025 Outlook	$Millions
Total Revenue	$302 to $308
Subscription & Transaction Revenue Growth	15% to 20%*
GAAP Net Income	$64 to $70
Adjusted EBITDA	$46 to $50
Operating Cash Flow	$24 to $32

***We anticipate being at the low end of the guidance range.**

Thank You

Appendix

Cantaloupe, Inc. U.S. GAAP Gross Profit (unaudited)

($ in thousands)	Three Months Ended March 31, 2025	2024	Change 2025 v. 2024	Percent Change 2025 v. 2024
Transaction fees	$ 44,028	$ 40,034	$ 3,994	10.0 %
Cost of transaction fees	33,119	30,926	2,193	7.1 %
Gross profit, transaction[1]	$ 10,909	$ 9,108	1,801	19.8 %
Gross margin, transaction	24.8 %	22.8 %	2.0 %	
Subscription fees	$ 21,151	$ 19,173	1,978	10.3 %
Cost of subscription fees	1,963	2,000	(37)	(1.9)%
Amortization[2]	5,357	1,541	3,816	247.6 %
Gross profit, subscription fees	$ 13,831	$ 15,632	(1,801)	(11.5)%
Gross margin, subscription	65.4 %	81.5 %	(16.1)%	
Equipment sales	$ 10,248	$ 8,690	1,558	17.9 %
Cost of equipment sales	8,984	8,064	920	11.4 %
Gross profit, equipment[1]	$ 1,264	$ 626	638	101.9 %
Gross margin, equipment	12.3 %	7.2 %	5.1 %	
Total gross profit	$ 26,004	$ 25,366	638	2.5 %
Total gross margin	34.5 %	37.4 %	(2.9)%	

(1) The Company's internal-use software assets and developed technology assets are not associated with transaction fees and equipment revenue.

(2) Amortization of internal-use software assets and developed technology assets. In March 2025, the Company recognized additional charges of $3.0 million, due to certain capitalized internal use software is no longer expected to provide future economic benefits as a result of changes in business strategy and evolving technology initiatives.

Cantaloupe, Inc. Reconciliation of U.S. GAAP Gross Profit to Adjusted Gross Profit (non-GAAP) (unaudited)

($ in thousands)	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Change 2025 v. 2024	Percent Change 2025 v. 2024
Gross profit, transaction (GAAP)	$ 10,909	$ 9,108	$ 1,801	19.8 %
Gross margin, transaction (GAAP)	24.8 %	22.8 %	2.0 %	
Gross profit, subscription (GAAP)	13,831	15,632	(1,801)	(11.5)%
Amortization [1]	5,357	1,541	3,816	247.6 %
Adjusted Gross Profit, subscription (non-GAAP)	$ 19,188	$ 17,173	2,015	11.7 %
Adjusted Gross Margin, subscription (non-GAAP)	90.7 %	89.6 %	1.1 %	
Gross profit, equipment (GAAP)	$ 1,264	$ 626	638	101.9 %
Gross margin, equipment (GAAP)	12.3 %	7.2 %	5.1 %	
Total Adjusted Gross Profit (non-GAAP)	$ 31,361	$ 26,907	4,454	16.6 %
Total Adjusted Gross Margin (non-GAAP)	41.6 %	39.6 %	2.0 %	

(1) Amortization of internal-use software assets and developed technology assets. In March 2025, the Company recognized additional charges of $3.0 million, due to certain capitalized internal use software is no longer expected to provide future economic benefits as a result of changes in business strategy and evolving technology initiatives.

Cantaloupe, Inc. Reconciliation of U.S. GAAP Net Income to Adjusted EBITDA (non-GAAP) (unaudited)

	Three Months Ended March 31,	
($ in thousands)	2025	2024
Net income	$ 49,156	$ 4,656
Less: interest income	(368)	(495)
Plus: interest expense	39	(162)
Plus: income tax provision	(41,904)	84
Plus: depreciation expense included in cost of sales for rentals	533	415
Plus: depreciation and amortization expense in operating expenses	6,367	2,493
EBITDA	13,823	6,991
Plus: stock-based compensation [a]	629	1,004
Plus: integration and acquisition expenses [b]	(534)	907
Plus: auditor transition costs [c]	—	—
Plus: remediation expenses [d]	—	1,258
Plus: severance expenses [e]	—	26
Adjustments to EBITDA	95	3,195
Adjusted EBITDA	$ 13,918	$ 10,186

a) We have excluded stock-based compensation, as it does not reflect our cash-based operations.
b) We have excluded expenses incurred in connection with business acquisitions as it does not represent recurring costs or charges related to our core operations.
c) Costs incurred as a result of former auditor consent procedures. See *Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure* of the Company's Annual Report.
d) Consists of expenses incurred in connection with remediation of previously identified material weaknesses in our internal control over financial reporting which were remediated during fiscal year ended June 30, 2024. See *Item 9A Section e - Remediation of Prior Material Weaknesses* of the Company's Annual Report.
e) Consists of expenses incurred in connection with non-recurring severance charges related to work force reduction.