

29 April 2024

Q4 FY24 BUSINESS UPDATE **TASK Board agrees to be acquired by PAR**

Sydney, Australia – TASK Group Holdings Limited (ASX: TSK) (“TASK” or “the Group”) today provided an update on business activities and performance alongside its Appendix 4C for the quarter ended 31 March 2024 (Q4FY24). All figures presented are in the reporting currency of TASK, the New Zealand dollar (NZD).

Highlights

- **TASK agrees to scheme agreement with PAR Technology**
- **Continued customer growth – multiple wins including a significant customer in Australia**
- **Continuing upsell momentum with existing customers adopting TASK Mobile Order & Pay (MOP) loyalty apps**
- **Launch of white label TASK MOP in Australia**
- **Significant increase seen in usage of the Plexure platform during FY24**

CEO Commentary

Commenting on the performance, CEO, Dan Houden said:

“We are delighted to make progress on all fronts with customer and revenue growth and continuing evolution of our software, ensuring we remain a global technology leader in the markets in which we operate.

This progress ensures we are well placed to make a strong, positive contribution to PAR Technology, should our Scheme proceed as planned. We remain excited by the opportunities created for our employees and business by the combination and look forward to the completion of the Scheme process which we expected to occur in July. ”

Scheme Update

On 11 March 2024, TASK announced that it has entered into a Scheme Implementation Agreement (SIA) with PAR Technology Corporation (NYSE:PAR) (PAR) under which it is proposed that PAR will acquire 100% of TASK’s shares by way of a Court-approved scheme of arrangement (Scheme). Details of the Scheme (including a copy of the SIA) were set out in the announcement of 11 March 2024. See also attached presentation for summary details.

Subject to Court Approval, a Scheme Booklet is expected to be provided to TASK shareholders in or around May 2024. A shareholders meeting to approve the Scheme is expected to be held in June 2024.

Business Update

Three new enterprise TASK customer contracts were executed in Australia in the last quarter with no customer churn.

- Significant customer development in Australia:
 - Sushi Sushi – TASK executed a 180-store agreement for the deployment of TASK enterprise platform across their multiple countries including Australia, New Zealand and North America. Anthony Sok, General Manager IT at Sushi Sushi, said: “We’re pumped to announce our partnership with TASK. As pioneers of the Australian Sushi category, we were seeking a partner with extensive industry presence who could help us continue to drive success for our franchise network and deliver leading customer experiences. TASK has a proven track record spanning over fifteen years, delivering feature-rich solutions. Their dynamic road map aligns perfectly with our growth strategy and ultimately, it was their forward-thinking approach to innovation that made them our ideal partner. With TASK we will be able to really tap into beaconing technology and deliver an empowering omnichannel user experience for both our customers and store teams.” <https://www.sushisushi.com.au/>
- Upsell of existing customers on our digital platform to the full platform including MOP continues, providing those customers with additional mobile and digital functionality and a further channel to engage their customers. As set out in our interim results presentation, upsell to MOP typically more than doubles the revenue per customer to TASK. Another customer MOP app released to market this quarter, with 7 more scheduled next quarter.
- The Plexure division has seen significant growth in engagement on the Plexure platform, with transacting customers for FY24 up 36%. Loyalty engagement has grown significantly with a 56% increase in loyalty related transactions compared to FY23 and the usage of targeted customer offer redemptions has increased by 32% from the previous year.

Platform and Product

TASK continues to invest in its state-of-the-art platform. Recent developments include:

- New features for TASK’s reskinable, natively integrated white label MOP product including:
 - At table ordering in app
 - Universal/Deep Links and in app QR Code Scanner support
 - Nutritional Info setup enhancements
 - Further performance improvements
 - Guest checkout enhancements
 - Initial delivery support development
- Further third party integration enhancements for push notifications, Deliverect and Door Dash
- Loyalty platform enhancements including:
 - Birthday Reward Qualification Rules
 - Disable unregistered members from accrual
 - Discount Dollar API Support for MOP
 - Expiration of Discount Dollar due to inactivity
 - Exposure of member segments on API
 - New report - Library Discount Dollars Adjustment
 - Prompting for member’s Fav / Last Items/Order
- Work continued on the development the TASK Pay solution and certification in Australia and the USA.

The Plexure division continues to develop a range of new platform capabilities along with performance enhancements to its existing APIs. It is in the final stages of preparation for a significant new customer market coming onto the platform in the coming quarter.

TASK.

Cashflow

The Group utilised cash in operating activities of \$6.2 million for the quarter ended 31 March 2024 due to the timing of receipts from customers, with trade receivables up \$3.85m from 31 December 2023 and investment in people and capability (Q3FY24 inflows of \$0.345 million).

The Group had cash of \$20.5 million at 31 March 2024 (down from \$26.9m at December 2023) and no financial debt.

TASK advises that in accordance with Listing Rule 4.7.C.3, \$109,000 was paid to TASK's Directors in fees this quarter. The Group also paid \$104,000 to related party associates, being the family members of the Group CEO and TASK Division General Manager for this quarter's rental of its Australian office space.

ENDS

Approved for release by the Board of TASK Group Holdings Limited.

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About TASK Group

TASK Group is a leading provider of technology solutions enabling its global hospitality clients to maximise their customer relationships in an increasingly digital world.

TASK's end-to-end cloud-based platform helps clients to improve customer experiences across every transactional touchpoint, including digital customer-facing services, back-of-house and enterprise operations. The Group's ecosystem combines transaction services, personalisation, offer management and BI technology to help clients generate operational efficiencies, drive valuable data insights about their consumer base, activate new promotions and build brand loyalty.

Proposed Scheme of Arrangement with PAR Technology

Agreed Scheme	<ul style="list-style-type: none"> On 11 March 2024, TASK announced that it has entered into a Scheme Implementation Agreement (SIA) with PAR Technology Corporation (NYSE:PAR) (PAR) under which it is proposed that PAR will acquire 100% of TASK’s shares by way of a Court-approved scheme of arrangement (Scheme).
PAR Technology	<ul style="list-style-type: none"> PAR is a leading global restaurant technology company and provider of unified commerce for enterprise restaurants. PAR’s restaurant hardware, software, loyalty, drive-through, and back-office solutions are used in more than 70,000 restaurants in more than 110 countries.
Consideration	<ul style="list-style-type: none"> Under the terms of the Scheme, TASK shareholders will have the option to elect to receive their scheme consideration in one of two ways: <ol style="list-style-type: none"> Maximum Cash Consideration: where shareholders can elect to receive 100% cash consideration of A\$0.81 cents cash per TASK Share held; Mixed Consideration: where shareholders can elect up to 50% scrip consideration and the balance as cash consideration. Based on the closing price of PAR Shares on 8 March 2024 (Eastern Daylight Time) (the last date prior to announcement of the Scheme) of \$US43.41 per PAR Share, the Share Consideration component implies a value of A\$0.98 per TASK Share (for that proportion of a holding that a TASK shareholder elects to exchange for PAR Shares). Assuming a shareholder makes an election for 50% scrip (being the maximum scrip election), the Mixed Consideration implies a value of A\$0.90 per TASK Share.
Recommendation	<ul style="list-style-type: none"> TASK’s Board unanimously recommends that TASK shareholders vote in favour of the Scheme in the absence of a superior proposal and subject to an Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interest of TASK’s shareholders. The TASK Board believes the Scheme provides: <ol style="list-style-type: none"> Significant premium for control: a premium of 103% to the closing price of TASK Shares on 8 March 2024 (based on the Maximum Cash Consideration); a premium of 107% over the 30-day volume weighted average price of A\$0.39 per share to 8 March 2024 (based on the Maximum Cash Consideration); Certainty of value: the Scheme provides certainty of value to TASK shareholders with the opportunity to sell 100% of their shareholdings for cash; Potential for additional future value: the option to elect for up to 50% share consideration allows TASK shareholders to benefit from any increase in the value of PAR over time, and benefit from the potential synergies created by the combination of TASK and PAR.
Exclusivity	<ul style="list-style-type: none"> The SID contains customary exclusivity provisions including “no shop” and “no talk” restrictions, a notification obligation and a matching right in favour of PAR, subject to TASK directors’ fiduciary obligations where appropriate. The SIA also provides for a break fee of A\$1.3m payable by TASK to PAR under certain circumstances and for a reverse break fee of the same amount payable by PAR to TASK also under certain circumstances.
Conditions including Shareholder approval	<ul style="list-style-type: none"> The transaction is subject to several conditions including approval of the Foreign Investment Review Board and Overseas Investment Office. TASK shareholders will have the opportunity to vote on the Scheme at a Court-convened Scheme meeting, expected to be held in or around late June 2024.
Voting and Election intentions	<ul style="list-style-type: none"> TASK has received voting intention statements from Kym Houden and 3 other shareholders (in aggregate holding 18.93% of TASK shares) stating they will vote in favour of the Scheme and specify an Election Percentage of 50%. Jennifer Houden (who holds 17.43% of TASK shares) has advised TASK of her intention to specify an Election Percentage which at minimum ensures that the minimum election condition will be met.

Note: Full details of the Scheme are set out in the Scheme Implementation Agreement, announced to the ASX on 11 March 2024 and will be provided in the Scheme booklet that will be provided to shareholders shortly.

Proposed Scheme of Arrangement

Next Steps

- TASK shareholders do not need to take any action at this stage
- Subject to Court Approval, a Scheme Booklet is expected to be provided to TASK shareholders in or around late May 2024
- The Scheme Booklet will include the following:
 - Information relating to the Scheme;
 - Reasons for the TASK Board’s unanimous recommendation;
 - Details of the Scheme Meeting; an updated timetable; and
 - An Independent Expert’s Report providing an assessment as to whether the Scheme is in the best interests of TASK shareholders.

Indicative Timetable

Event	Indicative Date
Scheme Implementation Deed executed	11 March 2024
Lodge Scheme Booklet with ASIC for review and comment	Early May 2024
First Court Date	Late May 2024
Scheme Booklet registered with ASIC	Late May 2024
Despatch Scheme Booklet to TASK Shareholders	Late May 2024
Scheme Meeting	Late June 2024
Second Court Date	July 2024
Effective Date – lodge office copy of Court order approving the Scheme with ASIC	July 2024
Scheme Record Date	July 2024
Scheme Implementation Date – including provision of scheme consideration to scheme participants	July 2024