



# 2025 Investor Day

February 26, 2025

[dieboldnixdorf.com](http://dieboldnixdorf.com)



# Forward-looking Statements

This presentation may contain statements that are not historical information and are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. These forward-looking statements include, but are not limited to, projections, statements regarding the Company's expected future performance (including expected results of operations and financial guidance), future financial condition, anticipated operating results, strategy plans, future liquidity and financial position. Statements can generally be identified as forward looking because they include words such as "believes," "anticipates," "expects," "intends," "plans," "will," "estimates," "potential," "target," "predict," "project," "seek," and variations thereof or "could," "should" or words of similar meaning. Statements that describe the Company's future plans, objectives or goals are also forward-looking statements, which reflect the current views of the Company with respect to future events and are subject to assumptions, risks and uncertainties that could cause actual results to differ materially. Although the Company believes that these forward-looking statements are based upon reasonable assumptions regarding, among other things, the economy, its knowledge of its business, and key performance indicators that impact the Company, these forward-looking statements involve risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in or implied by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The factors that may affect the Company's results include, among others: the significant variance of our actual financial results from the projections that were filed with the U.S. Bankruptcy Court and Dutch Court; the success of the Company's new products and services, including its DN Series line and EASY family of retail checkout solutions, and electronic vehicle charging service business; the Company's ability to successfully execute on its digitally enabled hardware, services and software strategy; the Company's ability to generate sufficient cash flows to refinance its indebtedness, fund its operations and make adequate capital investments; the ultimate benefits of the Company's continuous improvement programs and other cost savings plans; risks related to our international operations, including geopolitical instability and wars; developments from recent and potential changes in U.S. trade policies and trade policies of other countries; the impact of the proliferation of payment options other than cash, which could result in a reduced need for cash in the marketplace and a resulting decline in the usage of ATMs; the impact of general economic conditions, cyclicality and uncertainty; the impact of increased energy, raw material and labor costs; the impact of competitive pressures, including pricing pressures and the introduction of new products and services by our competitors; the impact of a cybersecurity incident or operational failure on the Company's business; challenges associated with the use of artificial intelligence in the Company's business; the Company's reliance on suppliers, subcontractors and availability of raw materials and other components; the Company's reliance on third parties, including to provide security systems and systems integration as well as outsourced business processes and other financial services; the Company's ability to attract, retain and motivate key employees; the impact of additional tax expense or exposures; the potential for additional pension liability or expense associated with low investment performance by the Company's pension plan assets; the Company's success in executing potential acquisitions, investments or partnerships and divestitures; the ultimate outcome of the appeals for the appraisal proceedings initiated in connection with the implementation of the Domination and Profit Loss Transfer Agreement with the former Diebold Nixdorf AG (which was dismissed in the Company's favor at the lower court level in 2022) and the merger/squeeze-out (which was dismissed in the Company's favor at the lower court level in 2023); the impact of market and economic conditions, including the bankruptcies, restructuring or consolidations of financial institutions, which could reduce the Company's customer base and/or adversely affect its customers' ability to make capital expenditures, as well as adversely impact the availability and cost of credit; changes in political, economic or other factors such as currency exchange rates, inflation rates (including the impact of possible currency devaluations in countries experiencing high inflation rates), recessionary or expansive trends, disruption in energy supply, taxes and regulations and laws affecting the worldwide business in each of the Company's operations; the Company's ability to maintain effective internal controls; the impact of regulatory and financial risks related to climate change; the impact of an adverse determination that that the Company's services, products or manufacturing processes infringe the intellectual property rights of others, or the Company's failure to enforce its intellectual property rights; the Company's exposure to liabilities under the FCPA or other worldwide anti-bribery laws; the effect of changes in law and regulations or the manner of enforcement in the U.S. and internationally and the Company's ability to comply with applicable laws and regulations; and other factors included in the Company's filings with the Securities and Exchange Commission (the "SEC"), including its Annual Report on Form 10-K. Except to the extent required by applicable law or regulation, the Company undertakes no obligation to update these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events. You should consider these factors carefully in evaluating forward-looking statements and are cautioned not to place undue reliance on such statements.

# Use of Non-GAAP Financial Information

To supplement our condensed consolidated financial information presented in accordance with GAAP, the Company considers certain financial measures that are not prepared in accordance with GAAP, including Non-GAAP results, Non-GAAP operating profit margin, adjusted diluted earnings per share, free cash flow (use) and free cash flow conversion, net debt, EBITDA, adjusted EBITDA, adjusted EBITDA margin and constant currency results. The Company calculates constant currency by translating the prior year results at current year exchange rates. The Company uses these Non-GAAP financial measures, in addition to GAAP financial measures, to evaluate our operating and financial performance and to compare such performance to that of prior periods and to the performance of our competitors. Also, the Company uses these Non-GAAP financial measures in making operational and financial decisions and in establishing operational goals. The Company also believes providing these Non-GAAP financial measures to investors, as a supplement to GAAP financial measures, helps investors evaluate our operating and financial performance and trends in our business, consistent with how management evaluates such performance and trends. The Company also believes these Non-GAAP financial measures may be useful to investors in comparing its performance to the performance of other companies, although its Non-GAAP financial measures are specific to the Company and the Non-GAAP financial measures of other companies may not be calculated in the same manner. We provide EBITDA, Adjusted EBITDA and adjusted EBITDA margin because we believe that investors and securities analysts will find EBITDA, adjusted EBITDA and adjusted EBITDA margin to be useful measures for evaluating our operating performance and comparing our operating performance with that of similar companies that have different capital structures and for evaluating our ability to meet our future debt service, capital expenditure and working capital requirements. We consider free cash flow (use) to be a liquidity measure that provides useful information to management and investors about the amount of cash generated by the business that, after the purchase of property and equipment and capitalized software development and changes in cash of assets held for sale and the use of cash for M&A, and excluding the use/proceeds of cash for the settlement of foreign exchange derivative instruments, can be used for debt servicing, strategic opportunities, including investing in the business, making strategic acquisitions, strengthening the balance sheet and paying dividends. Free Cash Flow Conversion is a liquidity ratio that measures the Company's ability to convert operating profits into free cash flow and is calculated as Free Cash Flow over Adjusted EBITDA. For more information, please refer to the section, "Notes for Non-GAAP Measures."

With respect to the company's adjusted EBITDA, free cash flow and free cash flow conversion (free cash flow / adjusted EBITDA) estimated outlook for 2025-2027, it is not providing reconciliations to the most directly comparable GAAP financial measures because it is unable to predict with reasonable certainty those items that may affect such measures calculated and presented in accordance with GAAP without unreasonable effort. These measures primarily exclude future restructuring and refinancing actions and net non-routine items. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, operating profit and net income calculated and presented in accordance with GAAP.



# Agenda

## SECTION

## SPEAKER

---

Diebold Nixdorf Overview and Strategy

Octavio Marquez

---

Global Banking Growth Strategy

Joe Myers

---

Global Retail Growth Strategy

Ilhami Cantadurucu

---

Break

---

Continuous Improvement Journey

Frank Baur

---

Financial Overview

Tom Timko

---

Strategic Value Creation

Octavio Marquez

---

Question and Answer Session

DN Team

---



**Octavio Marquez**  
President &  
Chief Executive Officer

# Diebold Nixdorf Overview and Strategy

---

# Diebold Nixdorf Overview

---

# Diebold Nixdorf Investment Thesis

Delivering value creation across three key drivers

## Capturing Secular Tailwinds

Well positioned to capitalize on growing TAMs, AI integration trends and shifting consumer preference to self-service in Banking and Retail



## Driving Growth & Profitability

We are in the initial stages of our LEAN journey driving significant profitability improvement and expanding efforts across the company



## Increasing Cash Generation

We plan to deliver significant and growing FCF conversion which enables further investment for growth and increased shareholder return



Targeting annual double-digit adjusted EBITDA growth by 2027 & 60%+ FCF conversion

# Our Strengthened Management Team

Strong team with a track record of success to take the business to the next level



**Octavio Marquez**  
President and Chief Executive Officer





**Tom Timko**  
Executive Vice President and Chief Financial Officer





**Joe Myers**  
Executive Vice President, Global Banking




**Ilhami Cantadurucu**  
Executive Vice President, Global Retail



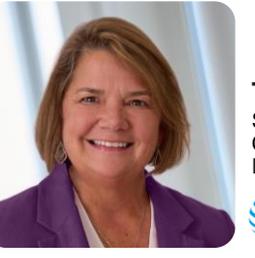

**Kathleen Creech**  
Executive Vice President and Chief People Officer, Human Resources




**Lisa Radigan**  
Executive Vice President, Chief Legal Officer and Corporate Secretary




**Frank Baur**  
Executive Vice President, Operational Excellence

**Teresa Ostapower**  
Sr Vice President and Chief Information Officer, Digital / IT



Strong governance provided by highly experienced Board – Led by Patrick Byrne, Chairman

 New to DN in the past 24 months



# Diebold Nixdorf at a Glance

Global market leader providing mission-critical hardware, software, and services to global blue-chip banking and retail clients

A global enterprise enabling transactions for millions of consumers each day across both the financial and retail industries



## REVENUE BY SEGMENT<sup>1</sup>

Two Complementary Business Segments



● BANKING 74% ● RETAIL 26%

## REVENUE BY SOLUTION<sup>1</sup>

Comprehensive Suite of Solutions



● SERVICE 57% ● PRODUCT 43%

## GROSS PROFIT BY SOLUTION<sup>1</sup>

Large, Recurring Service Annuity



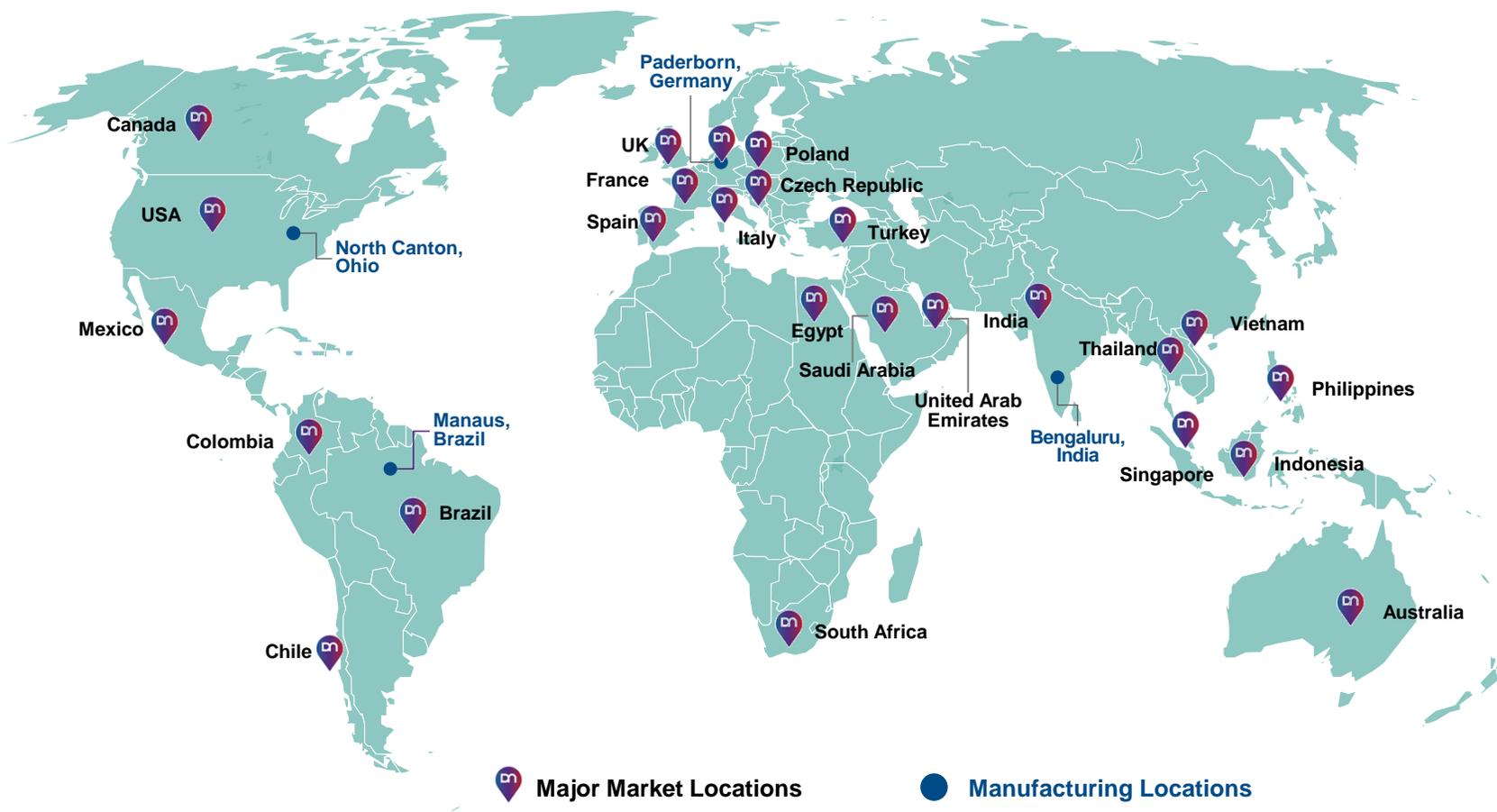
● SERVICE 59% ● PRODUCT 41%

Sources: Public Filings, Company Data; Notes: <sup>1</sup> Non-GAAP <sup>2</sup> RBR Data Services 2024, Global ATM Intelligence Service 2024 – Excludes China, Japan, South Korea and Russia;



# Global Banking and Retail Leader in 100+ Markets

Diversified global footprint provides local proximity to the top growth markets



## BANKING

**#1** in ATMs Installed Globally<sup>1</sup>

**#1** in Total ATM Application and Monitoring Software<sup>2</sup>

**~800k** ATM Units Installed Base<sup>1</sup>

## RETAIL

**#1** in EPOS & Self-Checkout shipments in Europe<sup>3</sup>

**#2** in the Global Market for Self-ordering Kiosks<sup>4</sup>

**~110k** SCO Installed Base<sup>4</sup>

<sup>1</sup> RBR Data Services 2024, Global ATM Intelligence Service 2024 – Excludes China, Japan, South Korea and Russia; <sup>2</sup> RBR Data Services 2023, ATM Software; <sup>3</sup> RBR Data Services 2024, Global EPOS and Self-Checkout 2024;

<sup>4</sup> RBR Data Services 2024, Global Self-Ordering Kiosks 2024

# Transforming How People Bank and Shop

Complementary businesses deliver automation and self-service to improve operational efficiency for banks and retailers

## BANKING



Branch Automation Solutions



Cash Recycling



Engagements



Deposit Automation



Advanced Transactions



Cardless Authentication



Digital Integration



SMB Transactions

**DN SOLUTIONS:**  
Industry-leading Technology

## RETAIL



Kiosk & ePOS



Self-Checkout (SCO)



AI-enabled Automation



Analytics-based Advisory Services



World-Class Maintenance



Managed Mobility Services



Unified Commerce Platform



Horizontal Managed Services

# Critical Partner to Leading Global Blue-Chip Customers

Our long-standing customers continue to invest in innovative technology



- **Top 100 Financial Institutions** in the World
- **Top 25 Retailers** in Europe
- **8 Out of 10** Global Fortune 500 Petroleum Companies

## BANKING

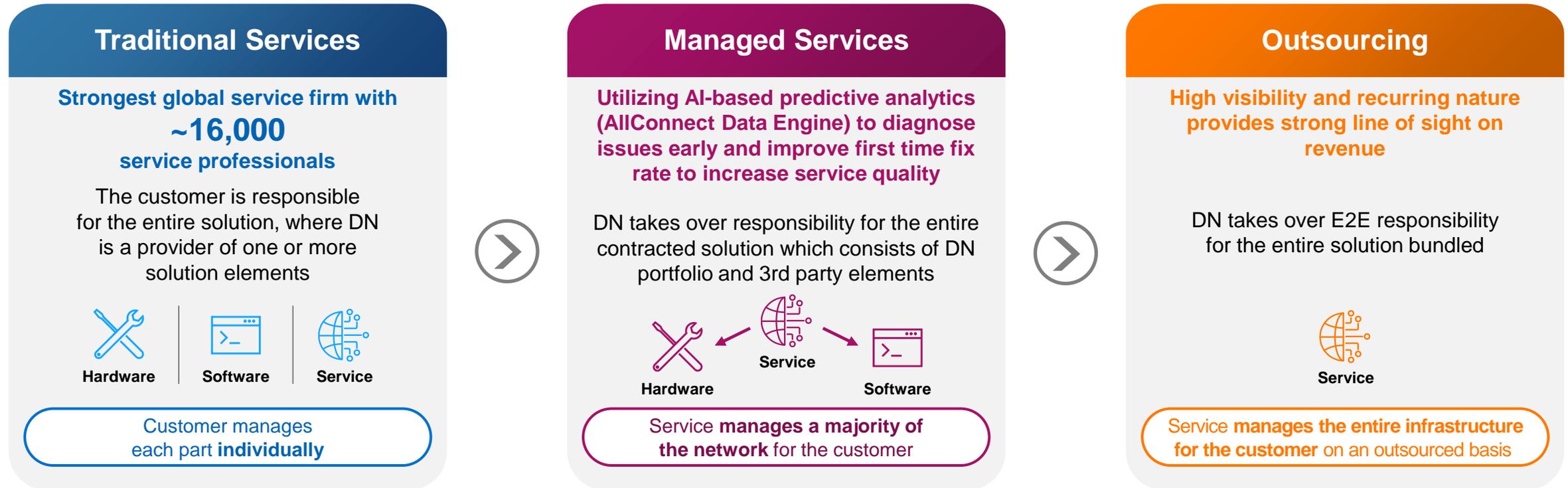


## RETAIL



# Strongest In-House Service Organization in the Industry

Our technology leadership in services drives a >90% service attach rate and renewal rate



Services drive higher-margin, recurring revenues and the opportunity for higher growth from outsourcing

# Two Large and Growing Global TAMs

Unlocking additional growth opportunities via Banking branch automation and Retail AI-driven checkout

**BANKING**  
**~\$20B**

- Low-single digit annual growth rate
- Expanding DN's addressable market via Branch Automation Solutions

**RETAIL**  
**~\$12B**

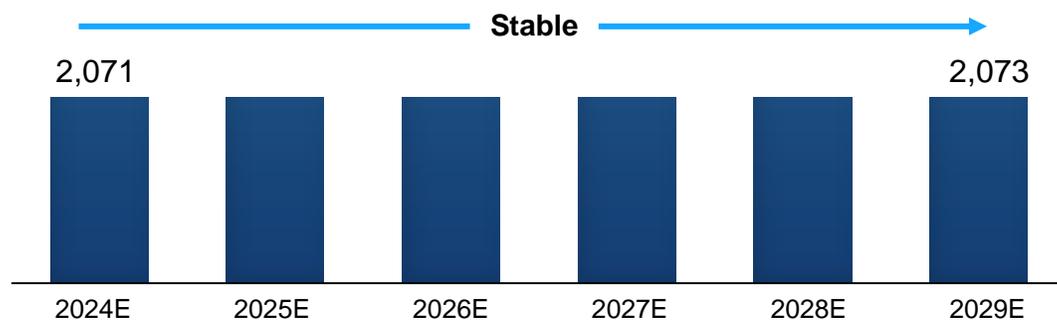
- Mid-single digit annual growth rate
- Expanding DN's addressable market via AI-driven checkout

Strong service mix and attach rates support higher growth and margins in both Banking and Retail

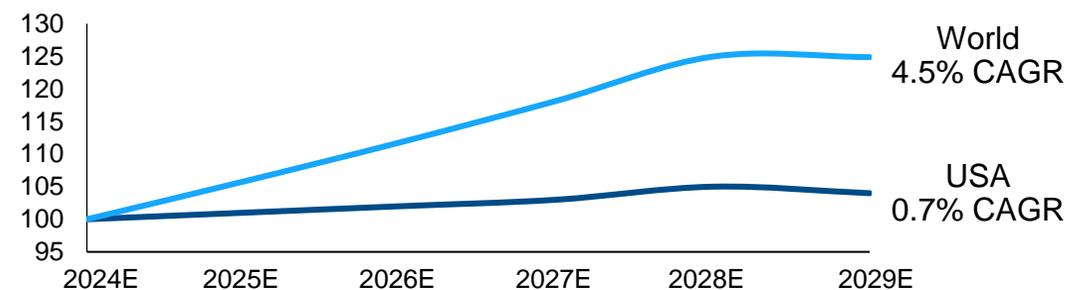
# ATM Industry Usage Facts

Stable installed base and ATM usage drives our growth via predictable and consistent ATM refresh demand

GLOBAL ATM INSTALLED BASE (000)<sup>(1)</sup>



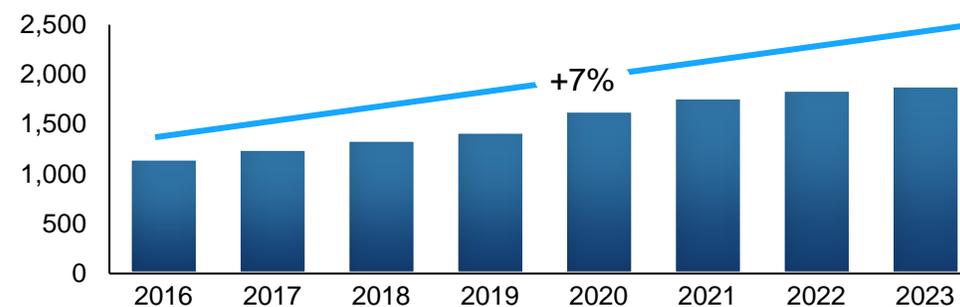
GROWTH IN VALUE OF ATM CASH WITHDRAWALS (USD, 2024 = 100) <sup>(1)</sup>



## Banking secular growth drivers

- **End-to-end branch** cash ecosystem optimization
- Bank transformation with **self-service and automation**
- **Self-service fleet management** and Managed Services

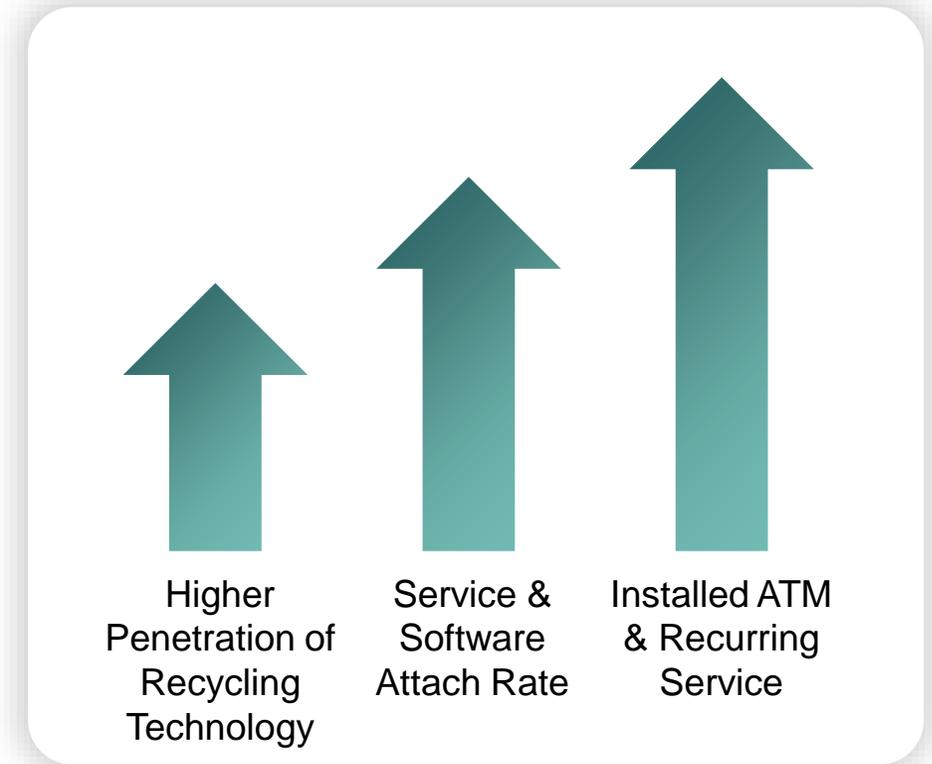
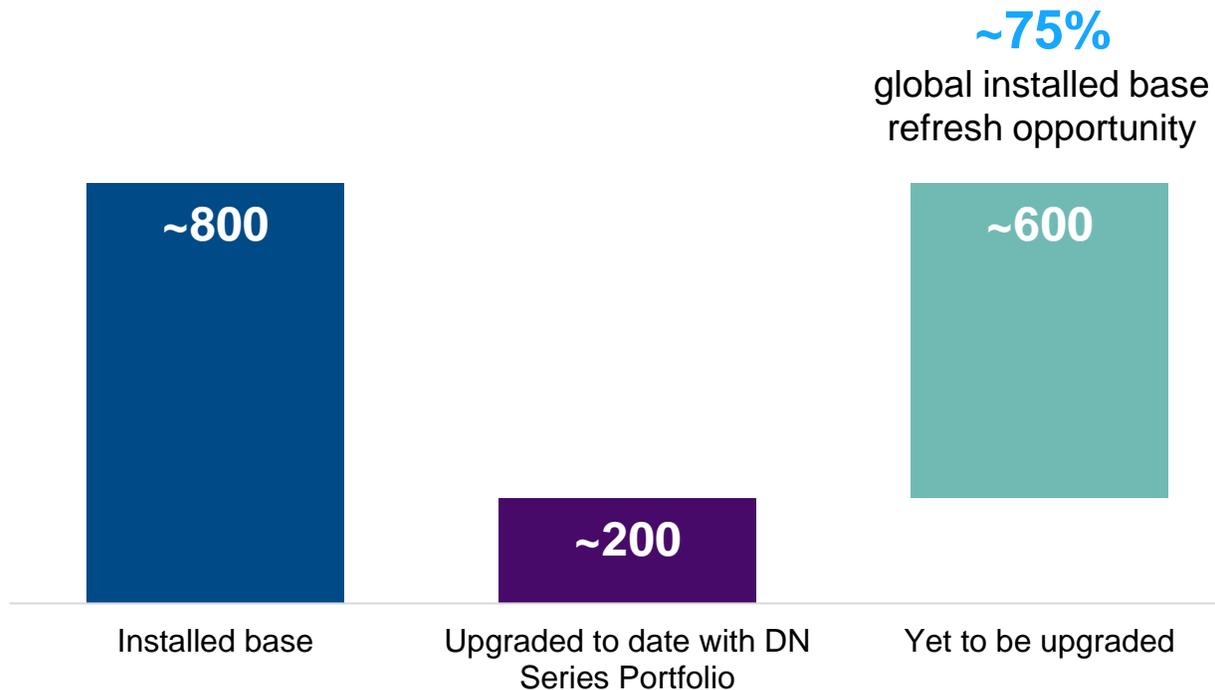
VOLUME OF CURRENCY IN CIRCULATION (\$B, EOY) <sup>(2)</sup>



# DN's Reality: Large ATM Refresh Opportunity

We are in the early stages of a refresh cycle providing clear visibility to Banking growth

DN ATM INSTALLED UNITS (000)<sup>(1)</sup>

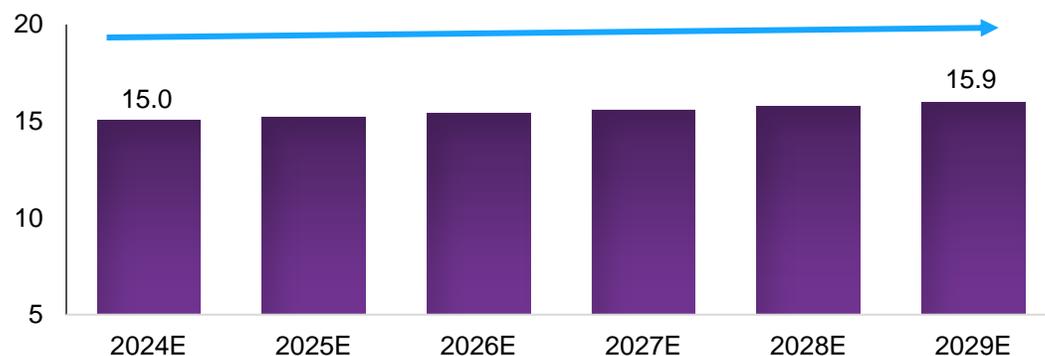


ATM refresh cycle creates visibility and a recurring catalyst for service and software growth

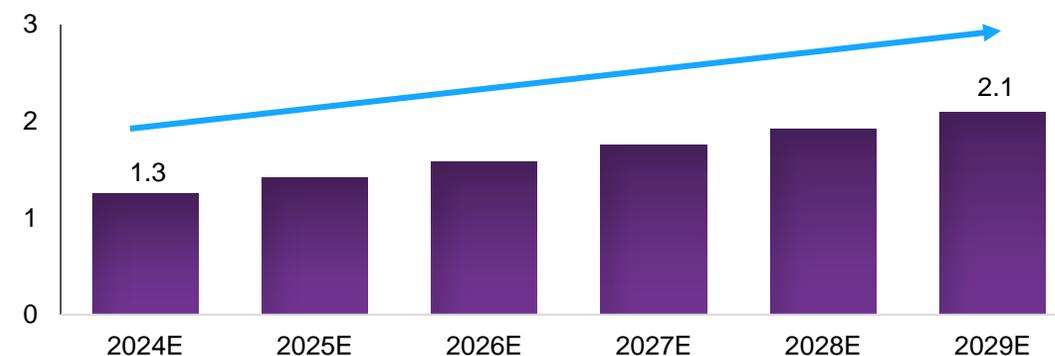
# Customers Prefer Retail Self-Checkout

Self-checkout solutions offer attractive, long-term growth opportunity as retailers adopt solution

GLOBAL ELECTRONIC POINT-OF-SALE (EPOS) INSTALLED BASE <sup>(1)</sup>  
(UNITS IN MILLIONS)



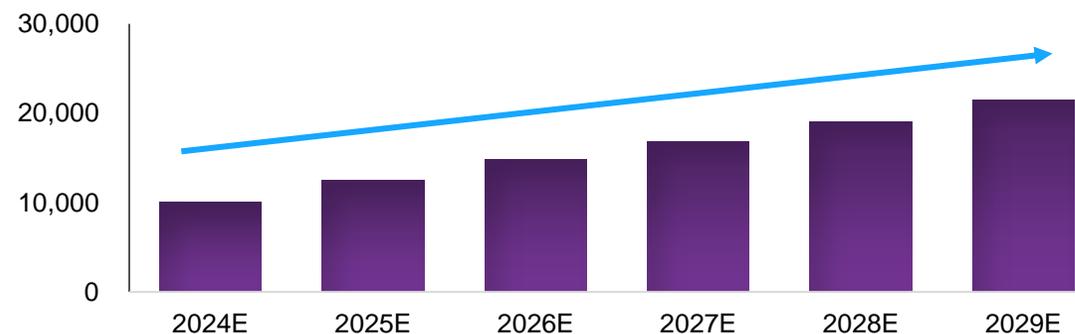
GLOBAL SELF-CHECKOUT (SCO) INSTALLED BASE <sup>(1)</sup>  
(UNITS IN MILLIONS)



## Retail Secular Growth Drivers

- **Consumer demand** for automation
- **Store digitalization** to enhance consumer experience
- Labor market driving **need for efficiency**

WORLDWIDE STORES WITH SELF-CHECKOUT <sup>(2)</sup>

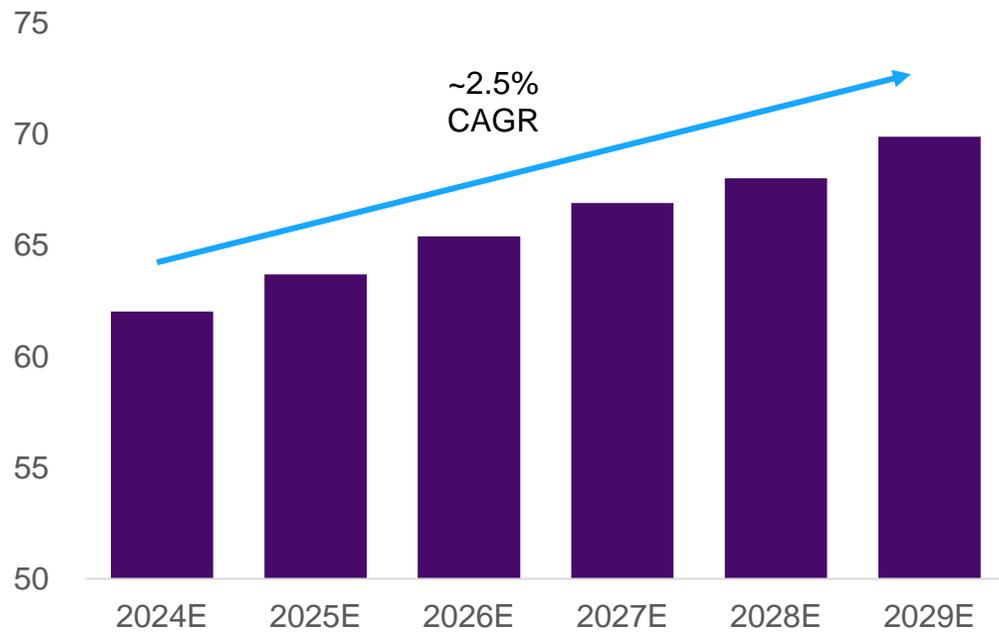


<sup>1</sup>RBR Data Services 2024, Global EPOS and Self-Checkout 2024; <sup>2</sup>Capital One Data Reports

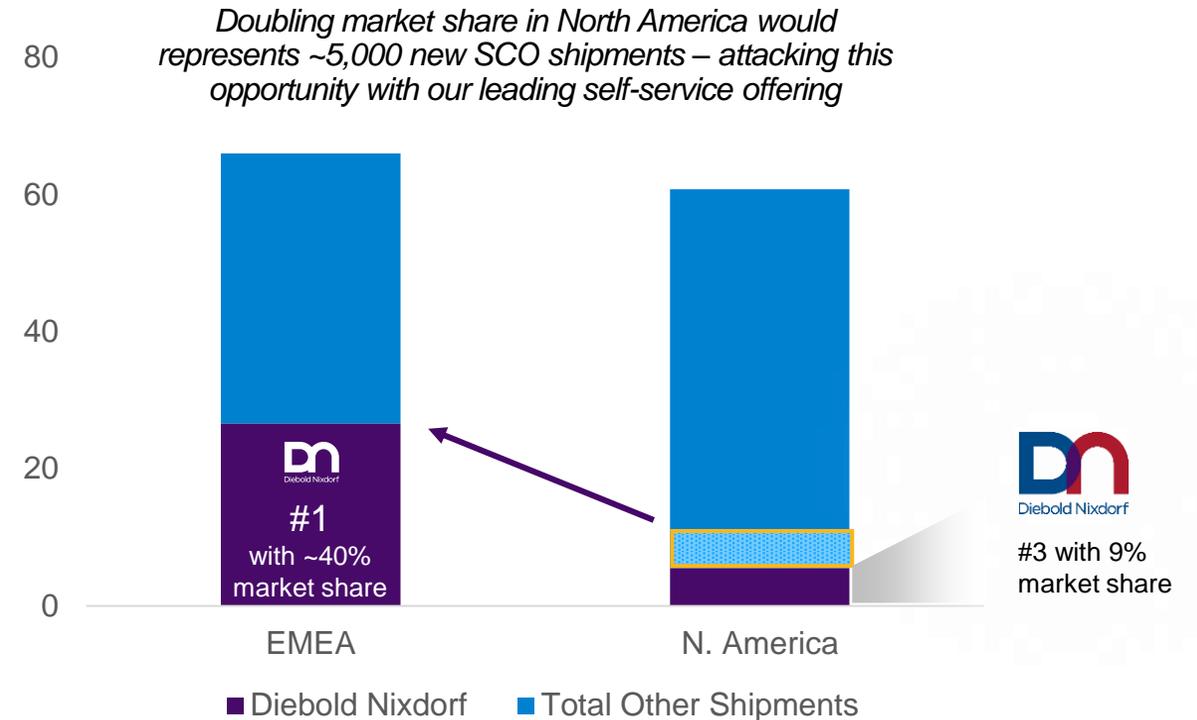
# Well-Positioned for Retail Market Share Gains

Significant market share opportunity in North America - we are working to replicate our success in EMEA in North America

**NORTH AMERICA SELF-CHECKOUT (SCO) SHIPMENTS<sup>(1)</sup>:  
FORECAST GROWTH (000)**



**TOTAL SELF CHECKOUT SHIPMENTS  
(2023 IN 000) <sup>(1)</sup>**



<sup>1</sup>RBR Data Services 2024, Global EPOS and Self-Checkout 2024



---

# Diebold Nixdorf Strategy

---

# Positioning the Company for Long-Term Success

Employing the right structure, culture and goals to drive value creation

-  **1** Improved capital structure and maintain a fortress balance sheet
-  **2** Embedded operational excellence and Continuous Improvement mindset
-  **3** Driving consistent, profitable growth with greater free cash flow visibility and conversion
-  **4** Accelerating recurring, higher-margin services growth

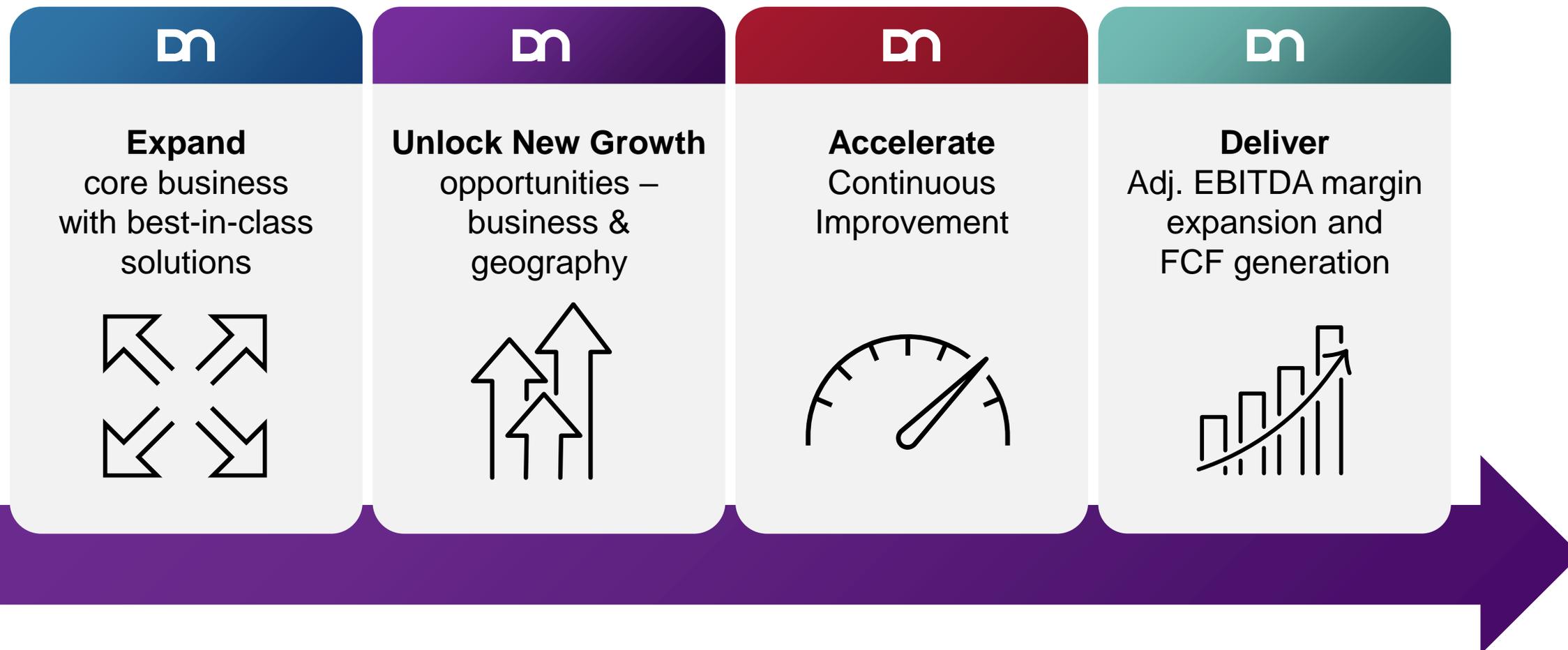
We have made solid progress and have a significant runway ahead

# Strategic Changes Set New Path Forward

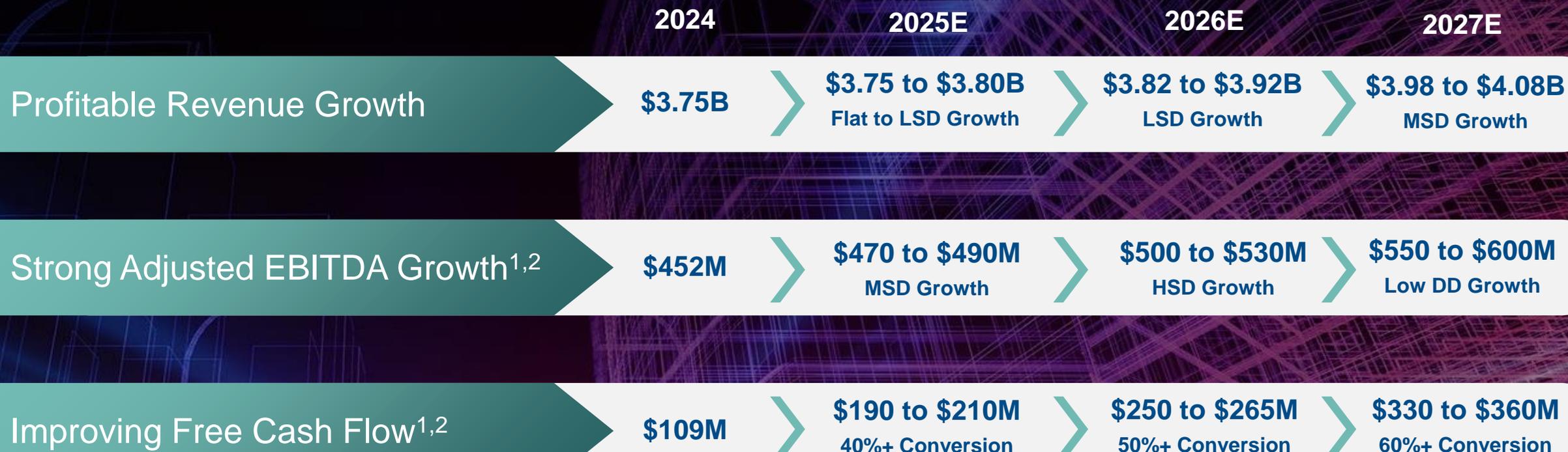
	PAST	PRESENT
<b>Growth</b>	Variable, cyclical	Balanced, recurring
<b>Organization</b>	Complex	Simple, focused
<b>Culture</b>	Short-term focus	Performance driven / Say-do ratio
<b>Operations</b>	One-time cost reduction	Continuous Improvement & LEAN Principles
<b>Free Cash Flow</b>	Low, minimal	Strong, improving
<b>Capital Allocation</b>	Reinvest only	Includes return to shareholders

Focused on Continuous Improvement

# Executing Clearly Defined Strategy for Profitable Growth



# Our Growth Acceleration Plan – 3 Year Targets



<sup>1</sup>Non-GAAP

<sup>2</sup>With respect to the company's adjusted EBITDA, free cash flow and free cash flow conversion, it is not providing a reconciliation to the most directly comparable GAAP financial measures because it is unable to predict with reasonable certainty those items that may affect such measures calculated and presented in accordance with GAAP without unreasonable effort. These measures primarily exclude future restructuring and refinancing actions and net non-routine items. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, operating profit and net income calculated and presented in accordance with GAAP.

Note: LSD is Low-Single Digits, MSD is Mid-Single Digits, HSD is High-Single Digits and Low DD is Low Double-Digits.





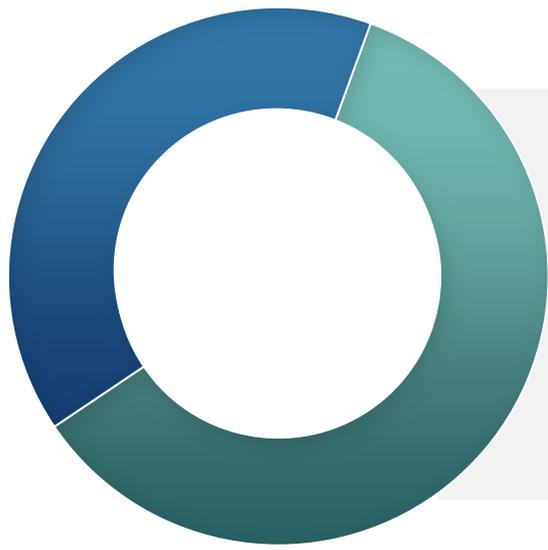
**Joe Myers**  
Executive Vice President,  
Global Banking

# Global Banking Growth Strategy



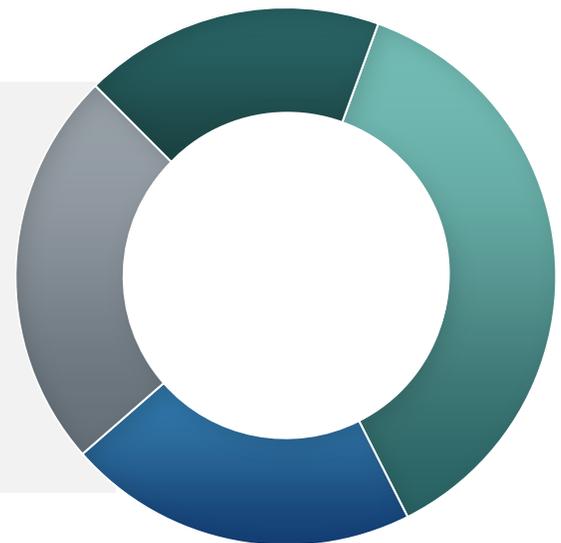
# Leading Market Position and Solutions Breadth with Opportunity to Expand Services

REVENUE BY TYPE



**\$2.76B**  
2024  
Revenue

REVENUE BY REGION



● SERVICE 57%    ● PRODUCT 43%

● NORTH AMERICA 37%    ● LATIN AMERICA 20%  
● EUROPE 26%    ● APMEA & OTHER 17%



# Secular Growth Trends Driving Banking Investment Shifts

## Consumer Expectations



Consumers demanding more self-service with many routine transactions shifting to digital channels

- Self-service consumer
- ATM is a strategic point of engagement for FIs

## FI<sup>1</sup> Footprint Transformation



Branch footprints at lower cost enabled by technology to serve multiple customer journeys and channels

- Modernization & automation of ecosystem
- Outsourcing improves total cost of ownership

## Closed Loop Cash Ecosystems



Bank simplification and operational improvement to manage cash differently with ultimate focus on increasing an FI's efficiency ratio

- End-to-end management
- ATM + Teller Cash Recycler + Software

## Physical and Digital Security



High levels of physical and digital transaction security integrated while meeting regulatory, consumer, and shareholder expectations

- Physical security / cash
- Cyber and digital security

<sup>1</sup> FI = Financial Institution

# Why Do Banks Need DN?

DN is a trusted advisor with comprehensive solutions that enable financial institutions to drive cost optimization in the physical branch footprint and provide digital self-service banking



## DN IS FUTURE READY

ATMs &  
Recyclers

Branch Design &  
Development

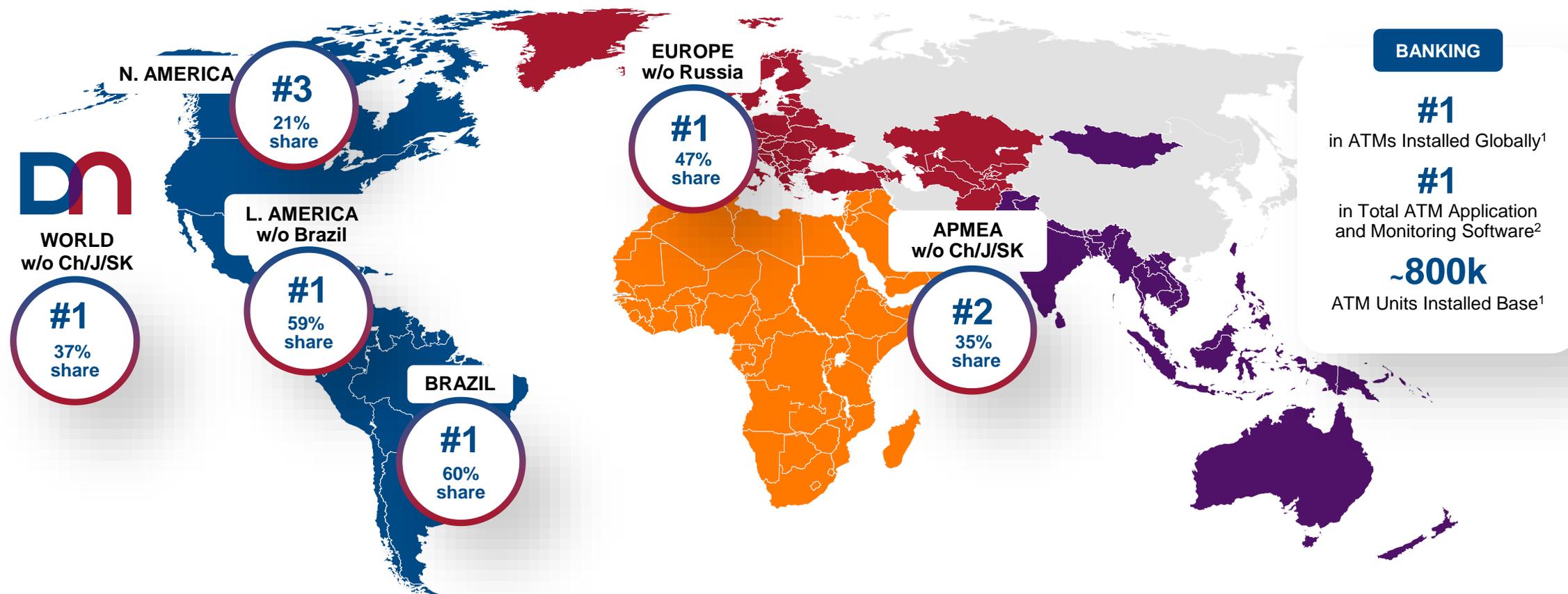
Managed Services &  
Branch Automation  
Solutions (BAS)

Vynamic  
Software

AllConnect  
Data

# Global Leadership is a Core Competitive Advantage

Our leadership gives us the right to win as we drive additional efficiencies across the Banking ecosystem



<sup>1</sup>RBR Data Services 2024, Global ATM Intelligence Service 2024 – Excludes China, Japan, South Korea and Russia, regions sorted by DN's business; <sup>2</sup>RBR Data Services 2023, ATM Software

# Banking Strategy Driving Growth and Margin Expansion

Pursuing dual paths to drive profitable Banking growth

**Optimize Branch Efficiency in Developed Markets**

**Branch Automation Solutions**

**Increase Recurring Revenue Streams in Emerging Markets**

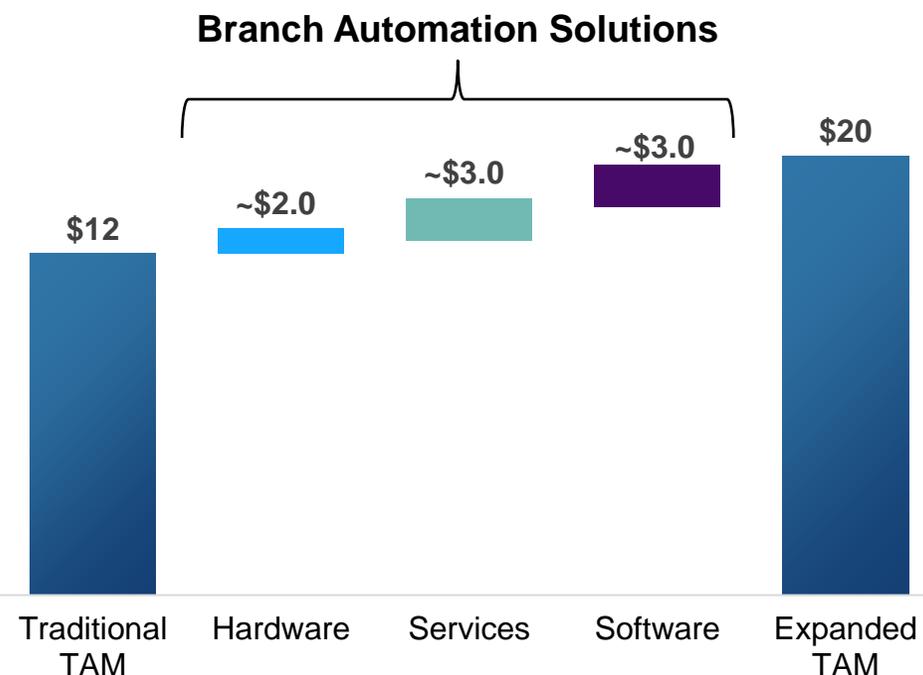
**Fit-for-Purpose Devices**

**MSD top-line growth by 2027 and higher segment margins**

# Increasing TAM by \$8B with Branch Automation Solutions

End-to-end branch automation solutions across hardware, software and service increase DN's addressable market – DN is uniquely positioned to capture this opportunity

## TOTAL ADDRESSABLE MARKET (\$B)<sup>(1)</sup>



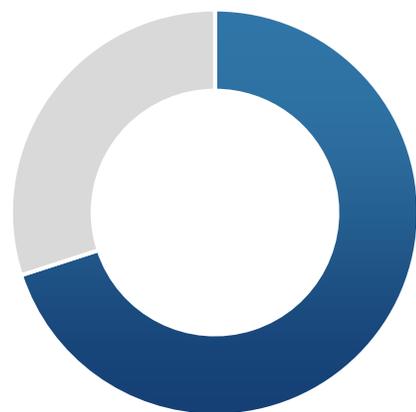
## MARKET DRIVERS

- Branch automation solutions **drive further efficiencies across the branch cash ecosystem** with a targeted set of hardware, service and software
- **Hardware ~\$2.0B TAM Opportunity**
  - Cash recycling at both the ATM and teller line
  - Teller cash recyclers represent new & growing market opportunity
- **Services ~\$3.0B TAM Opportunity**
  - Common components between DN Series ATM and teller cash recyclers allow for increased servicing efficiency
  - Service offering spans break-fix to full outsourcing
- **Software ~\$3.0B TAM Opportunity**
  - Software that enables end-to-end cash management across the branch and integration into digital channels

# Branch Automation Solutions (BAS) Drives Banking Efficiency

70% of global bank operating expense is at the branch – this is where DN creates value with BAS

## BANK OPERATING EXPENSES



● RETAIL FOOTPRINT 70%

## BRANCH TELLER OPTIMIZATION

	FUNCTION	CURRENT	FUTURE
Operations	Teller line	3 lines	1-2 lines
	Staff focus	Transactions	Sales
	Transaction Availability	96%	99%
Cost	Cash-in-transit visits	3-4 (per month)	50% less <sup>1</sup>
	Cost per month	\$2 to \$5k	\$1 to \$3k

## TOTAL ADDRESSABLE MARKET

### # OF BRANCHES 2023\*

North America	106k
Europe	186k
<b>Developed Markets</b>	<b>292k</b>

## DN BRANCH AUTOMATION SOLUTIONS (BAS)



<sup>1</sup> from current CIT stop costs driven by higher system capacity, optimized cassette configuration and recycling

\* RBR 2024 Study w/o China, South Korea, Japan, Russia

# Emerging Market Framework – Fit for Purpose Hardware

Differentiated right to win combined with a comprehensive go-to-market approach

## DEVICE

## DESCRIPTION

## RATIONALE



**DN 100i**

- Target market: Asia Pacific
- Local parts & production

- **Expect high-single digit CAGR unit growth**
- **Over 90% service attach rate with average 5-year contract**



**India ATM unit CAGR expected to be up low double digits through 2027**



**DN 450  
with  
RM4V  
recycling**

- Target market: Middle East
- High note capacity recycler
- Strong cash usage market

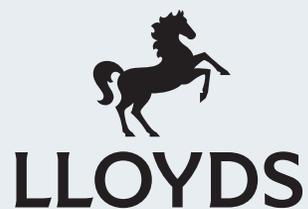
- **Withdrawals in ME & Africa outpacing rest of the world**
- **Strong service attach rate and software opportunity**



**Middle East ATM unit CAGR expected to be up high single digits through 2027**

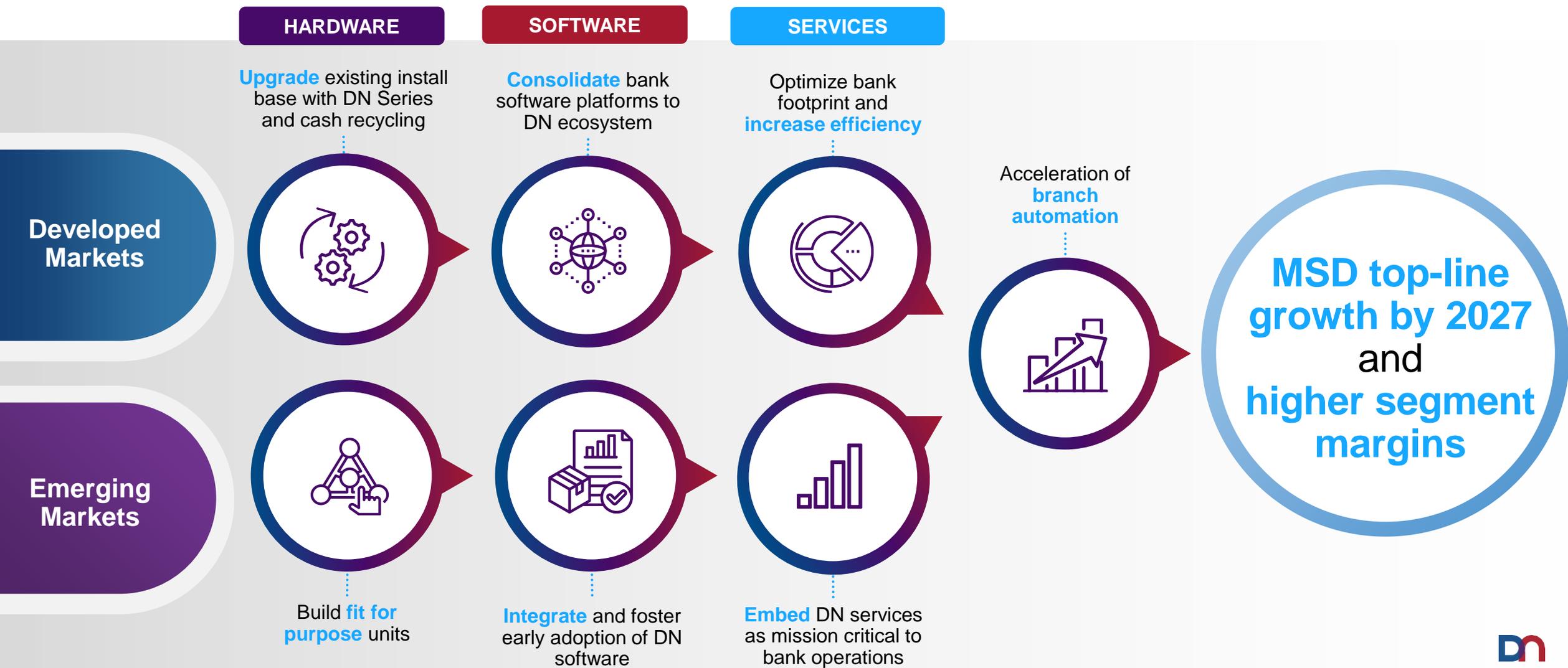
# Partnering to Meet Next Generation Needs

## DN BANKING PARTNERS | CUSTOMERS



# TD Bank's View on the Current Cash Ecosystem

# Growth Strategy Focused on Modernization, Attach & Efficiency



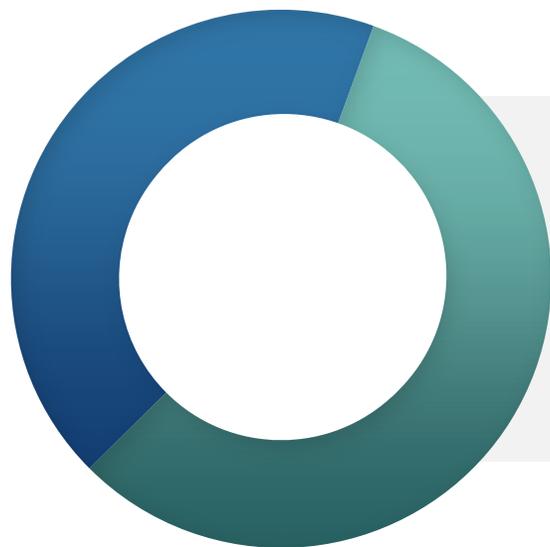


**Ilhami Cantadurucu**  
Executive Vice President,  
Global Retail

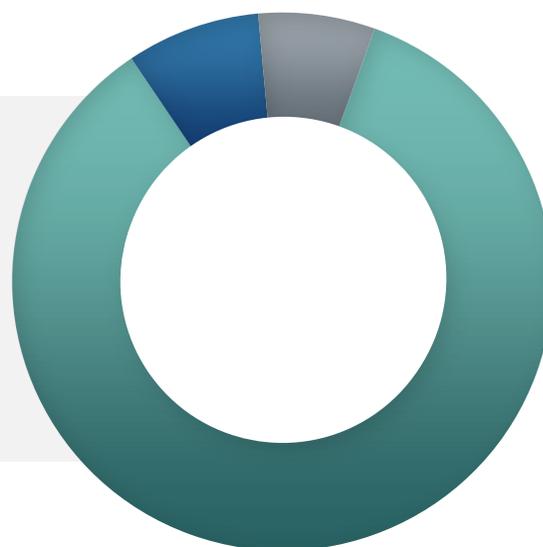
# Global Retail Growth Strategy

# Retail Is Enhancing Consumer Checkout Journeys and Store Productivity with Self-Service and Automation

REVENUE BY TYPE



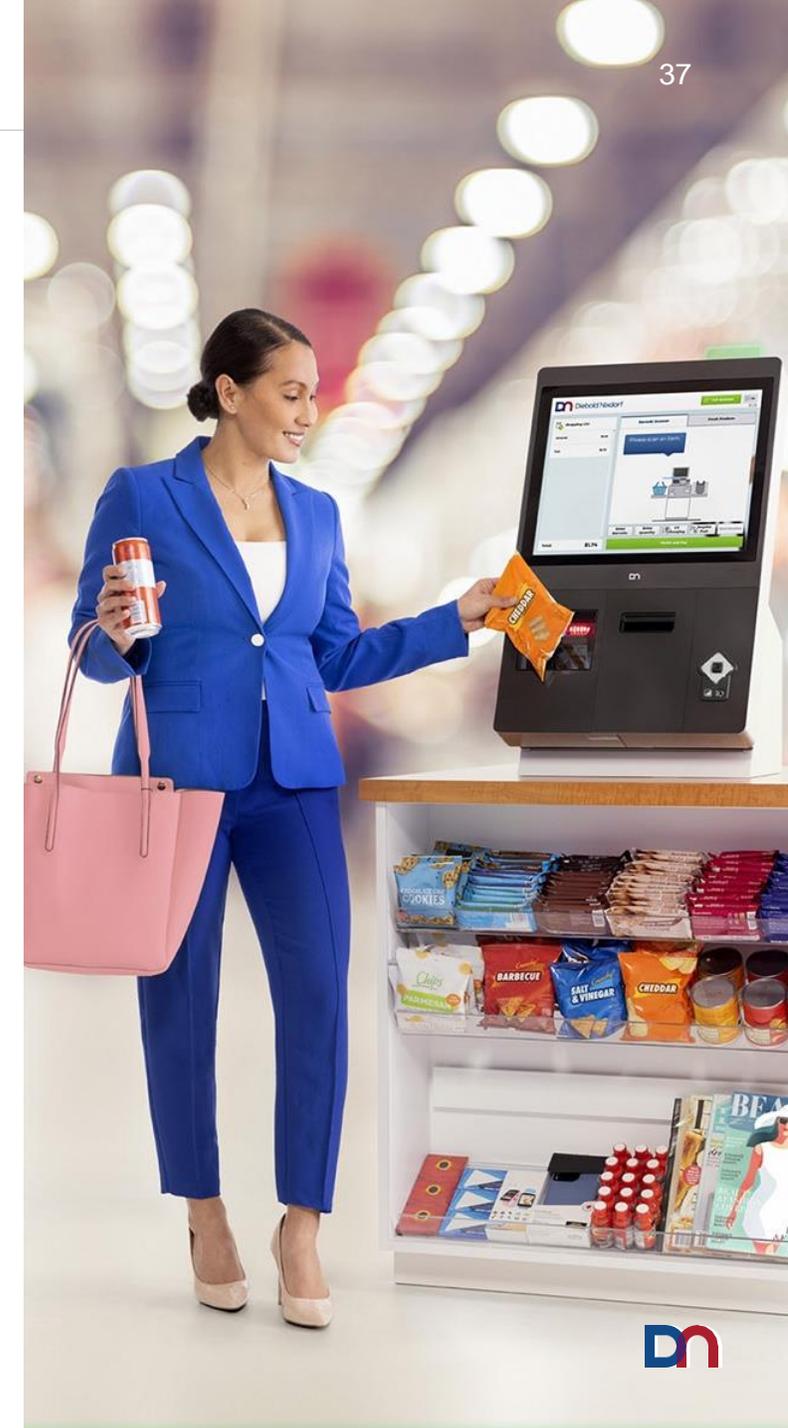
REVENUE BY REGION



**\$988M**  
2024  
Revenue

● SERVICE 57%    ● PRODUCT 43%

● EMEA 85%    ● APAC 8%  
● AMERICAS 7%



# Secular Growth Trends Driving Growth in Retail Checkout

## Consumer Expectations



Creating enhanced, personalized, friction-free shopping environments and experiences

- Self-service consumer
- Mobile-based staff journeys

## Store Digitalization



Looking to complement physical shopping journeys by accelerating digital investment into:

- In-store software
- Hardware automation

## Labor Dynamics



Greater store automation and changing role of store staff, requiring need to support multiple channels with focus on:

- Productivity
- Flexibility

## Sustainability



Retailers continue their commitment to cost and carbon footprint reduction driven by consumers expectations:

- Energy efficiency
- Environmental sustainability
- Ethical practices

# Retail Strategy is Driving Growth and Margin Expansion

Pursuing multiple paths to drive profitable Retail growth

**Expand Offerings in our Core Markets (Europe)**

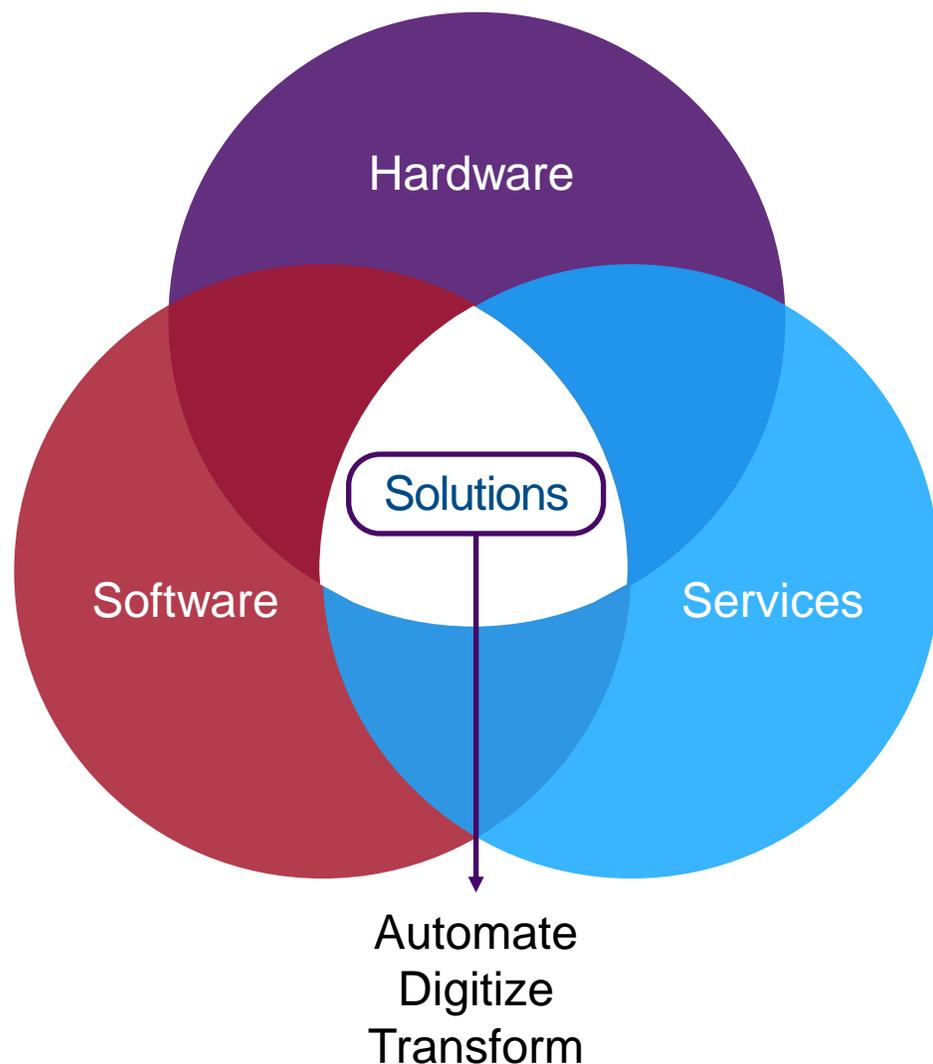
**Unlock Growth Potential in Underpenetrated Markets with Self Service (North America)**

**Enhance Value with AI Checkout Solutions**

**MSD top-line growth by 2027 and higher segment margins**



# Holistic Retail Solutions Across the Value Chain



## HARDWARE

### DN Solutions

- Electronic Point-of-Sale (ePOS)
- Self-service Order Kiosk
- Self-checkout (SCO)

### Growth drivers

- Upgrade legacy ePOS
- Convert ePOS to Self-service units
- New organic placements of self-service units
- Enhance offering with AI

## SOFTWARE

### DN Solutions

- Vynamic Retail Platform
- Vynamic Engage
- Vynamic Self Service
- Vynamic Smart Vision

### Growth drivers

- Expectations for personalization & greater utility with checkout journeys
- Technology architecture modernization
- Enterprise-wide retail optimization

## SERVICES

### DN Solutions

- DN AllConnect Service
- Monitored / Managed Services
- Mobility Services

### Growth drivers

- In-store tech/device proliferation
- Lower cost of ownership / operation for the retailer

# Smart, Secure and Sustainable Touchpoints

Capitalize on technology replacement wave with open, modular and sustainable offering

## MORE OPEN

Flexibility to integrate with heterogeneous or industry standard software

## MORE AVAILABLE

Remote monitoring of hardware and software underpins higher uptime and reduced cost

## MORE MODULAR

Enabling customizable solutions for different retailer needs and consumer journeys



## MORE SUSTAINABLE

Highly energy efficient solutions with recycled materials

## MORE INNOVATIVE

Computer-vision, AI-enabled smart vision improves the experience and efficiency for retailers and customers

## DELIVERING VALUE FOR CUSTOMERS

TESCO

MARKS & SPENCER

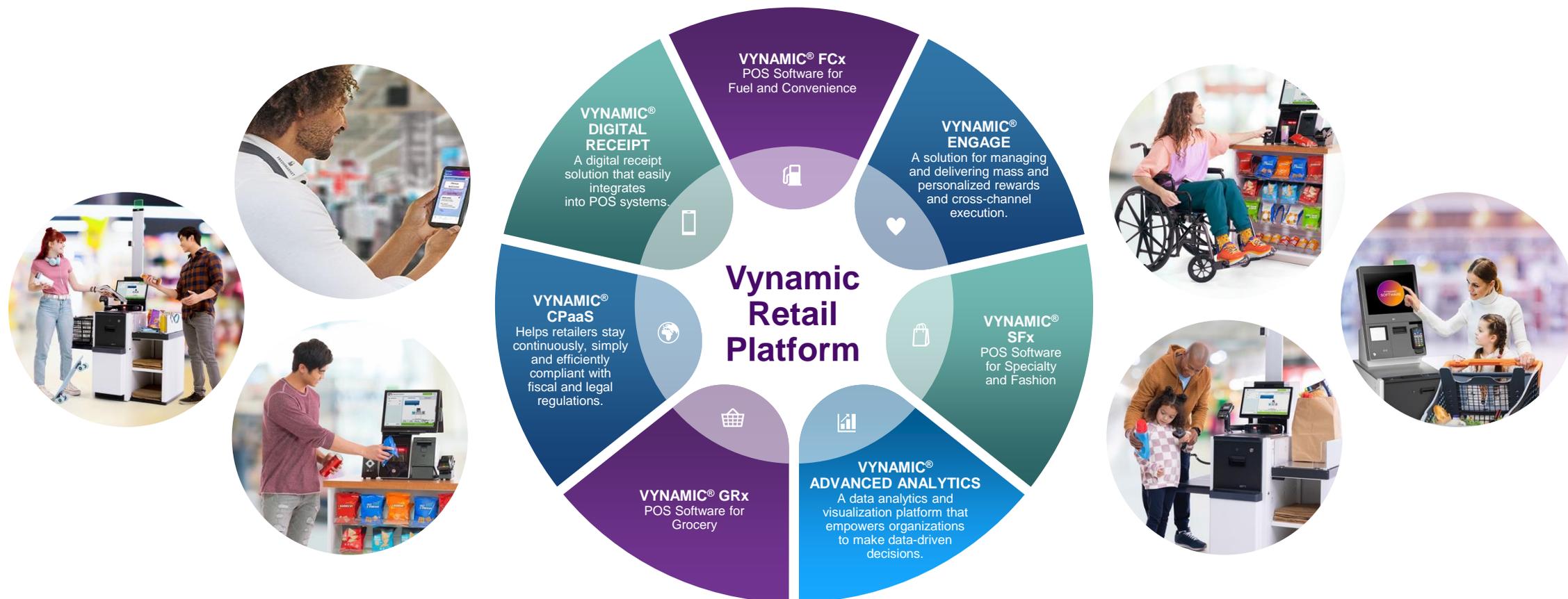


AS Watson



# Software Modernization Brings Opportunity in Retail

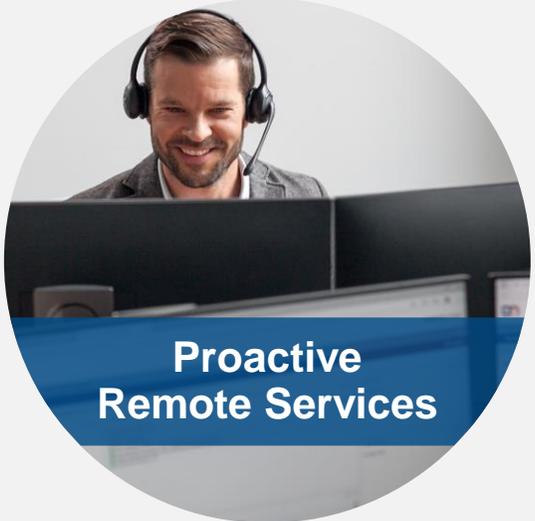
Enable new and future consumer shopping journeys with modular, API-driven architecture



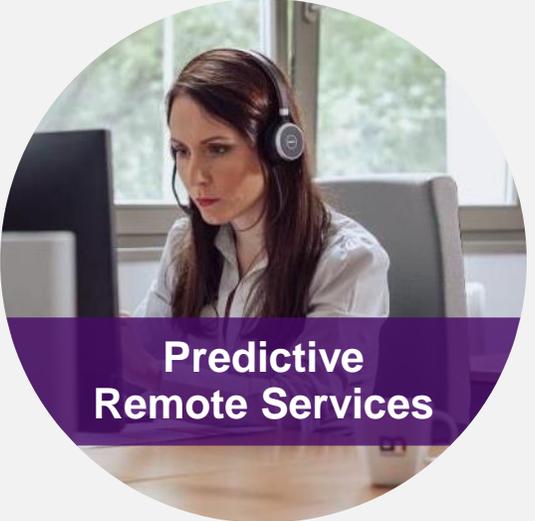
An open platform for connected retailers to enhance legacy software platforms

# DN Services Enable Efficiency and Lower Ownership Cost

Majority of self-checkout shipments are new placements representing an opportunity for higher service assets under management



- **Incident resolution** through proactive detection (**we know before you know**)
- Single point of contact for **multivendor support**



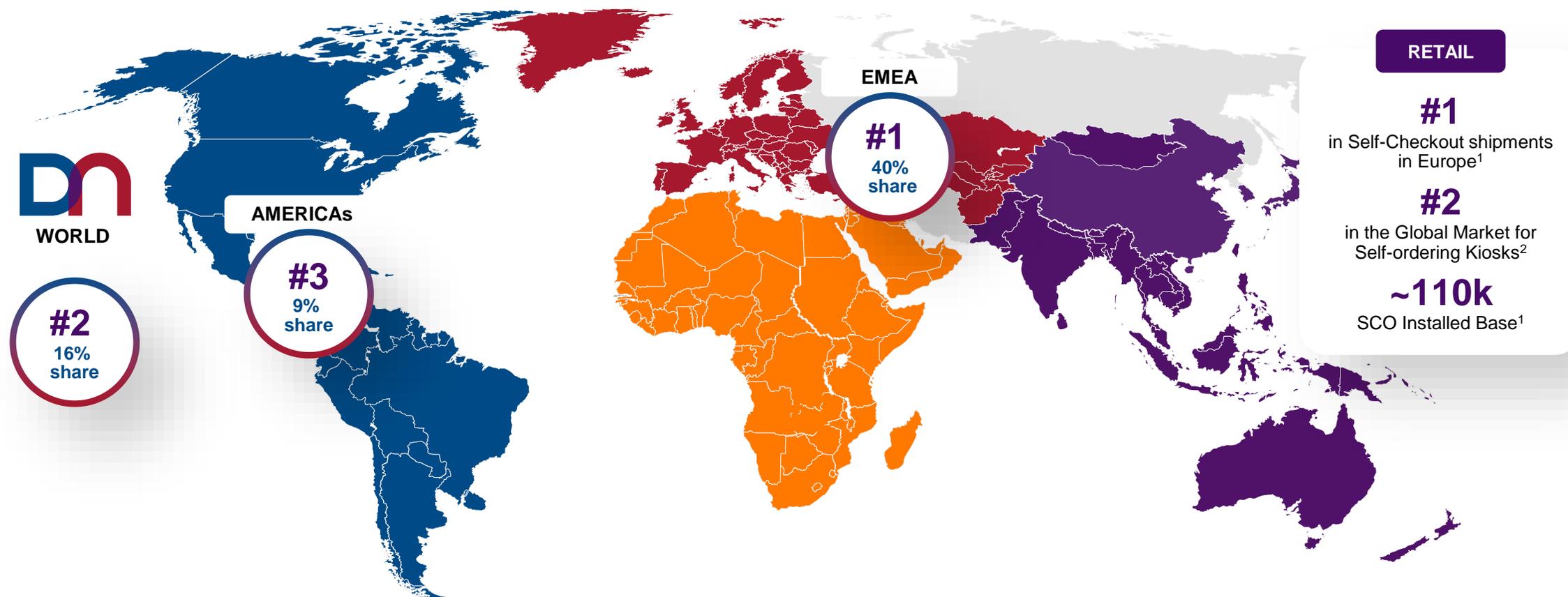
- **Monitoring** business-critical resiliency
- **AI-based prediction** detects downtime risk and identifies solutions before they occur
- **Real-time actionable** insights from tens of thousands devices globally



- Efficient field operations and **improved first-time-fix** through advanced call diagnostics
- **Preventive maintenance** for risk reduction based on AI prediction

# Global Retail Automation Market Overview

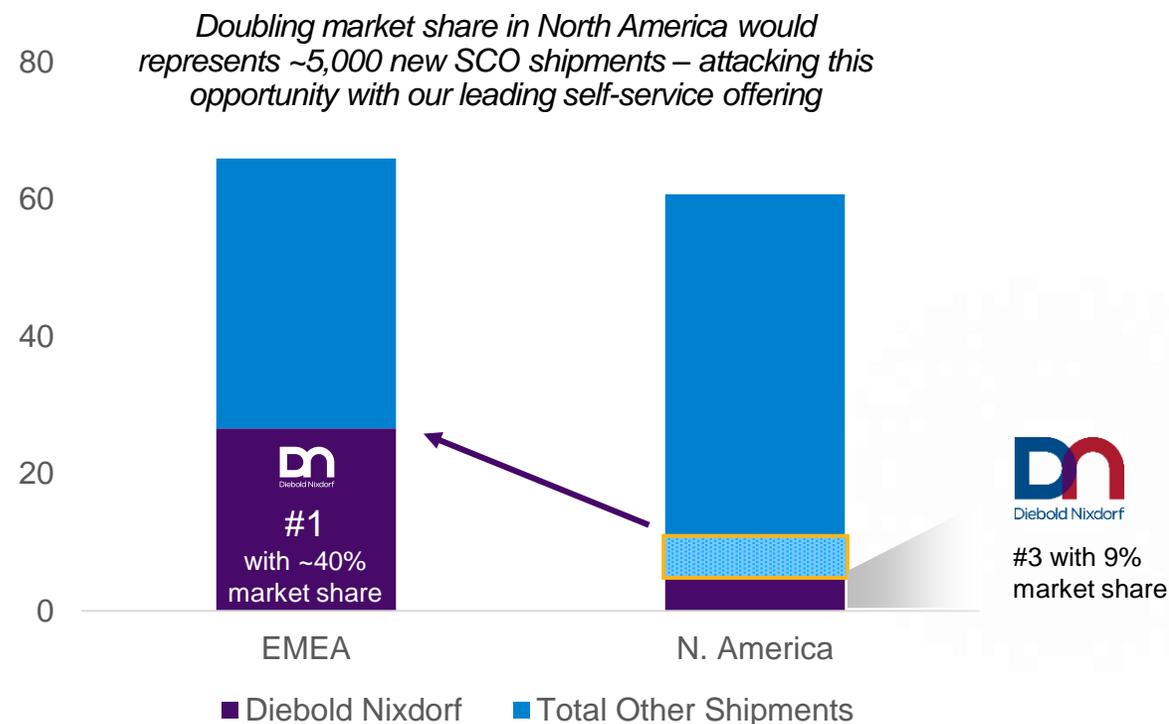
Focused on expanding our core self-service solutions in Europe and leading with self-service in North America to accelerate growth and win new logos



# North American Retail Market Share Opportunity

Retailers are replacing closed legacy bundled self checkout with our open self-service solutions

## TOTAL SELF CHECKOUT SHIPMENTS (2023 IN 000) <sup>(1)</sup>

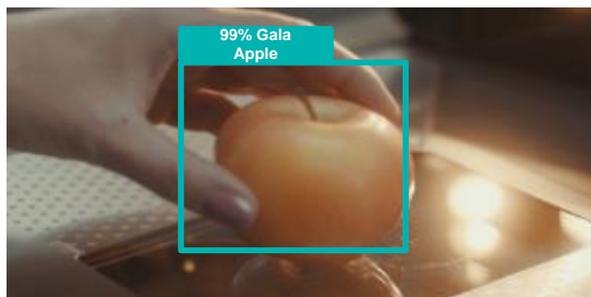


## OPPORTUNITY FOR NEW NORTH AMERICA RETAIL WINS

- **>100k Retail locations** in North America
- Retailers with mixed hardware, software and service vendors are more than two-thirds of the market
- **~70% have no explicit preference** to stay with current provider
- Represents **~\$1.1B market opportunity**

# Artificial Intelligence and the Evolution of Checkout

Augmenting self-service checkout solutions to reduce friction and minimize shrink loss – unlocking value for existing customers and creating entry point to new logos



Vynamic® Smart Vision  
Fresh Produce Recognition

Recognizes unpackaged fresh produce items, whether loose, in plastic bags, reusable nets, or pre-packaged, fully automatically.

Up to  
**67%**  
Increase in  
Process  
Speed



Vynamic® Smart Vision  
Age Verification

Enables customers to verify their age automatically without waiting for a store assistant.

Up to  
**75%**  
Reduction in  
Employee  
Intervention



Vynamic® Smart Vision  
Shrink Reduction

Addresses the leading cause of loss in retail. Our computer vision technology prevents loss at self-checkout.

Up to  
**73%**  
Reduction in  
Shrinkage

# French Retailer Intermarché Deploys Vynamic Smart Vision

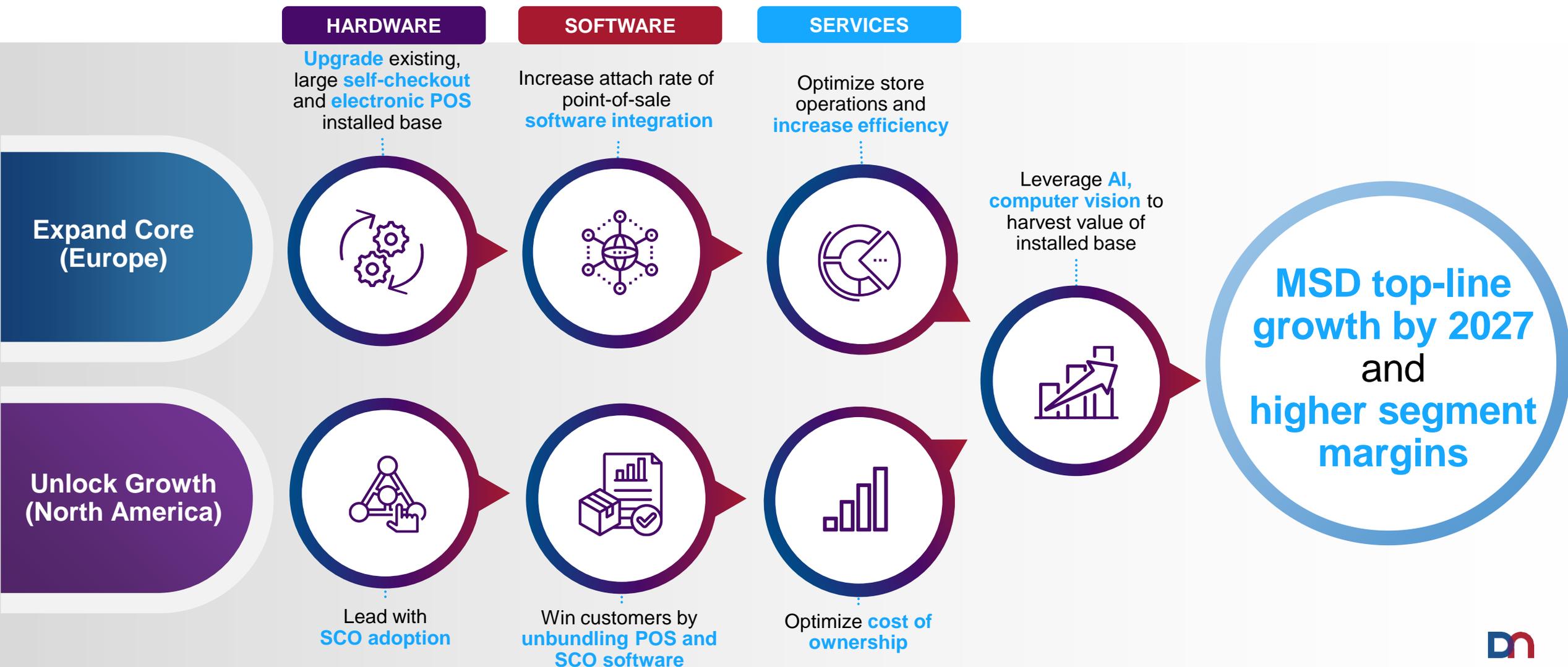


“We have designed an innovation that revolutionizes self-service checkout management. It benefits everyone: customers, staff members and our retailer groups. The ability to reduce losses, make transactions more fluid and remove friction for consumers marks a real turning point for our sector.”



**MAXIME CANU**  
INNO LAB LEADER  
GROUPEMENT MOUSQUETAIRES  
(INTERMARCHÉ PARENT COMPANY)

# Retail Strategy Driving Growth and Margin Expansion





Break



**Frank Baur**  
Executive Vice President,  
Operational Excellence

# Continuous Improvement Journey

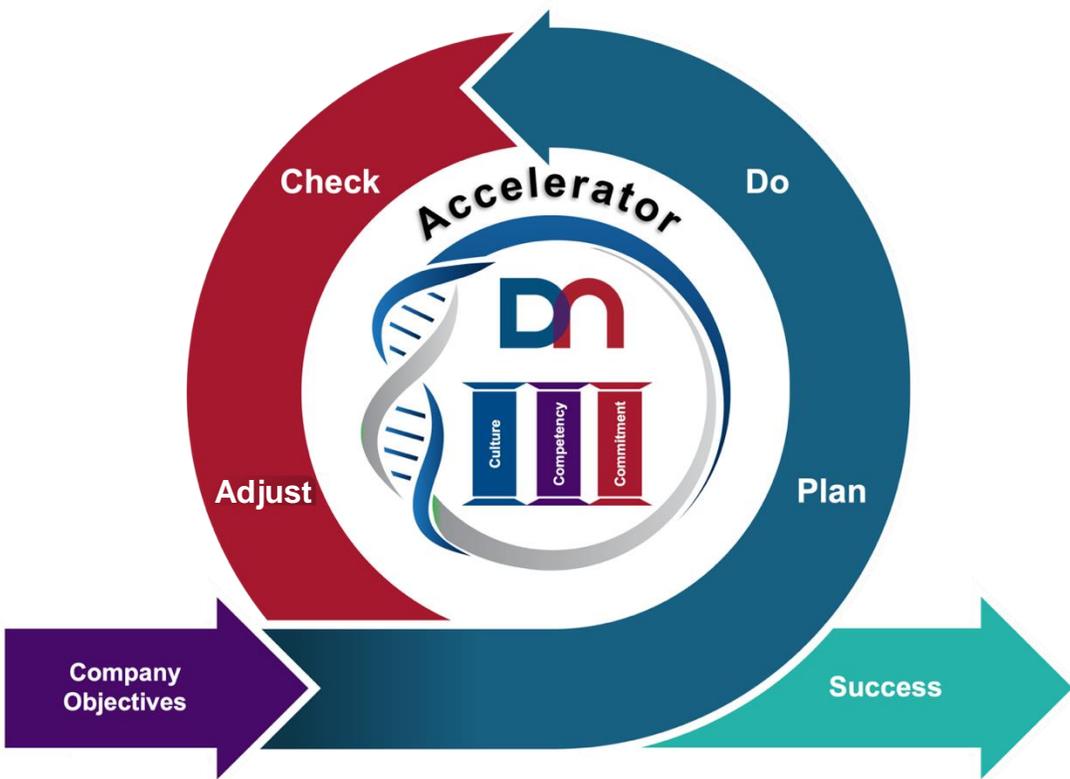
# Continuous Improvement Journey Driving Consistent Execution

- ✓ Results of our integrated culture of Continuous Improvement realized in **safety, quality, delivery and cost** with runway for additional optimization
- ✓ **DN Accelerator** builds the core of our LEAN based operating system
- ✓ Driving a **cultural** transformation, built on LEAN **competency** and a strong **commitment** across the entire organization
- ✓ In 2024, we **drove measurable results** with LEAN and Continuous Improvement in **manufacturing, supply chain and logistics environment**
- ✓ Expect **continued impact** as we accelerate our journey into the service organization in 2025

# Accelerating Our Continuous Improvement Journey

Have a plan, execute to plan, check and adjust to deviations against the plan

**The DN Accelerator**  
is our LEAN operating system  
enabled by **culture, competency and  
commitment** to drive **operational  
excellence and transformation.**



# Foundation for Operational Excellence and Transformation

The Diebold Nixdorf approach focuses on the “3 C’s” as the foundation of our transformation



## Culture

A company culture that focuses on **Continuous Improvement**.

A collective commitment to learning and improving that focuses on the needs and **expectations of customers**.



## Competency

Developing LEAN thinking **knowledge** and practical **skills** in the workplace.

Training and learning LEAN **principles** and **tools**.



## Commitment

**LEAN is how we run, change, and act** in our business

Relies on our leaders driving the Op-Mech, including going to **GENBA** and using the system to coach and develop the team.

Structured workshops – **Kaizen** events – designed to **implement rapid improvements** in a specific area

# Deep Focus on Safety, Quality, Delivery & Cost

Significant impact from 45 kaizens across our manufacturing, supply chain & logistics network



**Safety**

**+30%**

Reduction in lost employee time



**Quality**

**+30%**

Increased product build quality



**Delivery**

**+20%**

Improvement in on-time delivery



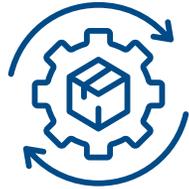
**Cost**

**~\$50M**

Achieved 2024 full-year gross annualized savings target

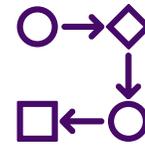
# Journey Continues – Supply Chain Remains Paramount

Applying our LEAN operating system to three primary areas of manufacturing and supply chain to improve customer satisfaction, mitigate cost inflation and drive product gross margin expansion



## Enhance Supply Chain Resiliency

- Implement more **local-for-local** model / near-sourcing to move closer to the customer
- **Reduce** exposure to **potential tariff** increases
- **Reduce reliance on China** with target of less than 10% of component parts sourced from the country



## Drive Asset Light Model

- Increase flexibility with better processes and **elimination of waste** to drive efficiency
- Realized reduction in real estate footprint
- Leverage contract manufacturing arrangement in India



## Unlock Value for Customers

- **Quality** is a foundation of all of our Products
- **Lead-time reduction** to deliver products more quickly
- Allow for **customization** to customer requirements, even when late in the process

~25 to 50 basis points of YoY improvement in product gross margin each year 2025 - 2027

# Expanding Focus to Service is Key Driver of Future Success

Focused on KPIs that will drive higher customer satisfaction and expand service gross margin



## Daily Management of Core Service Operations

- Reduce **call rates**
- Increase **first-time fix rate**
- Improve **parts availability** while optimizing inventory
- Improved **repair** approach



## Deploy Tools to Drive Efficiency

- Global **artificial intelligence** enriched incident management system
- ACDE **analytics**
- Continue rollout of Oracle Field Services



## Customer Focus

- Meet and exceed **service level** agreements
- Minimize penalties
- Eliminate long-running calls

~100 basis points of YoY improvement in service gross margin each year 2025 - 2027

# Driving Strong Early Results in Services

Conducting initial Service-focused Kaizen events to strengthen operations

## PROBLEMS BEING ADDRESSED



Improved resource and material flow to increase **spare parts availability**



Reduction in **process time** across Service repair and install staging processes



**Daily management** for branch leader



## IMPROVEMENT ACTIONS



15% increase in **productivity**



40% reduction in average days of **inventory** on hand



**Leader standard work** successfully implemented



15 **safety** improvements implemented

# The 3 'C's Implemented Across All Areas and Functions



## Culture

Continuous Improvement in all that we do – **LEAN is in our DNA**



## Competency

**Applying LEAN tools and techniques** to drive accelerated impact



## Commitment

The company has bought in to the Continuous Improvement journey and **our momentum accelerates** as we demonstrate its value



**Tom Timko**

Executive Vice President and  
Chief Financial Officer

# Financial Overview

# Delivering Improved Results with Clear Roadmap Ahead

- ✓ Our transformation journey is delivering **strong financial improvements** with **opportunities to unlock additional value**
- ✓ Growth framework supports **mid-single digit revenue growth by 2027** with **long-term double-digit growth in adjusted EBITDA**
- ✓ Targeting to **strengthen free cash flow conversion to 60%+**
- ✓ **Disciplined capital allocation** framework to maintain fortress balance sheet, while growing the business and **returning capital to shareholders**

# Positioning the Company for Long-Term Success

Employing the right structure, culture and goals to drive value creation

-  **1** Improved capital structure and maintain a fortress balance sheet
-  **2** Embedded operational excellence and Continuous Improvement mindset
-  **3** Driving consistent, profitable growth with greater free cash flow visibility and conversion
-  **4** Accelerating recurring, higher-margin services growth

We have made solid progress and have a significant runway ahead

# Fortress Balance Sheet and Liquidity

~\$1.7 billion market capitalization



Total Liquidity

**>\$600M**  
Cash & Revolving  
Credit Facility

Cash Balance

**\$328M**  
Cash & Short-Term  
Investment

Net Leverage<sup>(1)</sup>

**1.4x**  
Net Debt / TTM  
Adjusted EBITDA

Credit Ratings

**B / B2**  
S&P / Moody's

Debt Reduction

**\$338M**  
Gross Debt Paid  
Off in 2024

O/S Maturities

**\$950M**  
7.750% Senior  
Secured Notes Due  
2030

<sup>1</sup>Net leverage calculated using net debt divided by trailing twelve month Adjusted EBITDA, which is a non-GAAP metric. See Supplemental Slides for a reconciliation.

# Financial Growth Framework to Deliver Long-Term Value

## Accelerate Revenue Growth

- Targeting mid-single digit revenue growth by 2027:
- 2% to 3% core business growth
- 2% to 3% growth initiatives

## Expand Margins

- Grow higher margin revenue streams
- Achieve historical service margins
- Incremental product margin expansion
- Committed to further OpEx reductions

## Strengthen FCF Conversion

- Lower interest expense
- Increase working capital efficiency
- Lower professional fees and restructuring

## Disciplined Capital Allocation

- Maintain net leverage at  $\sim 1.5x^1$
- Fund strategic organic growth
- Return capital to shareholders
- Explore small, bolt-on service-related M&A

<sup>1</sup>Net leverage calculated using net debt divided by trailing twelve month Adjusted EBITDA, which is a non-GAAP metric. See "Supplemental Slides for a reconciliation. Given the seasonality of the business, net debt leverage range is +/- 25 bps

# Our Growth Acceleration Plan – 3 Year Targets



<sup>1</sup>Non-GAAP

<sup>2</sup>With respect to the company's adjusted EBITDA, free cash flow and free cash flow conversion, it is not providing a reconciliation to the most directly comparable GAAP financial measures because it is unable to predict with reasonable certainty those items that may affect such measures calculated and presented in accordance with GAAP without unreasonable effort. These measures primarily exclude future restructuring and refinancing actions and net non-routine items. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, operating profit and net income calculated and presented in accordance with GAAP.

Note: LSD is Low-Single Digits, MSD is Mid-Single Digits, HSD is High-Single Digits and Low DD is Low Double-Digits.

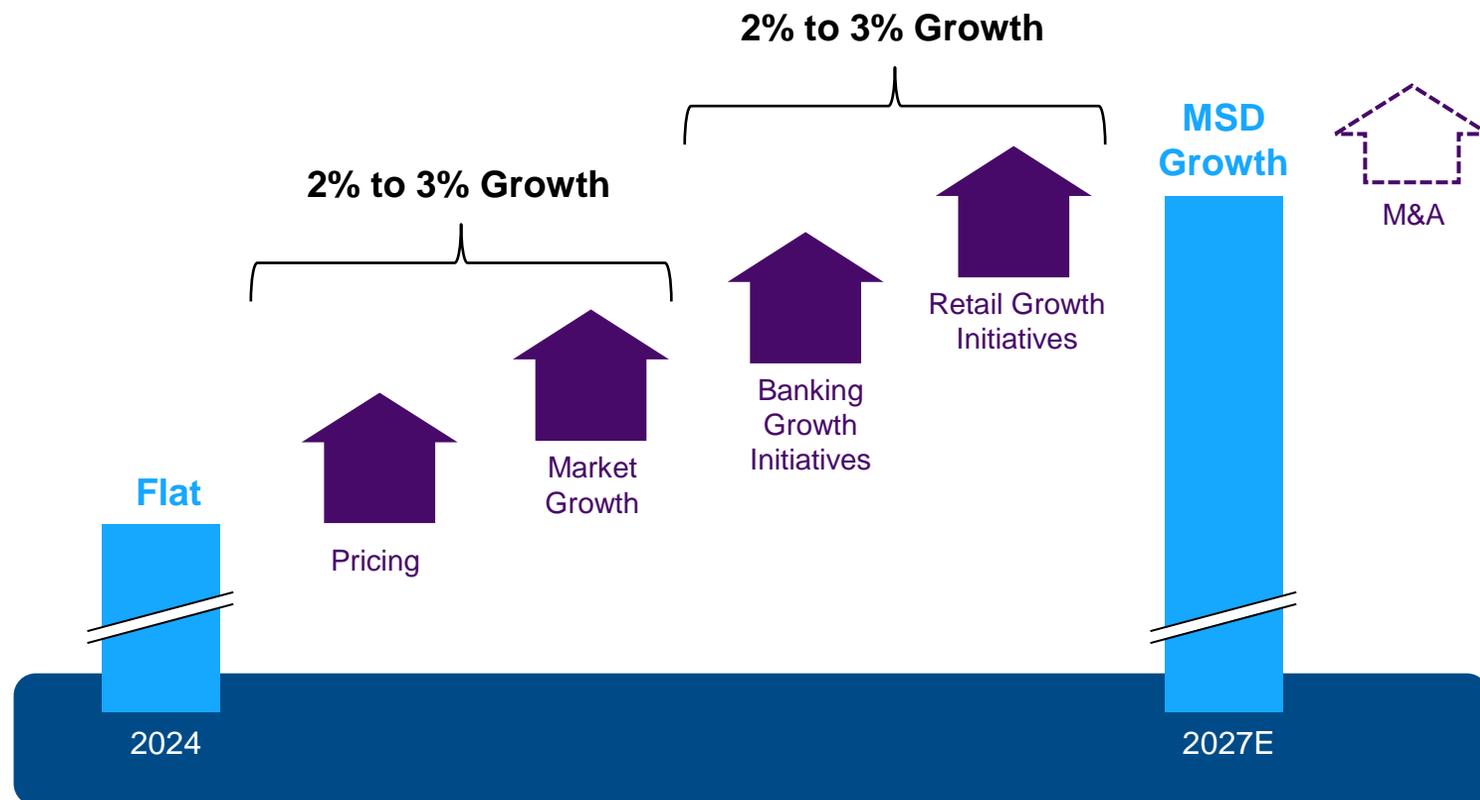


# Revenue: Multiple Long-Term Profitable Growth Opportunities

Targeting MSD total revenue growth by 2027

## DRIVERS

- Core business in Banking and Retail grows at a 2% to 3% CAGR
- Targeting an incremental 2% to 3% growth from stand-alone Banking and Retail growth initiatives
- Evaluate small bolt-on acquisitions in the future

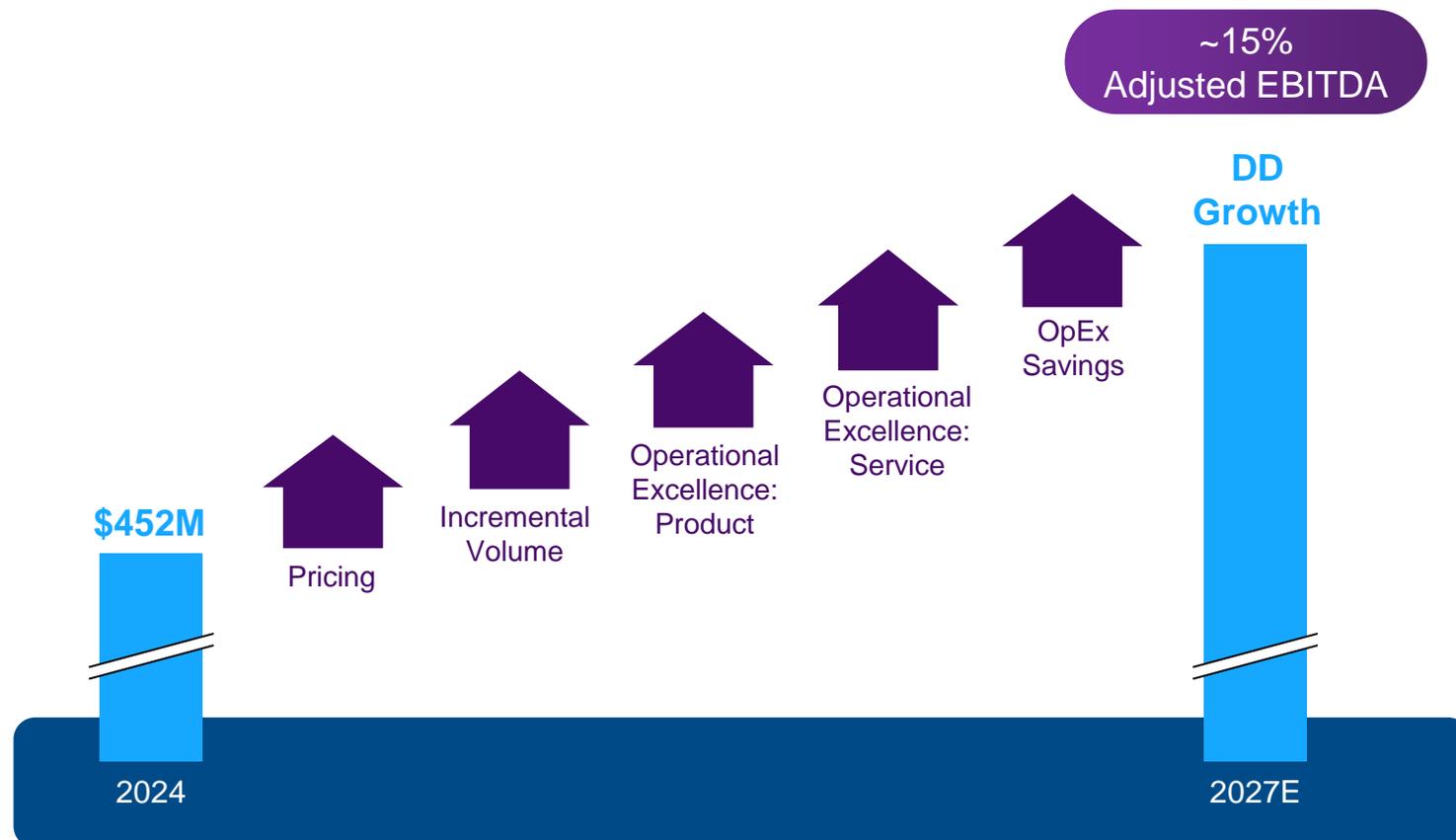


# Adjusted EBITDA: Continued Growth and Margin Expansion

Operational excellence + flow through of higher margin revenue drive profitability improvement

## DRIVERS

- Profitable revenue growth with mix shift towards higher value product and service
- Product and service operational excellence drives margin improvement
- Disciplined operating expenses



# Building Blocks to Adjusted EBITDA Improvement

Multiple levers to pull over the 3-year period to strengthen profitability

LEVER	FOCUS AREA FOR IMPACT
<b>Incremental Margin</b>	<ul style="list-style-type: none"> <li>• Banking and Retail growth initiatives based on higher-margin product and service revenues               <ul style="list-style-type: none"> <li>– Banking: Branch Automation Solutions and Fit-for-purpose emerging markets product portfolio</li> <li>– Retail: Increasing North America volume and expand core in Europe</li> </ul> </li> <li>• Increased density of service units under contract on a largely fixed cost base</li> </ul>
<b>Operational Excellence: Product &amp; Service</b>	<ul style="list-style-type: none"> <li>• LEAN and Continuous Improvement impact on Product and Service over the 3-year period               <ul style="list-style-type: none"> <li>– ~25 to 50 basis points of YoY improvement in product gross margin each year</li> <li>– ~100 basis points of YoY improvement in service gross margin each year</li> </ul> </li> </ul>
<b>Operating Expense</b>	<ul style="list-style-type: none"> <li>• Maintain discipline and lower operating expense up to ~\$50M over the 3-year period – move closer to industry benchmarks</li> </ul>

# FCF Conversion: Clear Path to 60%+ by Year-End 2027

Seeking to more-than-double our FCF conversion rate

## DRIVERS

- Debt refinancing completed in December 2024 driving \$70M annual interest expense savings
- Increased net working capital efficiency relative to history
- Reduced professional fees related to corporate restructuring and severance payments tied to internal reorganization
- Reduced cash taxes



# Building Blocks to Free Cash Flow Improvement

Multiple levers to pull over the 3-year period to strengthen free cash flow

METRIC	FOCUS AREA FOR IMPACT
<b>Interest Expense</b>	<ul style="list-style-type: none"> <li>• Latest debt refinancing secured \$950M of 7.75% Secured Notes and resulted in \$70M annual interest expense savings</li> <li>• Comparable peers average ~6.5% - potential improvement in 2027 following 2-year no call period</li> </ul>
<b>Working Capital</b>	<ul style="list-style-type: none"> <li>• Drive sustainable improvements across working capital metrics               <ul style="list-style-type: none"> <li>– Accounts Receivable: One day DSO improvement represents ~\$10M of cash</li> <li>– Inventory: One day DIO ~\$7M of cash</li> <li>– Accounts Payable: One day DPO ~\$6M of cash</li> </ul> </li> </ul>
<b>Professional Fees</b>	<ul style="list-style-type: none"> <li>• ~\$50M of cash outlays for professional fees in 2024 tied to prior corporate restructuring</li> <li>• All projects conclude in 2025 resulting in ~60% decrease year-over-year in 2025</li> </ul>
<b>Cash Taxes</b>	<ul style="list-style-type: none"> <li>• \$63M of cash taxes paid in 2024</li> <li>• Implementing tax planning strategies that includes legal entity rationalization and structural simplification</li> </ul>

# Capital Allocation Framework

Accelerating growth and unlocking shareholder value – with potential to generate ~\$800M of FCF from 2025 to 2027

1

## Fortress Balance Sheet

- ~1.5x Net Debt Leverage<sup>1</sup> target
- Increased liquidity to >\$600M
- Improve credit ratings towards investment grade

2

## Business Investment

- Capital light model: CapEx ~1.5% of sales
- R&D investment to drive portfolio innovation
- Infrastructure upgrades

3

## Return Capital to Shareholders

- \$100M initial share repurchase authorization
- Evaluation of additional return of capital

4

## Disciplined M&A

- Opportunistic strategic investment to build capabilities
- Small, tuck-in opportunities that accelerate long-term growth strategy (not a near-term priority)

Following a returns-based approach to capital allocation – ROIC is primary metric  
Strongest return on excess cash from share repurchase

<sup>1</sup>Net leverage calculated using net debt divided by trailing twelve month Adjusted EBITDA, which is a non-GAAP metric. See "Supplemental Slides for a reconciliation.  
Given the seasonality of the business, net debt leverage range is +/- 25 bps

# Returning Capital to Shareholders

Initiated first share repurchase program to return capital to shareholders



**\$100M**

Share  
Repurchase  
Authorization

## SHARE REPURCHASE PROGRAM HIGHLIGHTS

- Healthy cash balance and **growing free cash flow** in the near-term
- Program represents **~6% of current market cap**
- Executing an **open market repurchase** to optimize the impact of the buyback and timing of cash availability
- Primary focus to return **vast majority of capital to shareholders**

# Disciplined Capital Allocation Approach to Inorganic Growth

Small, bolt-on opportunities primarily in the service area accretive to growth and margin profile

## Target Company Profile



Strengthen solutions offering



Add density to service footprint



Operate in existing end markets



Strong FCF attributes



Above-market growth rates

## Key Evaluation Metrics



Accretive to DN



Strong ROIC



Not dependent on large synergies



Ability to execute

Capital allocation priorities compete for capital based on ROIC  
Higher rate required for any potential acquisition – ROIC spread above WACC

# Under Appreciated Free Cash Flow

Generating shareholder value via free cash flow

- ✓ Strengthening free cash flow conversion to 60%+
- ✓ Achieving our 3-year targets would imply FCF equivalent to nearly half DN's current market cap
- ✓ Maintaining fortress balance sheet, while growing the business and returning capital to shareholders

**\$800M**

Targeted  
Free Cash Flow  
Generation Cumulative  
2025-2027



**Octavio Marquez**  
President and  
Chief Executive Officer

# Strategic Value Creation

# Diebold Nixdorf Investment Thesis

Delivering value creation across three key drivers

## Capturing Secular Tailwinds

Well positioned to capitalize on growing TAMs, AI integration trends and shifting consumer preference to self-service in Banking and Retail



## Driving Growth & Profitability

We are in the initial stages of our LEAN journey driving significant profitability improvement and expanding efforts across the company



## Increasing Cash Generation

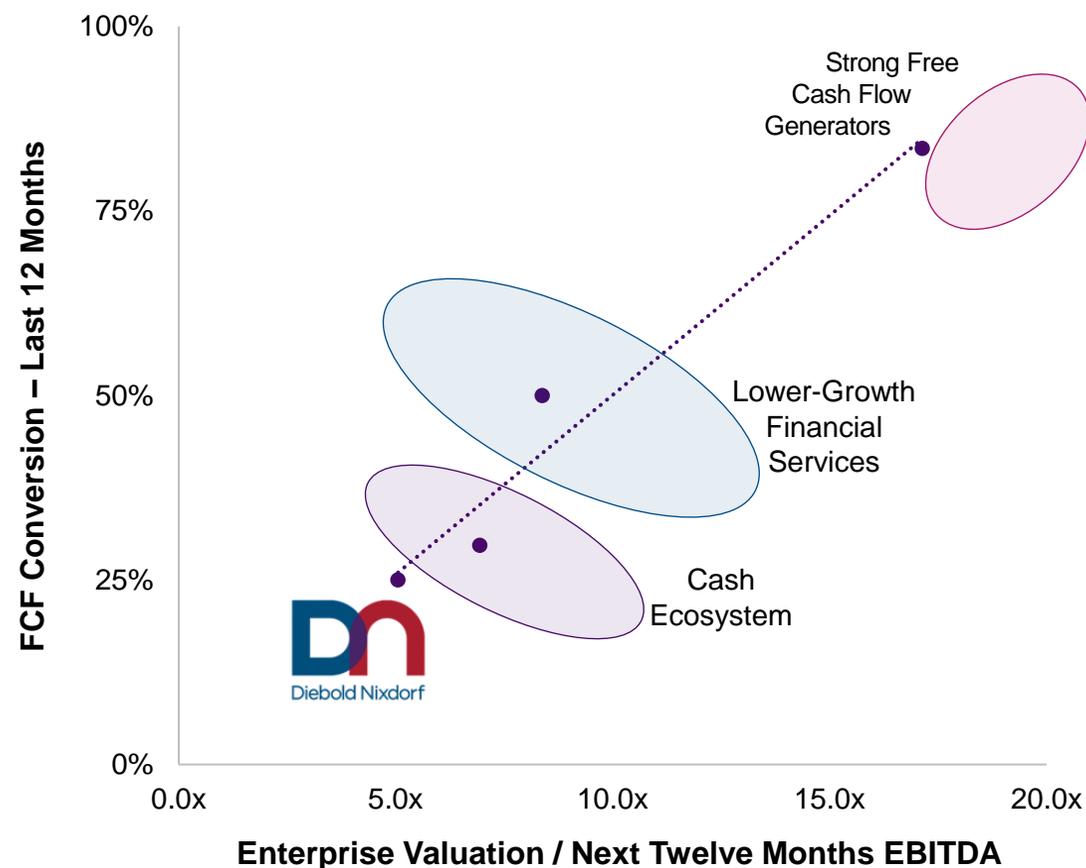
We plan to deliver significant and growing FCF conversion which enables further investment for growth and increased shareholder return



Targeting annual double-digit adjusted EBITDA growth by 2027 & 60%+ FCF conversion

# Putting DBD Valuation Potential in Perspective

We believe the market has only just begun to recognize the potential of Diebold Nixdorf



Profitable Revenue Growth

3 YR  
TARGETS

MSD

Strong Adjusted EBITDA Growth<sup>1,2</sup>

Low DD

Improving Free Cash Flow Conversion<sup>1,2</sup>

60%+

<sup>1</sup>Non-GAAP

<sup>2</sup>With respect to the company's adjusted EBITDA, free cash flow and free cash flow conversion, it is not providing a reconciliation to the most directly comparable GAAP financial measures because it is unable to predict with reasonable certainty those items that may affect such measures calculated and presented in accordance with GAAP without unreasonable effort. These measures primarily exclude future restructuring and refinancing actions and net non-routine items. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, operating profit and net income calculated and presented in accordance with GAAP.

Note: LSD is Low-Single Digits, MSD is Mid-Single Digits, HSD is High-Single Digits and Low DD is Low Double-Digits.

# Key Messages - Positioning the Company for Long-Term Success

- ✓ Improving operational execution and maintaining fortress balance sheet
- ✓ Banking and Retail expanding TAM through tailored, compelling solutions
- ✓ Significant positive impact from LEAN and Continuous Improvement
- ✓ ~15% adjusted EBITDA margin and 60%+ free cash flow conversion by 2027

# Question and Answer Session



**Octavio Marquez**  
President and  
Chief Executive Officer



**Tom Timko**  
Executive Vice President  
and Chief Financial  
Officer



**Joe Myers**  
Executive  
Vice President,  
Global Banking



**Ilhami Cantadurucu**  
Executive  
Vice President,  
Global Retail



**Frank Baur**  
Executive  
Vice President,  
Operational Excellence



Diebold Nixdorf



Thank You

---

# Supplemental Slides

---

# Reconciliation of GAAP results to Non-GAAP results – FY24 (\$M)

Twelve months ended December 31, 2024													
(\$ in millions)	Service Sales	Product Sales	Net Sales	COS - service	COS - product	COS	Gross Profit	% of Sales	SG&A	R, D & E	Other OPEX	OP	% of Sales
GAAP	\$2,150.4	\$1,600.7	\$3,751.1	\$1,616.9	\$1,214.2	\$2,831.1	\$ 920.0	24.5 %	\$ 643.6	\$ 93.6	\$ 0.7	\$ 182.1	4.9 %
Restructuring and transition - personnel	—	—	—	(23.8)	(3.2)	(27.0)	27.0		(13.3)	(9.3)	—	49.6	
Transformation - other	—	—	—	(0.8)	—	(0.8)	0.8		(58.7)	4.7	(1.7)	56.5	
Financial restructuring costs	—	—	—	—	—	—	—		(15.9)	—	0.1	15.8	
Divestitures and asset sales	—	—	—	—	—	—	—		—	—	2.6	(2.6)	
Legal deal matters	—	1.7	1.7	—	0.1	0.1	1.6		(1.9)	—	—	3.5	
Other	—	—	—	—	1.1	1.1	(1.1)		—	—	(1.5)	0.4	
Non-GAAP Adjusted results	<u>\$2,150.4</u>	<u>\$1,602.4</u>	<u>\$3,752.8</u>	<u>\$1,592.3</u>	<u>\$1,212.2</u>	<u>\$2,804.5</u>	<u>\$ 948.3</u>	25.3 %	<u>\$ 553.8</u>	<u>\$ 89.0</u>	<u>\$ 0.2</u>	<u>\$ 305.3</u>	8.1 %

GAAP and Non-GAAP results above include amortization of fair valued assets of \$53.9 in COS - Service, \$21.0 in COS - Product, \$8.3 in SG&A, and \$0.5 in RD&E.

## Notes for Non-GAAP Measures

To supplement our consolidated financial statements presented in accordance with GAAP, the company utilizes certain financial measures that are not prepared in accordance with GAAP, including Non-GAAP results, EBITDA and Adjusted EBITDA, adjusted earnings per share, free cash flow (use) and net debt. Restructuring and transition - personnel expenses incurred during 2024 and 2023 relate to the cost savings initiative focused on operational simplification and automation of processes, and include severance and payroll of employees transitioning out of the organization. Costs of third-parties assisting with the execution of the program are categorized as Transformation - other. Financial restructuring costs incurred in 2024 and 2023 are advisor fees for the Company's restructuring process to optimize the capital structure that do not qualify for capitalization. Legal deal matters primarily relates to third-party expenses and fees paid by the company and vendor adjustments in a foreign jurisdiction.

## Reconciliation of GAAP net income to EBITDA and Adjusted EBITDA – FY24 (\$M)

	Six months ended	Nine months ended	Twelve months ended
	June 30, 2024	September 30, 2024	December 31, 2024
<b>Net income (loss) (GAAP)</b>	\$ 0.8	\$ (20.9)	\$ (14.5)
Income tax expense	28.9	58.8	64.3
Interest income	(7.2)	(10.1)	(12.3)
Interest expense	82.2	120.6	155.3
Loss on refinancing	—	—	7.1
Depreciation and amortization	63.5	94.1	132.3
<b>EBITDA (Non-GAAP)</b>	168.2	242.5	332.2
Share-based compensation	4.5	7.4	9.7
Amortization of cloud-based software implementation costs	2.8	3.8	4.9
Foreign exchange loss (gain), net	(8.0)	(5.1)	(13.8)
Miscellaneous, net	(3.6)	(5.3)	(1.5)
Equity in earnings of unconsolidated subsidiaries	1.4	2.9	(2.5)
Restructuring and transformation expenses	47.2	79.1	106.1
Refinancing related costs	11.9	14.0	15.8
Non-routine expenses, net	(2.3)	0.4	1.3
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>\$ 222.1</b>	<b>\$ 339.7</b>	<b>\$ 452.2</b>
Adjusted EBITDA as a % of revenue	12.1 %	12.3 %	12.1 %

The company defines EBITDA as net income (loss) excluding income tax benefit (expense), net interest expense, and depreciation and amortization expense. Adjusted EBITDA is EBITDA excluding the effects of the following items: share-based compensation, amortization of cloud-based software implementation costs, foreign exchange gain/loss net, miscellaneous net, equity in earnings of unconsolidated subsidiaries, restructuring and transformation expenses, refinancing related costs, non-routine expenses, and reorganization items, net as outlined in Note 1 of the Non-GAAP measures. Deferred financing fee amortization is included in interest expense; as a result, the company has excluded such fees from the depreciation and amortization caption. Depreciation and amortization expense was excluded from held for sale non-core business. Amortization of cloud-based software implementation represents amortization of capitalized implementation costs related to cloud-based software arrangements that are included in selling and administrative expenses but are not considered GAAP depreciation and amortization. Reorganization items, net includes all income, expenses, gains, or losses that are incurred or realized as a result of the restructuring proceedings. These are Non-GAAP financial measures used by management to enhance the understanding of our operating results. EBITDA and Adjusted EBITDA are key measures we use to evaluate our operational performance. We provide EBITDA and Adjusted EBITDA because we believe that investors and securities analysts will find EBITDA and Adjusted EBITDA to be useful measures for evaluating our operating performance and comparing our operating performance with that of similar companies that have different capital structures and for evaluating our ability to meet our future debt service, capital expenditures, and working capital requirements. However, EBITDA and Adjusted EBITDA should not be considered as alternatives to net income as a measure of operating results or as alternatives to cash flows from operating activities as a measure of liquidity in accordance with GAAP.



# Financial Results of Segments – FY24 (\$M)

## Gross Margin by Segment - Unaudited for the Year Ended December 31, 2024 and for the Three Months Ended December 31, 2024 and 2023

(\$ in millions)	Twelve months ended		Three months ended			
	December 31, 2024		December 31, 2024		December 31, 2023	
	Non-GAAP		Non-GAAP		Non-GAAP	
	Banking	Retail	Banking	Retail	Banking	Retail <sup>7</sup>
Services	\$ 1,587.4	\$ 563.0	\$ 398.8	\$ 144.4	\$ 399.8	\$ 154.3
Products	1,175.4	425.3	317.2	128.5	350.2	133.8
Total net sales	\$ 2,762.8	\$ 988.3	\$ 716.0	\$ 272.9	\$ 750.0	\$ 288.1
Services	\$ 399.3	\$ 158.8	\$ 100.4	\$ 40.9	\$ 81.5	\$ 46.5
Products	305.2	85.0	70.4	24.8	83.8	19.3
Total gross profit	\$ 704.5	\$ 243.8	\$ 170.8	\$ 65.7	\$ 165.3	\$ 65.8
Services	25.2 %	28.2 %	25.2 %	28.3 %	20.4 %	30.1 %
Products	26.0 %	20.0 %	22.2 %	19.3 %	23.9 %	14.4 %
Total gross margin	25.5 %	24.7 %	23.9 %	24.1 %	22.0 %	22.8 %

Results above includes amortization of fair valued assets of \$53.9 in Services gross profit and \$21.0 in Products gross profit for the twelve months ended December 31, 2024, \$14.7 in Services gross profit and \$6.4 in Products gross profit for the three months ended December 31, 2024 and \$24.3 in Services gross profit and \$(2.6) in Products gross profit for the three months ended December 31, 2023. Products gross profit for the three months ended December 31, 2023 also includes \$23.3 of cost of goods sold from the step-up in inventory basis related to Fresh Start Accounting.

# Reconciliation of free cash flow – FY24 (\$M)

	Q4-23	Q1-24	Q2-24	Q3-24	Q4-24	FY-24
Net cash provided (used) by operating activities	\$ 162.8	\$ (23.5)	\$ (8.0)	\$ (15.5)	\$ 196.2	\$ 149.2
Capital expenditures	(6.3)	(6.7)	(1.7)	(3.8)	(5.2)	(17.4)
Capitalized software development	(6.1)	(6.2)	(6.4)	(5.6)	(4.8)	(23.0)
<b>Free cash flow/(use) (non-GAAP measure)</b>	<b>150.4</b>	<b>(36.4)</b>	<b>(16.1)</b>	<b>(24.9)</b>	<b>186.2</b>	<b>108.8</b>
Add back: cash interest	40.7	40.1	36.3	36.4	36.6	149.4
<b>Unlevered free cash flow (use) (Non-GAAP measure)</b>	<b>\$ 191.1</b>	<b>\$ 3.7</b>	<b>\$ 20.2</b>	<b>\$ 11.5</b>	<b>\$ 222.8</b>	<b>\$ 258.2</b>

# Net Debt Summary (\$M) and Net Leverage

	Q4-24
Cash, cash equivalents, restricted cash and short-term investments	\$ 328.2
Debt instruments	(966.0)
<b>Net debt</b>	<b>(637.8)</b>
Adjusted EBITDA (trailing twelve months)*	\$ 452.2
<b>Net Leverage (Adjusted EBITDA TTM / Net Debt)*</b>	<b>1.4</b>

We believe that cash, cash equivalents, restricted cash, and short-term investments on the balance sheet that net cash against outstanding debt, presented as net debt above, is a meaningful measure.