



Payroll & HR Solutions that help Businesses Grow

Investor Presentation October 2024

(Under the Private Securities Litigation Reform Act of 1995)

Safe Harbor Statement

Forward-Looking Statements

This presentation contains certain statements made by management that may constitute “forward-looking” statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements about our financial results may include expected or projected U.S GAAP and other operating and non-operating results. The words “believe,” “may,” “will,” “estimate,” “projects,” “anticipate,” “intend,” “expect,” “should,” “plan,” and similar expressions are intended to identify forward-looking statements. Examples of “forward-looking statements” include statements we make regarding our operating performance, future results of operations and financial position, revenue growth, earnings or other projections. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. The achievement or success of the matters covered by such forward-looking statements involves risks, uncertainties and assumptions, over many of which we have no control. If any such risks or uncertainties materialize or if any of the assumptions prove incorrect, our results could differ materially from the results expressed or implied by the forward-looking statements we make. The risks and uncertainties referred to above include—but are not limited to—the expiration of major revenue streams such as Employee Retention Tax Credits (“ERTC”) and the impact of the Internal Revenue Service recent measures regarding ERTC claims; risks associated with breaches of the Company’s security measures; risks associated with the Company’s rate of growth and anticipated revenue run rate, including impact of the current economic environment; the Company’s ability to convert deferred revenue and unbilled deferred revenue into revenue and cash flow, and ability to maintain continued growth of deferred revenue and unbilled deferred revenue; privacy concerns and laws and other regulations may limit the effectiveness of our applications; the financial and other impact of any previous and future acquisitions; the Company’s ability to continue to release, gain customer acceptance of and provide support for new and improved versions of the Company’s services; successful customer deployment and utilization of the Company’s existing and future services; interruptions to supply chains and extended shut down of businesses; issues in the use of artificial intelligence in our HCM products and services; political unrest, including the current conflict between Russia and Ukraine and the ongoing conflict involving Israel in the Middle East; reductions in employment and an increase in business failures, specifically among our clients; possible fluctuations in the Company’s financial and operating results; regulatory pressures on economic relief enacted as a result of the COVID-19 pandemic that change or cause different interpretations with respect to eligibility for such programs; domestic and international regulatory developments, including changes to or applicability to our business of privacy and data securities laws, money transmitter laws and anti-money laundering laws; technological developments; the nature of the Company’s business model; interest rates; competition; various financial aspects of the Company’s subscription model; impairment of intangible assets; interruptions or delays in the Company’s services or the Company’s Web hosting; access to additional capital; the Company’s ability to hire, retain and motivate employees and manage the Company’s growth; litigation and any related claims, negotiations and settlements, including with respect to intellectual property matters or industry-specific regulations; volatility and weakness in bank and capital markets; factors affecting the Company’s deferred tax assets and ability to value and utilize them; volatility and low trading volume of our common stock; collection of receivables; and general developments in the economy, financial markets, credit markets and the impact of current and future accounting pronouncements and other financial reporting standards. Please review the Company’s risk factors in its annual report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”) on February 26, 2024, and its quarterly reports on Form 10-Q filed with the SEC on August 1, 2024, and October 31, 2024.

The forward-looking statements, including the financial guidance 2024 and 2025 outlooks, contained in this presentation represent the judgment of the Company as of the date of this presentation, and the Company expressly disclaims any intent, obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in the Company’s expectations with regard to these forward looking statements or any change in events, conditions or circumstances on which any such statements are based.

Non-GAAP and Adjusted Financial Measures

This presentation includes information about bookings, non-GAAP gross profit, non-GAAP sales and marketing expense, non-GAAP general and administrative expense, non-GAAP research and development expense, EBITDA, EBITDA margin, adjusted EBITDA, and adjusted EBITDA margin, non-GAAP net income (loss) and non-GAAP net income (loss) per share. These non-GAAP and adjusted financial measures are measurements of financial performance that are not prepared in accordance with U.S. generally accepted accounting principles and computational methods may differ from those used by other companies. Non-GAAP and adjusted financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with the Company’s Consolidated Financial Statements prepared in accordance with GAAP. Non-GAAP and adjusted financial measures are reconciled to GAAP in the tables set forth in this presentation and are subject to reclassifications to conform to current period presentations.

Management uses GAAP, non-GAAP and adjusted measures when planning, monitoring, and evaluating the Company’s performance. The primary purpose of using non-GAAP and adjusted measures are to provide supplemental information that may prove useful to investors and to enable investors to evaluate the Company’s results in the same way management does. Management believes that supplementing GAAP disclosure with non-GAAP and adjusted disclosures provides investors with a more complete view of the Company’s operational performance and allows for meaningful period-to-period comparisons and analysis of trends in the Company’s business. Further, to the extent that other companies use similar methods in calculating adjusted financial measures, the provision of supplemental non-GAAP and adjusted information can allow for a comparison of the Company’s relative performance against other companies that also report non-GAAP and adjusted operating results.



Pat Goepel

Chairman & CEO

Chairman's Comments

- Asure's third quarter of 2024 performance was another solid one with revenues of \$29.3 million. We experienced strong growth in recurring revenues which were up by 20% versus the same period a year ago! Our revenues are 98% recurring versus 81% in the prior year period. Our sales bookings were up 141% year over year. Our backlog has grown significantly up over 35% from Q2 2024 and over 250% from Q3 2023.
- Our Payroll Tax Management product is experiencing significant momentum as we went live with more Workday and SAP clients during the third quarter. A few important sales wins include one of America's largest grocery chains and a nationally known HCM system integrator.
- We remain focused on driving more growth for our company by introducing new products, enhancing our technology and making strategic acquisitions. We are excited about a new financial services product launch in November 2024, which is called AsurePay™. The product offers workers a comprehensive online banking alternative with features such as debit card access, fee-free ATM withdrawals and paycheck advances delivered via an intuitive mobile app.
- In summary, we are pleased to have a solid third quarter performance on the books and our team continues to strive for continued success. We remain excited for the opportunities we have through the rest of 2024 and into 2025.

Company Overview

Payroll and HR for Growing businesses. Asure helps SMBs get access to growth capital, stay compliant with HR laws, and win the war for talent with better tools to manage their workforce.




By the Numbers

\$119-\$121M

FY2024
Revenue
Guidance⁽⁵⁾

87%

Recurring
Revenue⁽²⁾

18%-19%

FY2024
Adjusted EBITDA
Margin Guidance⁽⁴⁾

~100,000

Clients
Served

~15%

Direct
Clients

~1.7M

Employees
Served

56%

2023
Bookings Growth

93%

LTM⁽³⁾
Net Retention

\$10B+

Money
Movement

All 50 States

CLIENTS AND EMPLOYEES IN ALL
50 STATES

8-10 Years

STICKY SOLUTIONS -
CLIENTS STAY 8-10 YRS

Diverse Client Base

NO GEOGRAPHIC OR INDUSTRY REVENUE
CONCENTRATION

Insider Ownership

HIGH INSIDER OWNERSHIP FOR
PUBLIC COMPANY

(1) As of December 2023

(2) Average of 2022 and 2023

(3) As of December 31, 2023

(4) Net income(loss) is the closest GAAP measure to Adjusted EBITDA. A reconciliation of GAAP to non-GAAP and Adjusted measures is contained in the Appendix to this presentation. Management does not provide a reconciliation of guidance of GAAP to non-GAAP or adjusted disclosures because management is unable to predict the nature and materiality of non-recurring expenses without unreasonable effort.

(5) Reflects management's current outlook for the business in 2024 and is subject to a number of internal assumptions that may not be realized, and risks and uncertainties. See our SEC filings for more information about the risks to our business

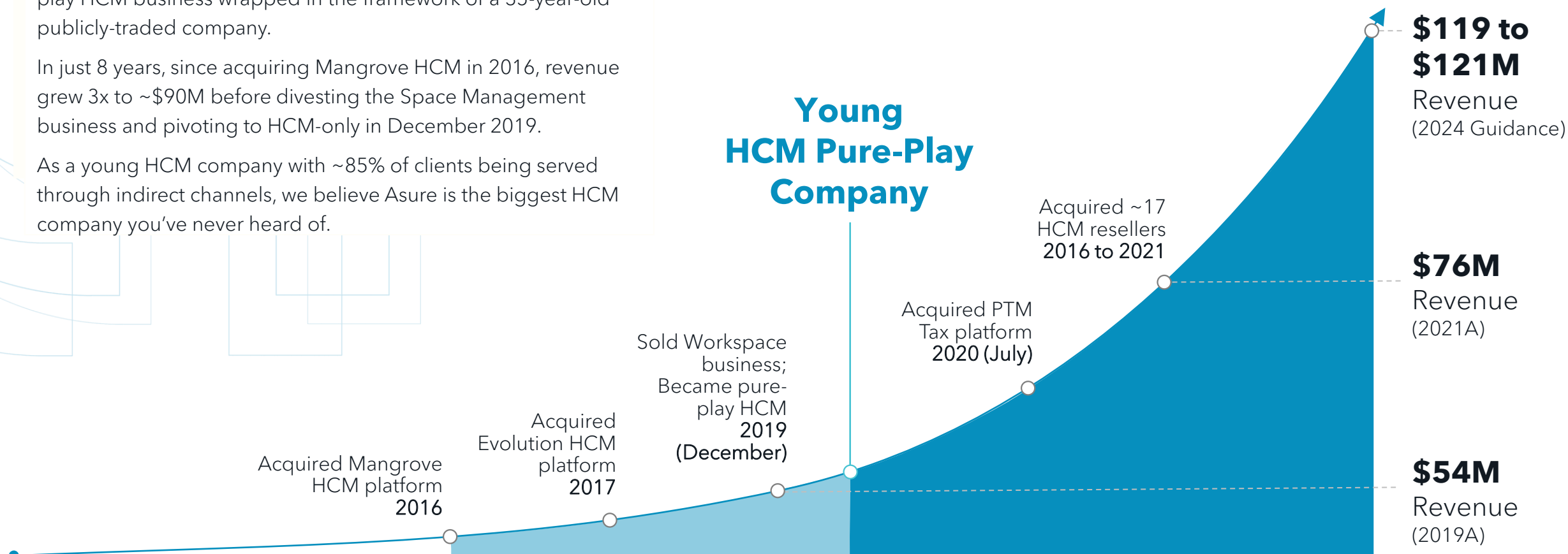
Asure's Next Chapter Has Yet to be Written

The Biggest¹ HCM Company You've Never Heard of

Asure has the culture and growth characteristics of a young pure-play HCM business wrapped in the framework of a 35-year-old publicly-traded company.

In just 8 years, since acquiring Mangrove HCM in 2016, revenue grew 3x to ~\$90M before divesting the Space Management business and pivoting to HCM-only in December 2019.

As a young HCM company with ~85% of clients being served through indirect channels, we believe Asure is the biggest HCM company you've never heard of.

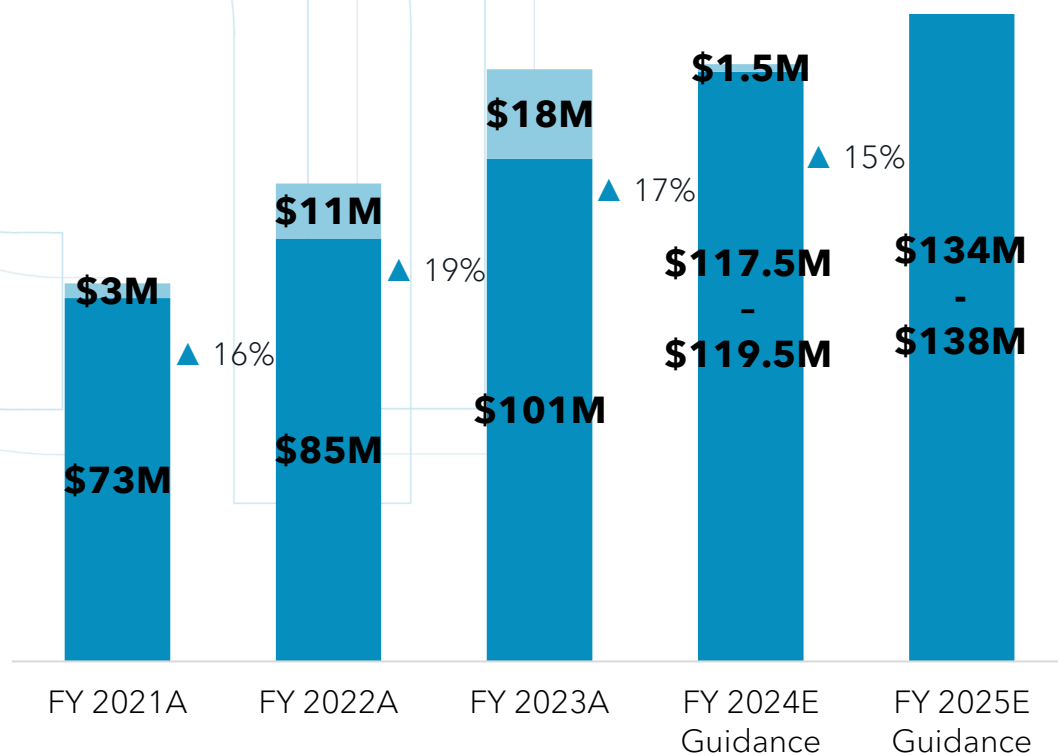


¹ As it relates to customers and employees served

Strong Financial Profile, Significant Near-Term Growth

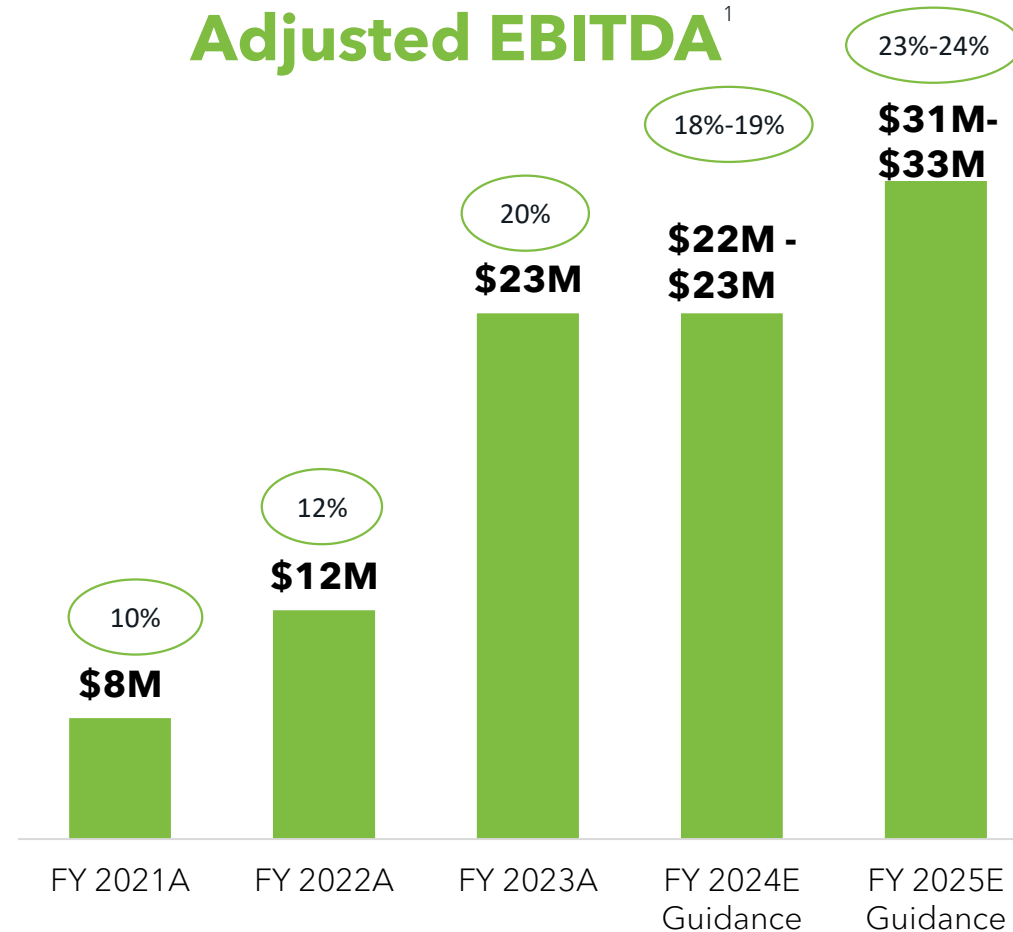


Revenue



■ Core ■ ERTC

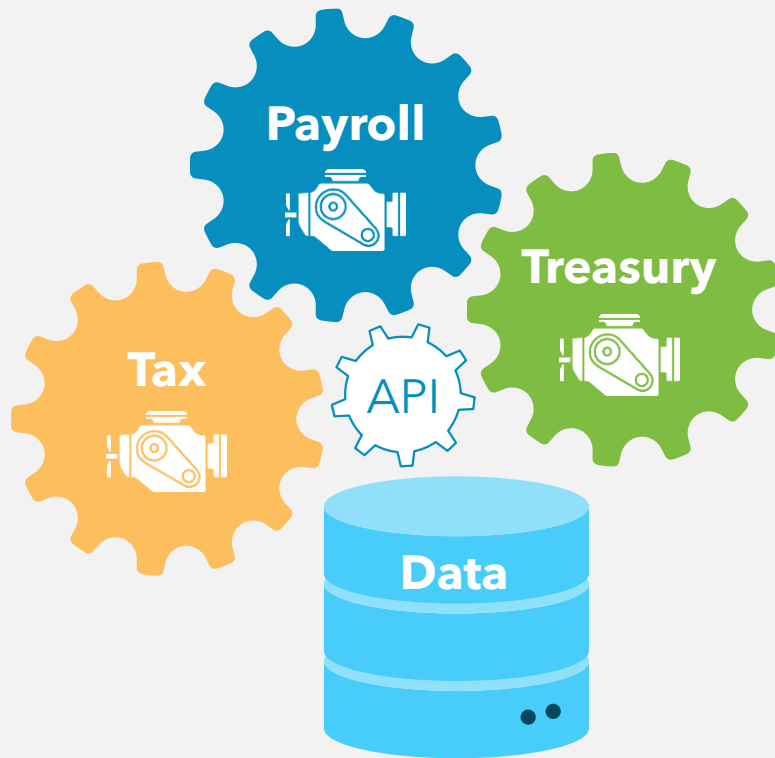
Adjusted EBITDA¹



Note FY Ending December 31
 (1) Net income(loss) is the closest GAAP measure to Adjusted EBITDA. A reconciliation of GAAP to non-GAAP and Adjusted measures is contained in the Appendix to this presentation. Management does not provide a reconciliation of guidance of GAAP to non-GAAP or adjusted disclosures because management is unable to predict the nature and materiality of non-recurring expenses without unreasonable effort.
 Reflects management's current outlook for the business in 2024, 2025 and is subject to a number of internal assumptions that may not be realized, and risks and uncertainties. See our SEC filings for more information about the risks to our business

Anatomy of HCM Business

One HCM Platform, Smartly Architected for Scale



Decoupled Platform Serves Multiple Markets



SMB DIRECT

Full-suite HCM software and services for small businesses from a single screen



SMB INDIRECT

Regional and vertical niche providers license one or all HCM components



MARKETPLACE

HCM platform stores demographic and transactional data that can enable third party solutions to offer valuable services to employers and employees



ENTERPRISE DIRECT

Large, multi-state enterprises face the same payroll tax challenges as payroll companies



ENTERPRISE INDIRECT

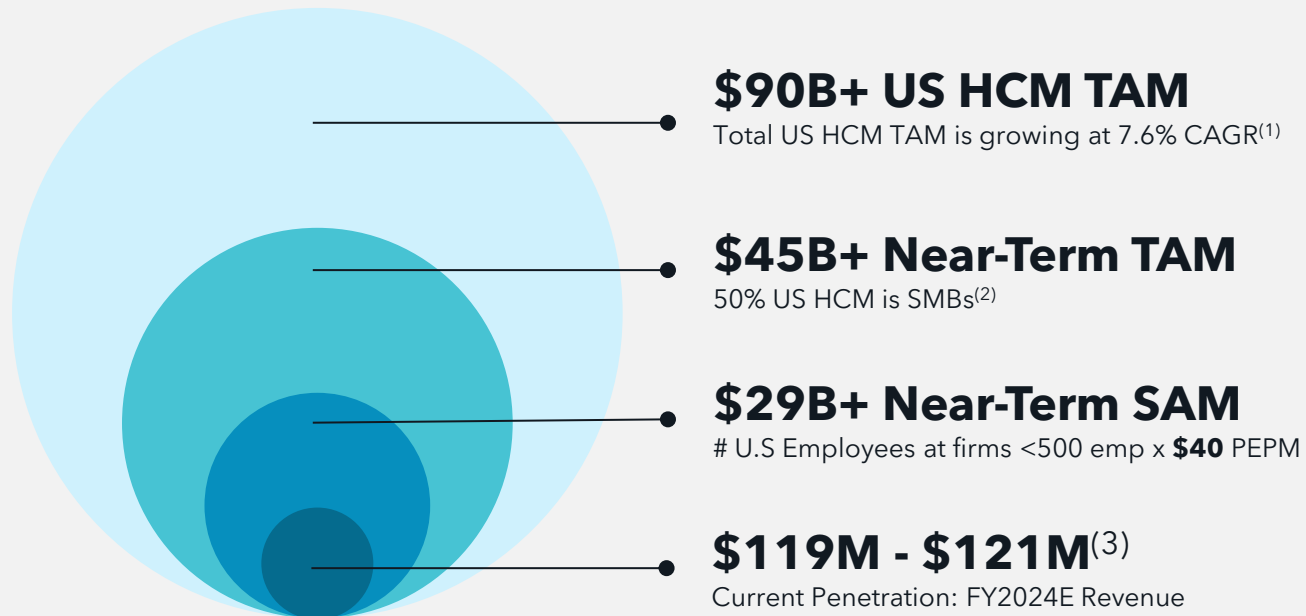
HCM software companies need tax and treasury tools to compete against ADP and Paychex

Large and Growing Addressable Market


HCM Business Opportunity





Market Size




Market Tailwinds

- 

SMB shift to cloud software driving US HCM TAM growth (CAGR 7.6% through 2025 and reach \$90B+)
- 

Tight labor markets have accelerated the need for SMB to adopt HCM software and services
- 

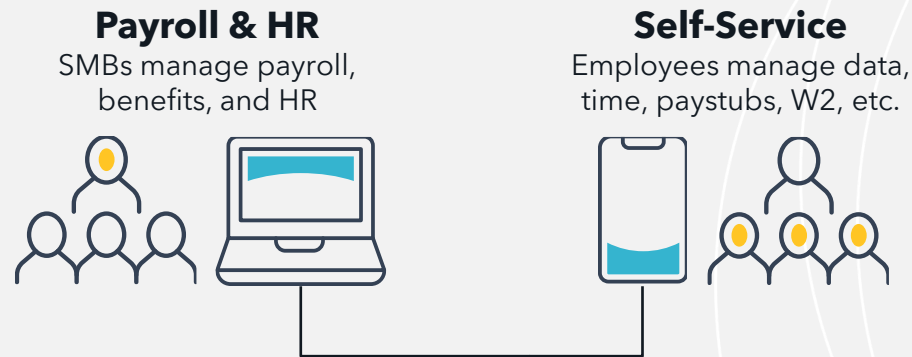
Advancements in integrations have increased effectiveness of HCM software for SMBs
- 

As cost scrutiny increases, HCM software helps reduce SMB penalties for payroll tax and HR compliance

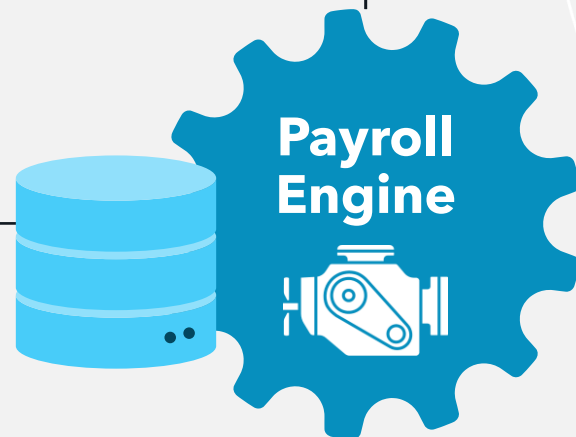
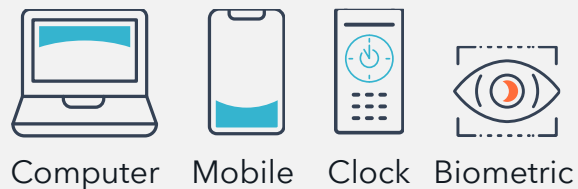
(1) Census, D&B, IHS, Nelson Hall, Market Study Report LLC
 (2) Netscribes, Inc.
 (3) CY2024E Revenue Guidance

Anatomy of HCM Business

Payroll Engine



Time & Attendance
Captures time, tracks accruals, sends hours & labor allocation to payroll



Payroll Processing
Calculate gross pay, employee & employer taxes, deductions, and net pay

| PAY SLIP | | | | | | Pay Period: _/ _/ _ |
|-------------------|----------------|------------|--------------------|----------------|------------|---------------------|
| GROSS PAY | CURRENT | YTD | TAXES | CURRENT | YTD | |
| Salary | ----- | ----- | Federal Income Tax | ----- | ----- | |
| Rate | ----- | ----- | State Income Tax | ----- | ----- | |
| Reg Hours | ----- | ----- | Social Security | ----- | ----- | |
| OT Hours | ----- | ----- | Medicare | ----- | ----- | |
| | | | Local Tax | ----- | ----- | |
| DEDUCTIONS | CURRENT | YTD | | | | |
| Insurance | ----- | ----- | | | | |
| 401k | ----- | ----- | | | | |
| Child Support | ----- | ----- | | | | |
| SUMMARY | CURRENT | YTD | NET PAY | CURRENT | YTD | |
| Total Pay | ----- | ----- | Checking | ----- | ----- | |
| Taxes | ----- | ----- | Savings | ----- | ----- | |
| Deductions | ----- | ----- | 529 Plan | ----- | ----- | |
| Net Pay | ----- | ----- | | | | |

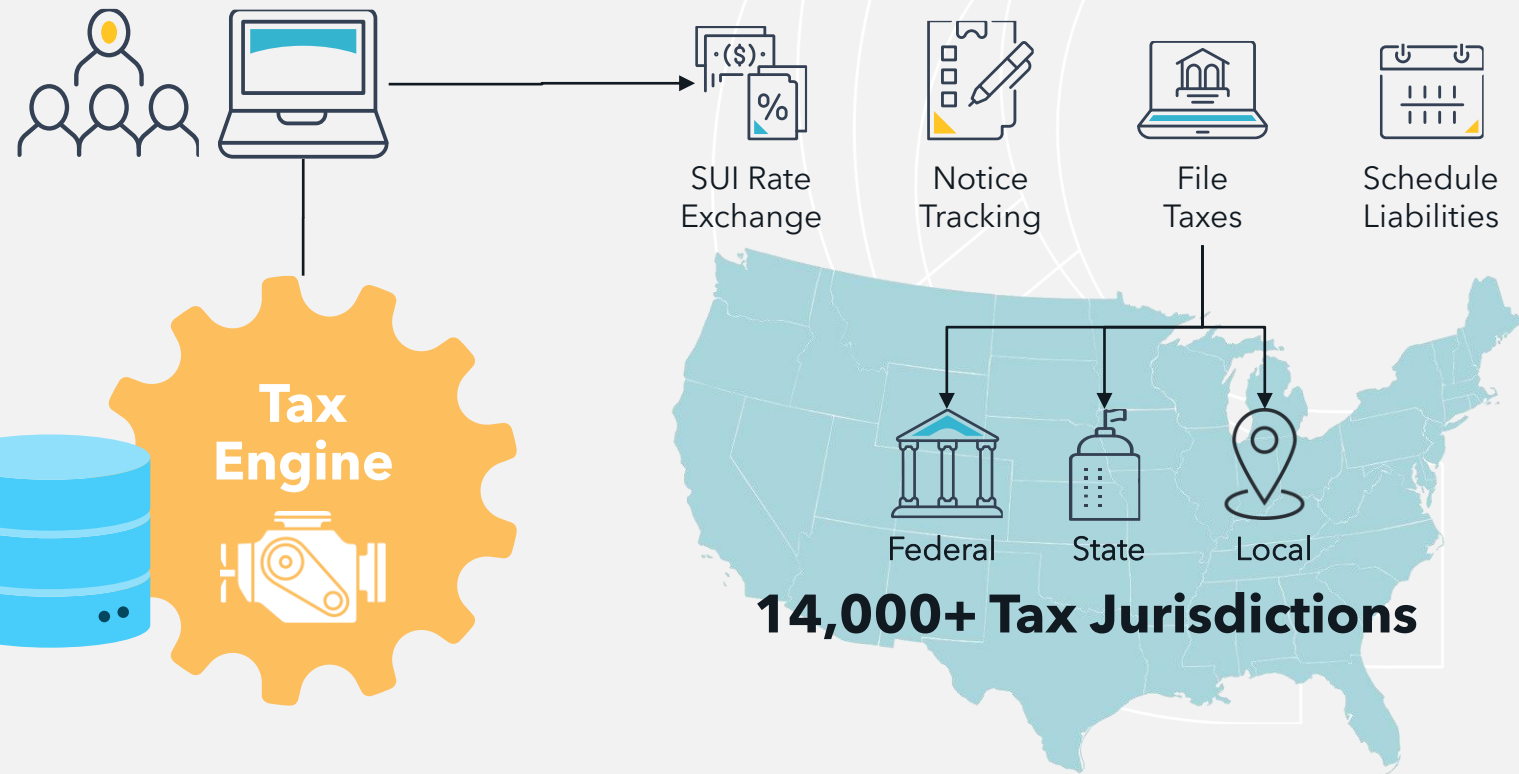
Anatomy of HCM Business

Tax Engine



Payroll Tax Management (PTM)

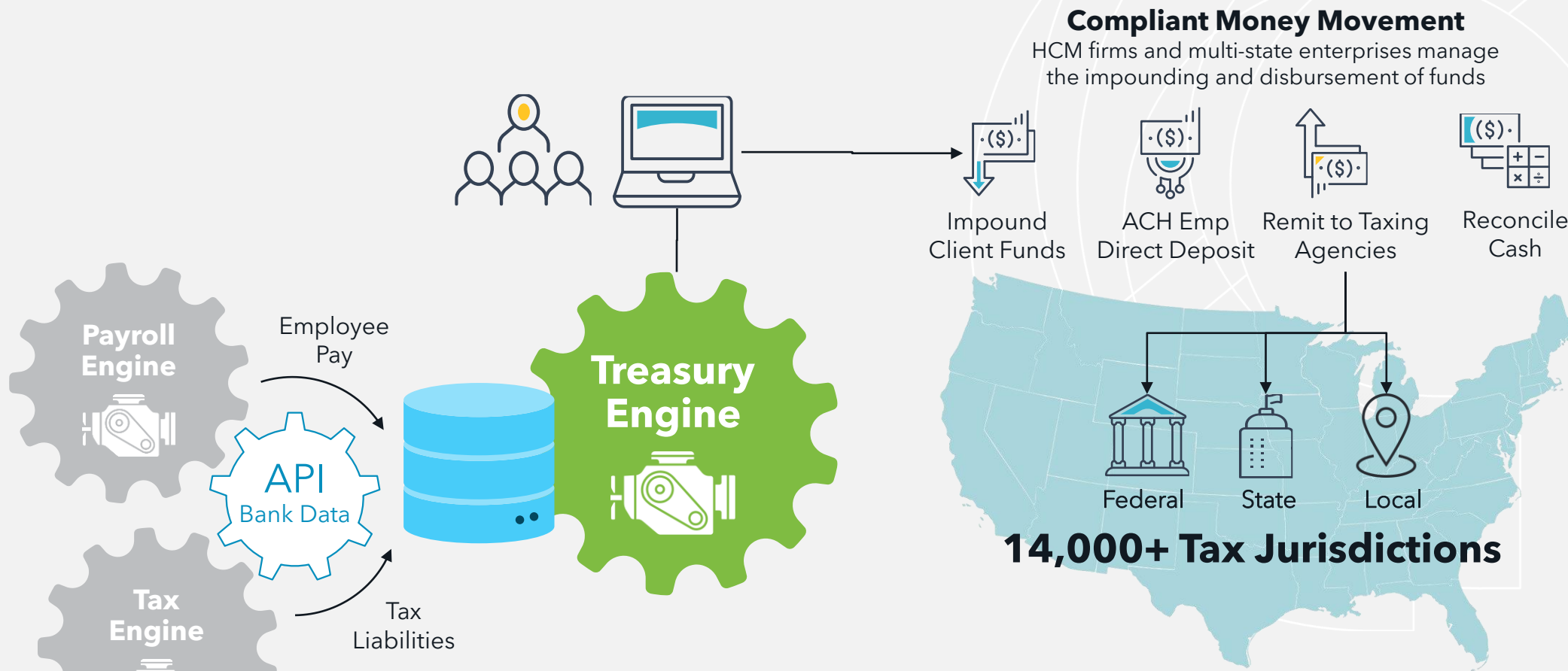
HCM firms and complex, multi-state enterprises manage all aspects of payroll tax filing



14,000+ Tax Jurisdictions

Anatomy of HCM Business

Treasury Engine



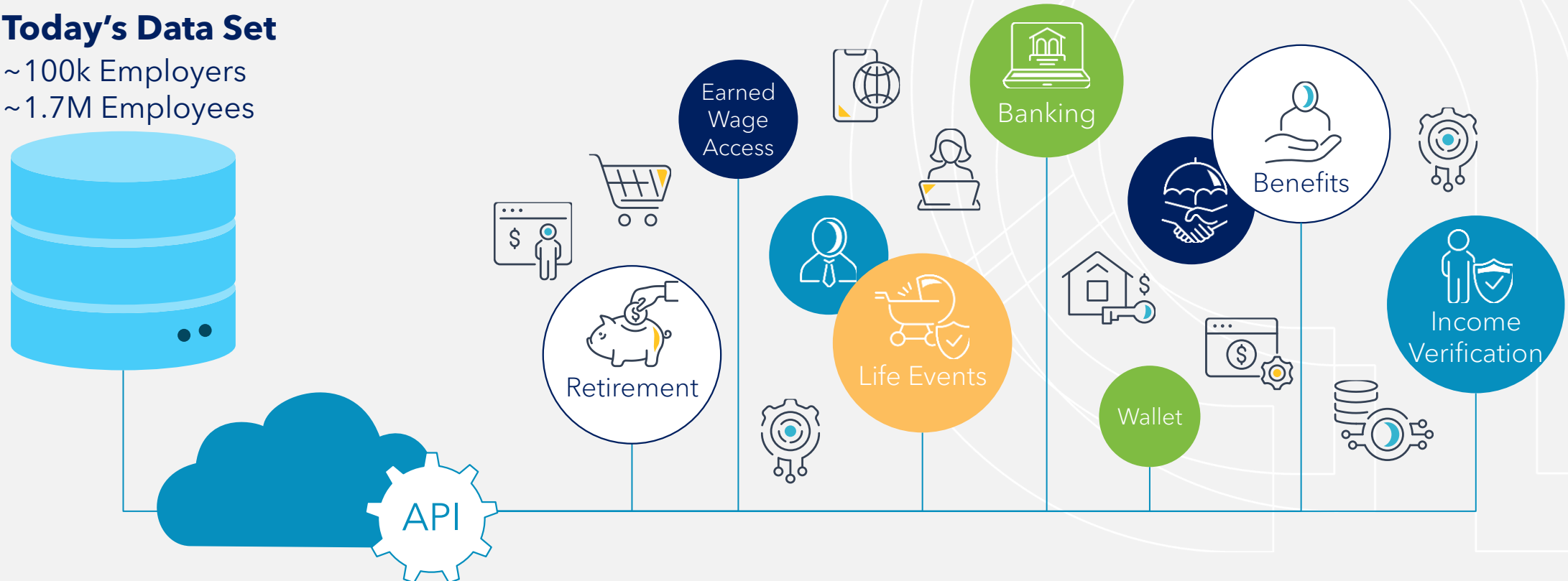
Anatomy of HCM Business

Marketplace | Monetizing HCM Data



Today's Data Set

~100k Employers
~1.7M Employees



SMB HCM | End-To-End Solution



Powering growth for 100K employers



Managing Talent

Labor shortage is making it harder to find talent and requires businesses to optimize workforce management



Access to Capital

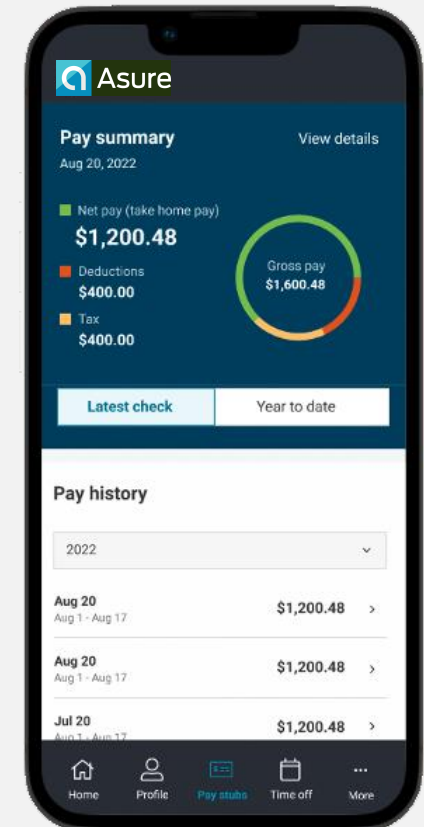
Inflation, monetary policy, and rigid bank lending standards are making it difficult to fund a small business



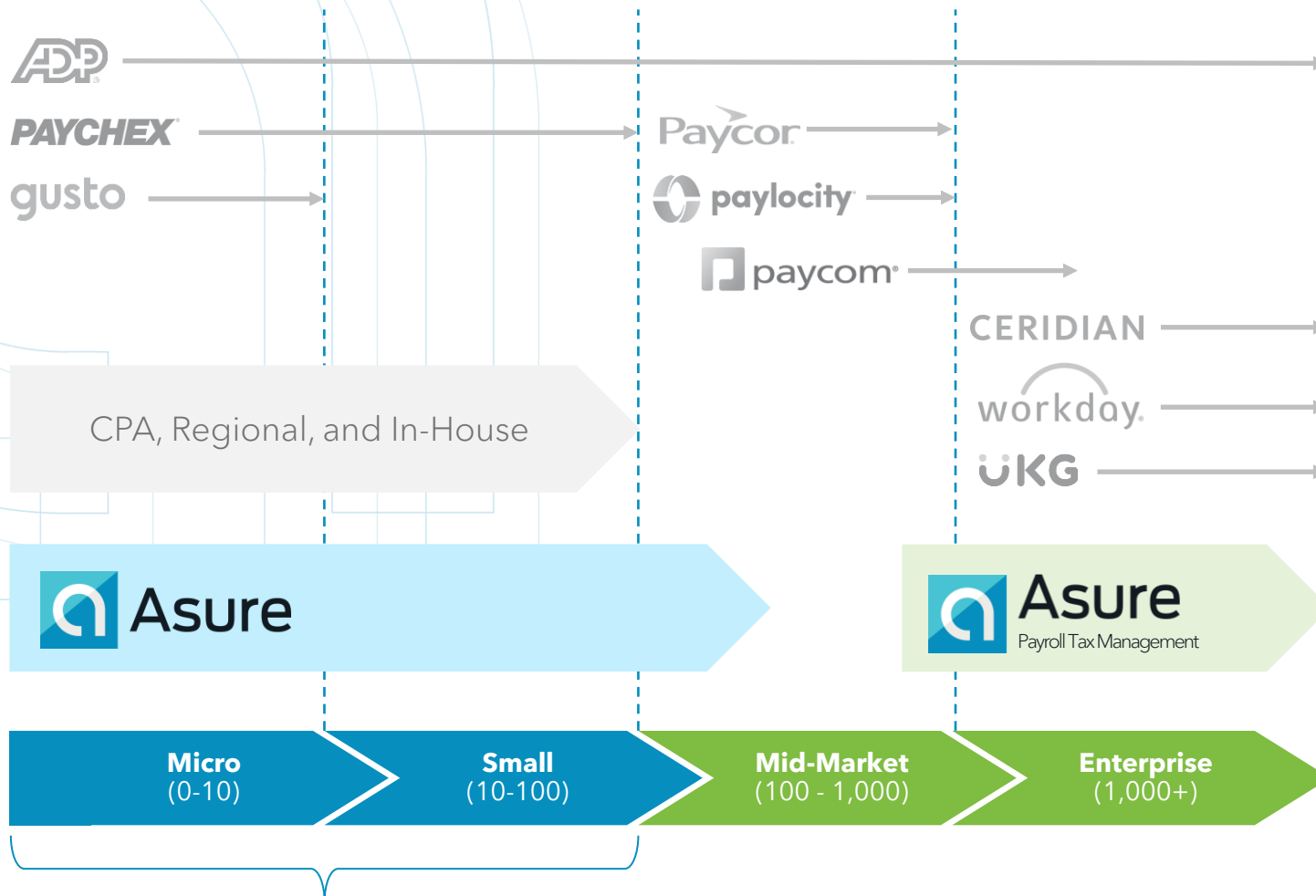
Staying Compliant

Explosion of new Federal, State, and Local HR laws is impossible to keep up with and creates a crushing administrative burden

Empowering freedom for 1.7M employees



HCM Business | Competitive Landscape



98.1% of all Businesses in US
(61.7M Employees)

Micro & Small Businesses

ADP and Paychex are Asure's largest competitors with more presence in major markets, but they also create the largest opportunity with significant churn in SMB markets.

Many SMBs rely on their CPA or in-house software like QuickBooks.

Mid-Market & Enterprise

Paylocity, Paycom, and Paycor are fast growing providers for medium to large sized businesses but Asure rarely see them in SMB deals.

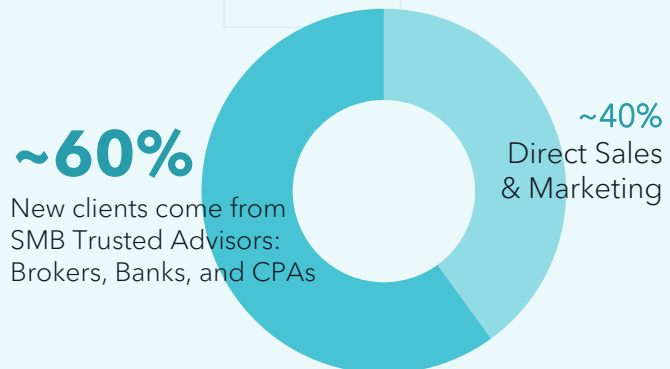
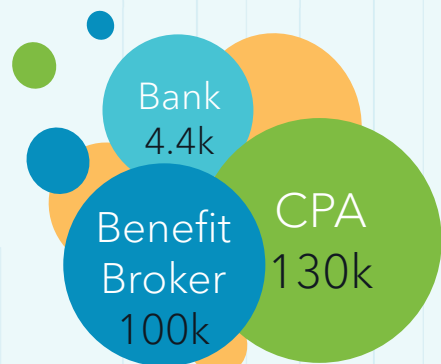
ADP, UKG, Workday, and Ceridian serve large and enterprise customers in all geographic markets

Asure offers an Enterprise-grade Payroll Tax Management Platform that enables clients to streamline payroll tax processing, avoid risk, and grow their business

SMB HCM | How, Why, and Where We Win

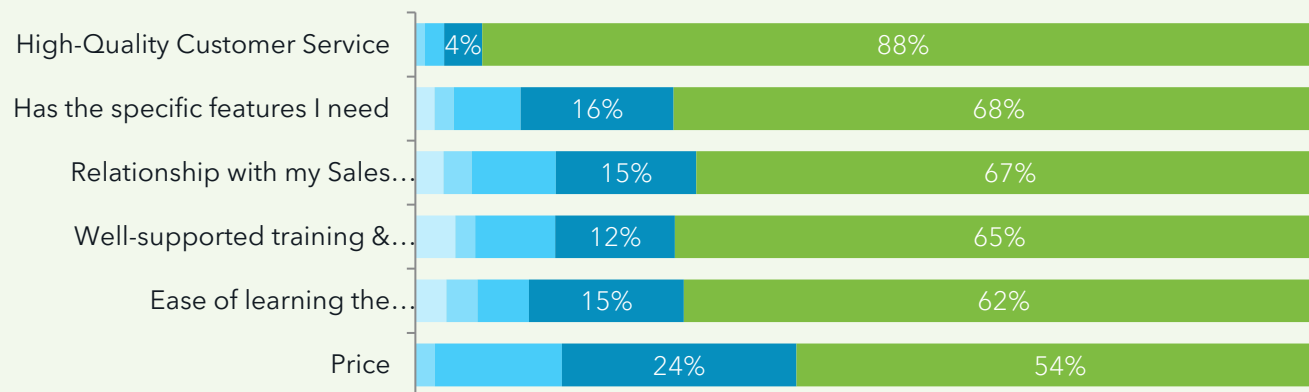
How Clients Find Asure

SMB Trusted Advisor Universe



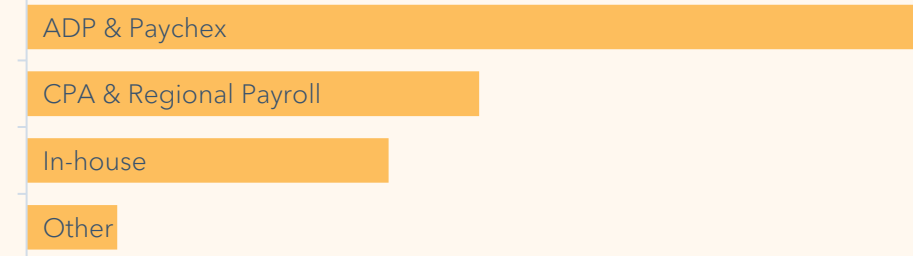
Why Clients Choose Asure*

1 or 2 (Not Important) 3 or 4 5 or 6 7 or 8 9 or 10 (Extremely Important)

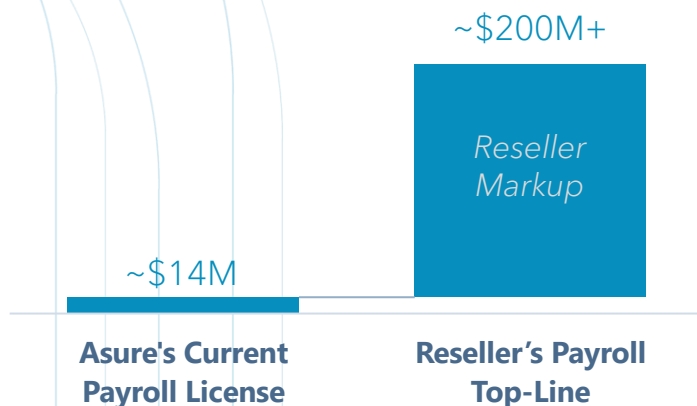


Where Clients Come From*

ADP & Paychex churn represents *50%+ of new clients



Acquisitive Growth | Reseller Roll-Up



200+ Resellers

- Reseller's top line is ~10 to 15x+ our license fees
- Highly accretive acquisitions
- Clients already use Asure's software
 - No data conversion
 - No software migration
 - No user retraining

Acquisition Economics

| Pre-Acquisition | | | Acquire | Asure Post-Acquisition | | | |
|-------------------|----------|--------|--|------------------------|----------|----------|----------|
| | Reseller | Asure | | Year #1 | Year #2 | Year #3 | Year #4 |
| Direct Revenue | \$1M | | Purchase Price ~2x Revenue \$2M | \$1M | \$1M | \$1M | \$1M |
| Reseller Revenue | | \$.1M | | (\$0.1M) | (\$0.1M) | (\$0.1M) | (\$0.1M) |
| Total Revenue | \$1M | \$.1M | | \$0.9M | \$0.9M | \$0.9M | \$0.9M |
| Gross Profit | \$.6M | \$.07M | | \$0.6M | \$0.6M | \$0.6M | \$0.6M |
| OPEX | \$.4M | \$.02M | | \$0.1M | \$0.1M | \$0.1M | \$0.1M |
| Seller Discretion | \$.2M | n/a | | n/a | n/a | n/a | n/a |
| Net Profit | \$0 | \$.05M | | \$0.5M | \$0.5M | \$0.5M | \$0.5M |
| Cash Flow | \$0 | \$.05M | | \$0.5M | \$0.5M | \$0.5M | \$0.5M |
| | | | | \$1.5M | \$1.0M | \$0.5M | \$0 |

Revenue grows ~10x recognizing 100% of topline

Highly profitable accretive revenue

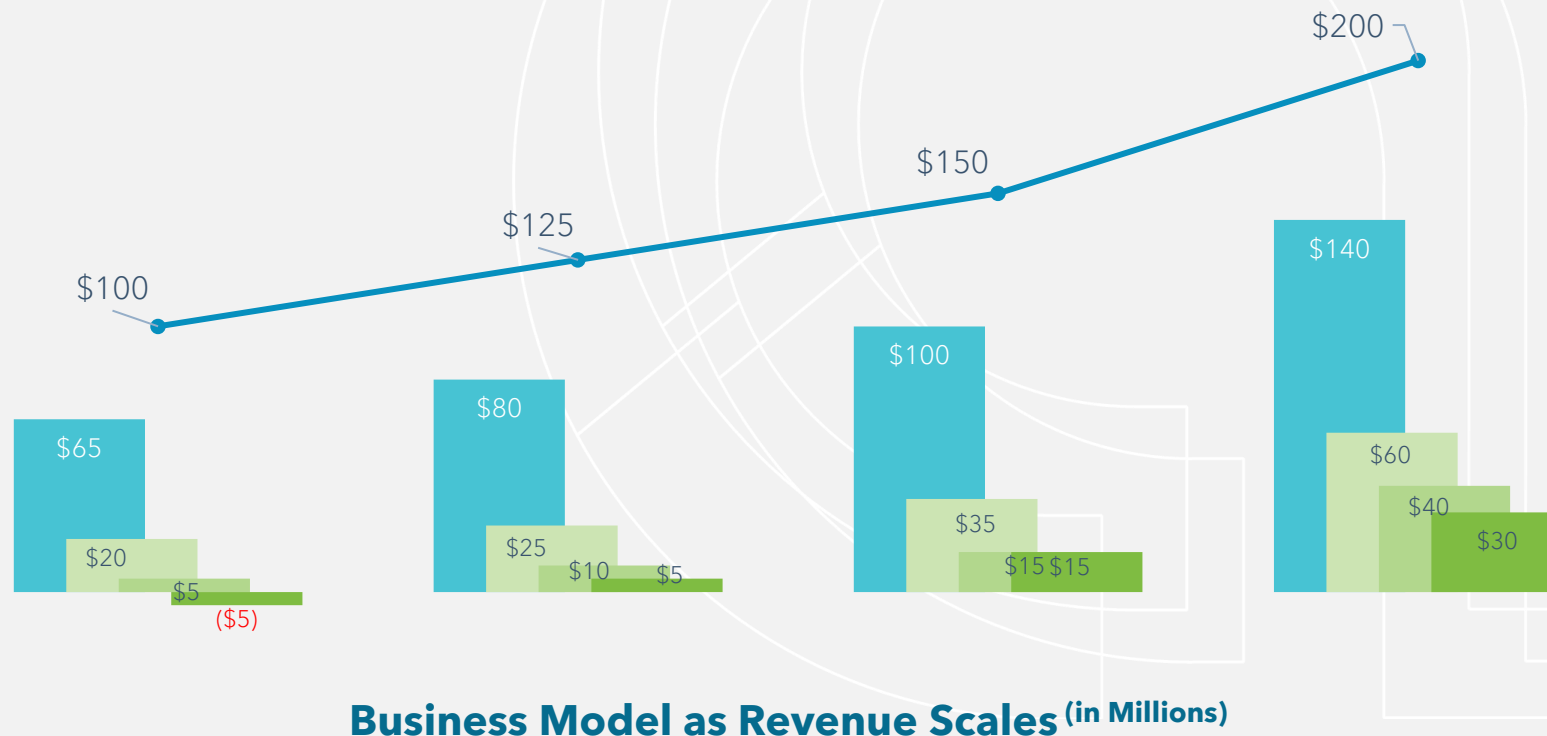
Cash generation; Payback ~4 years

* This example is based on Asure's internal estimates, which is being provided to show how the acquisition of a reseller could affect Asure's financial results after the acquisition. This is an example only and should not be relied on as a predictor of Asure's financial results after an acquisition.

Profit Expands as Revenue Composition changes and we achieve Scale

As Revenue Grows...

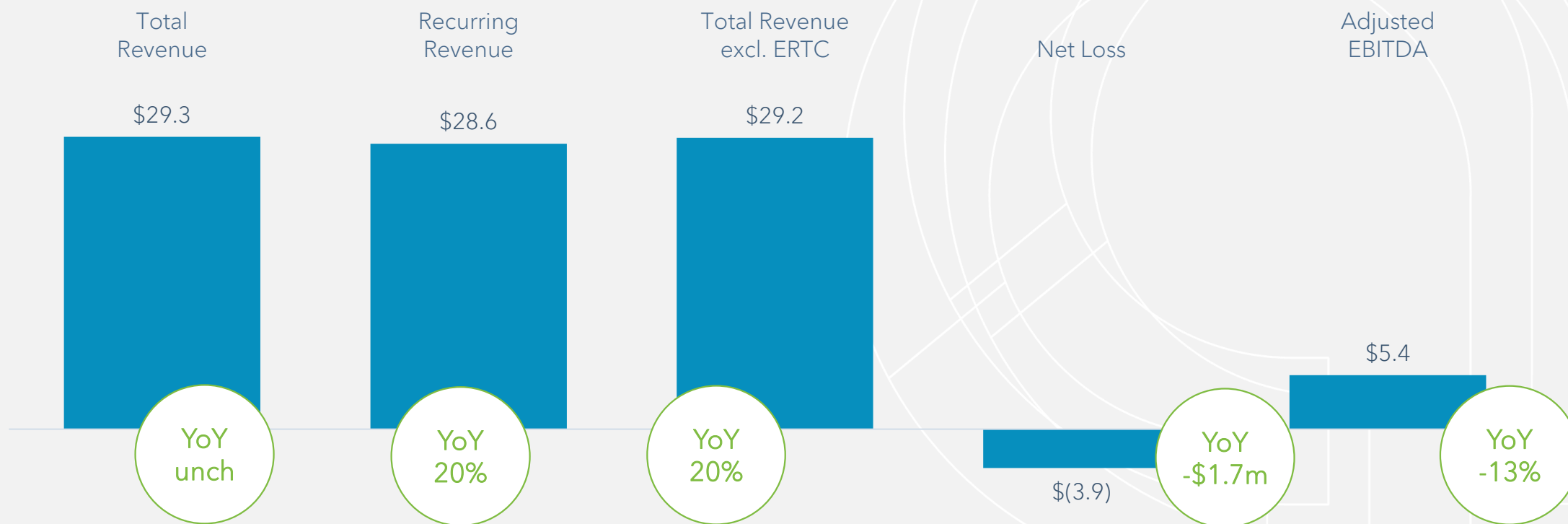
- Gross Profit
- Adjusted EBITDA Approaches ~30%
- Operating Income Approaches ~20%
- Net Income (Loss)
- Total Revenue



*This model is based on a number of internal assumptions and are being presented to illustrate how profit could grow as we increase revenue.

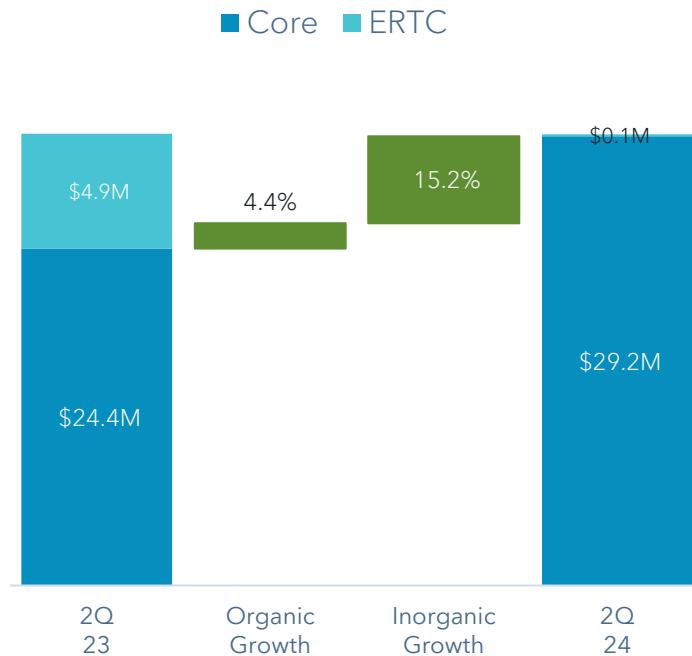
Select Financial Data

3Q24 Financial Highlights

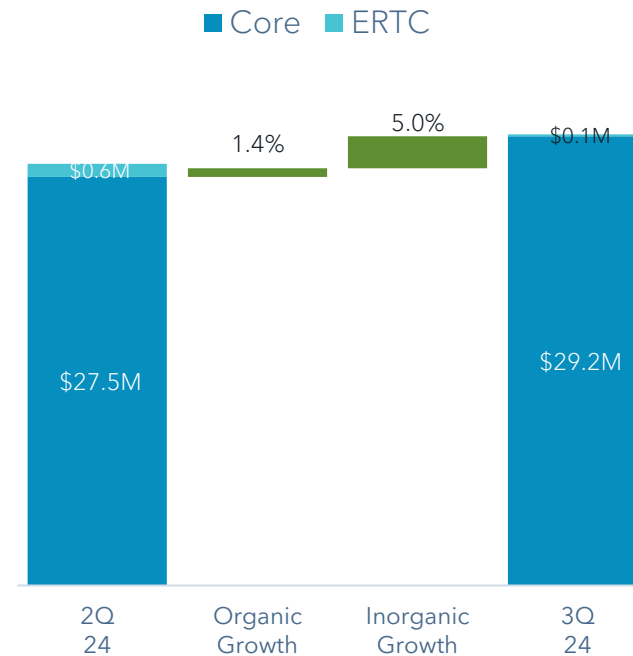


*All figures presented in millions

YoY Revenue: 3Q23 Bridge to 3Q24



QoQ Revenue: 2Q24 Bridge to 3Q24



Growth Results



Year over year performance

Waterfall Definitions

- Organic Growth consists of the net revenue generated from new bookings, price increases, and same-store-sales minus churn.
- Inorganic Growth consists of revenue generated in current period from companies or portfolios acquired since the prior period
- Year End Fees consists of revenue generated from processing customer W-2s or ACA – the majority of YE fees are recognized in Q1

Select Financial Data



| in \$Millions | 3Q23 | 2Q24 | 3Q24 |
|----------------------|-------|-------|-------|
| Cash and Equivalents | 32.8 | 20.7 | 11.2 |
| Total Equity | 191.7 | 195.5 | 199.1 |
| Debt | 2.8 | 6.0 | 7.5 |
| Client Funds Assets | 172.5 | 190.4 | 193.5 |

Outstanding Shares (as of 09-30-2024) ~26.4

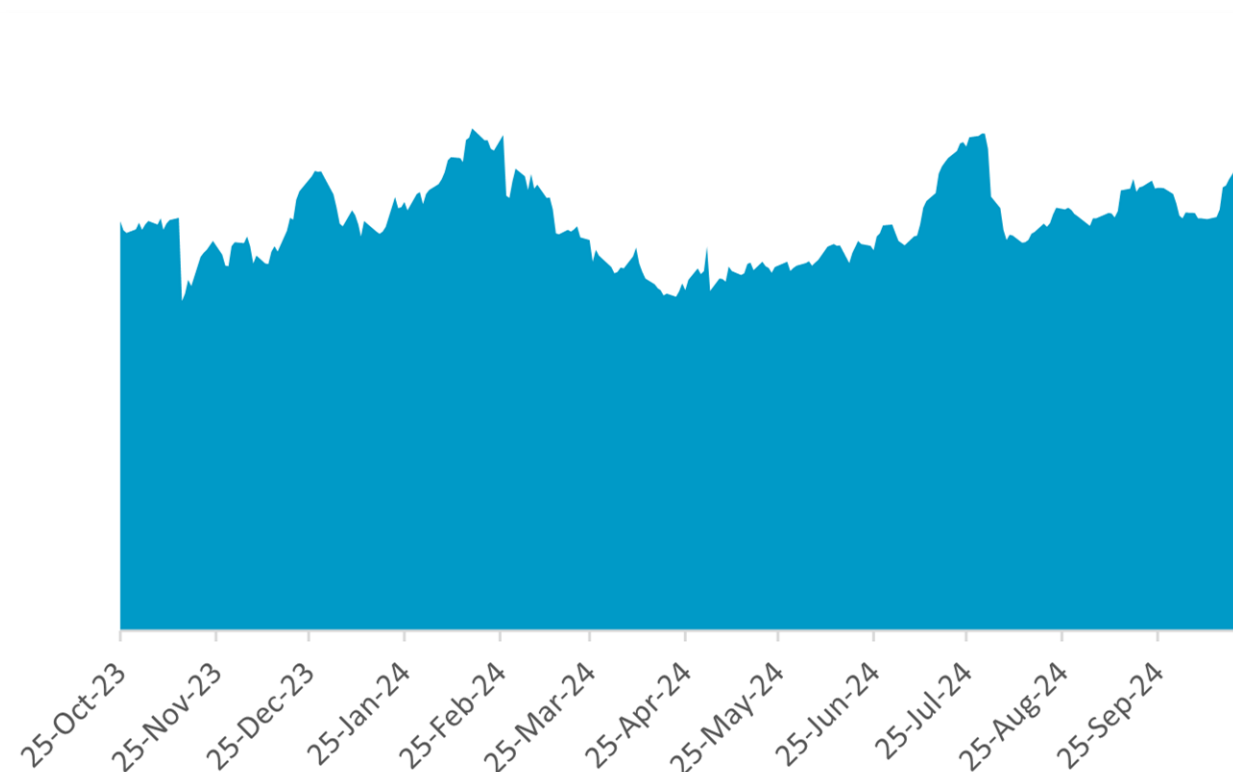
Enterprise Value (as of 10-24-2024) \$250M

Average Daily Volume 90 day ~105k

Management Ownership (as of 09/30/2024)

Chairman and CEO Pat Goepel ~5%

All board directors and executive officers as a group ~8%










52 week low
\$6.31

Price as of
10/24/2024
\$9.61

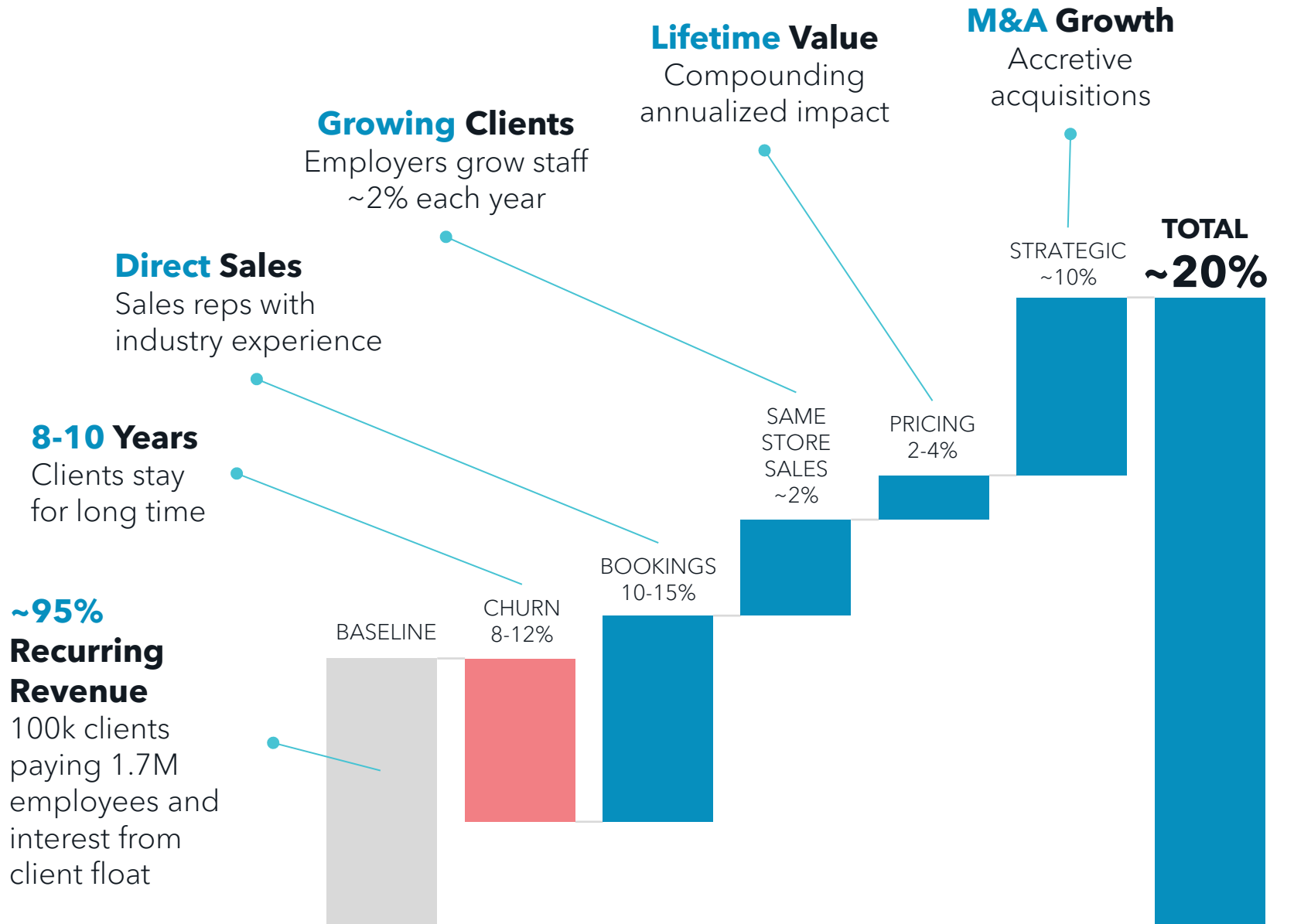
52 week high
\$10.52

Valuation Expansion Opportunity

| |  Asure |  Paycor |  paycom |  ADP |  paylocity |  PAYCHEX |
|--|---|--|--|---|---|---|
| EV / Revenue | 1.9x | 3.3x | 4.7x | 5.1x | 5.5x | 8.3x |
| Revenue Growth | *17% | 24% | 12% | 11% | 25% | 8% |
| EBITDA Margin | 19% | 33% | 38% | 29% | 34% | 44% |
| Revenue Growth + EBITDA Margin | 36% | 57% | 50% | 40% | 59% | 52% |
| Implied Asure Stock Price* at Same Valuations | \$10 | \$16 | \$23 | \$24 | \$27 | \$40 |

*Data source: Capital IQ

*Numbers and multiples are rounded and are based on calendar 2024 Street mean as of 10/17/24; Asure figures based on mid-point of 2024 guidance ranges and exclude one-time ERTC revenue in revenue growth calculation



HCM Growth Model



Long-term growth model with multiple ways to achieve ~20% revenue growth

Disclosure Regarding Non-GAAP and Adjusted Financial Measures (1 of 4)



This presentation includes information about bookings, non-GAAP gross profit, non-GAAP sales and marketing expense, non-GAAP general and administrative expense, non-GAAP research and development expense, EBITDA, EBITDA margin, adjusted EBITDA, and adjusted EBITDA margin. These non-GAAP and adjusted financial measures are measurements of financial performance that are not prepared in accordance with U.S. generally accepted accounting principles and computational methods may differ from those used by other companies. Non-GAAP and adjusted financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with the Company's Condensed Consolidated Financial Statements prepared in accordance with GAAP. Non-GAAP and adjusted financial measures are reconciled to GAAP in the tables set forth in this presentation and are subject to reclassifications to conform to current period presentations.

This presentation includes revisions to prior periods to conform with current period presentations.

Bookings represent estimated new first year contracted revenue value for recurring and non-recurring services sold in the period.

Non-GAAP gross profit differs from gross profit in that it excludes amortization, share-based compensation, and one-time items.

Non-GAAP sales and marketing expense differs from sales and marketing expense in that it excludes share-based compensation and one-time items.

Non-GAAP general and administrative expense differs from general and administrative expense in that it excludes share-based compensation and one-time items.

Disclosure Regarding Non-GAAP and Adjusted Financial Measures (2 of 4)



Non-GAAP research and development expense differs from research and development expense in that it excludes share-based compensation and one-time items.

EBITDA differs from net income (loss) in that it excludes items such as interest, income taxes, depreciation, and amortization. Asure is unable to predict with reasonable certainty the ultimate outcome of these exclusions without unreasonable effort.

Adjusted EBITDA differs from EBITDA in that it excludes share-based compensation, other income (expense), net and one-time expenses. Asure is unable to predict with reasonable certainty the ultimate outcome of these exclusions without unreasonable effort.

All adjusted and non-GAAP measures presented as “margin” are computed by dividing the applicable adjusted financial measure by total revenue.

Specifically, as applicable to the respective financial measure, management is adjusting for the following items when calculating non-GAAP and adjusted financial measures as applicable for the periods presented. No additional adjustments have been made for potential income tax effects of the adjustments based on the Company’s current and anticipated *de minimis* effective federal tax rate, resulting from the Company’s continued losses for federal tax purposes and its tax net operating loss balances.

Share-Based Compensation Expenses. The Company’s compensation strategy includes the use of share-based compensation to attract and retain employees and executives. It is principally aimed at aligning their interests with those of our stockholders and at long-term employee retention, rather than to motivate or reward operational performance for any particular period. Thus, share-based compensation expense varies for reasons that are generally unrelated to operational decisions and performance in any particular period.

Disclosure Regarding Non-GAAP and Adjusted Financial Measures (3 of 4)



Depreciation. The Company excludes depreciation of fixed assets. Also included in the expense is the depreciation of capitalized software costs.

Amortization of Purchased Intangibles. The Company views amortization of acquisition-related intangible assets, such as the amortization of the cost associated with an acquired company's research and development efforts, trade names, customer lists and customer relationships, and acquired lease intangibles, as items arising from pre-acquisition activities determined at the time of an acquisition. While these intangible assets are continually evaluated for impairment, amortization of the cost of purchased intangibles is a static expense, one that is not typically affected by operations during any particular period.

Interest Expense, Net. The Company excludes accrued interest expense, the amortization of debt discounts and deferred financing costs.

Income Taxes. The Company excludes income taxes, both at the federal and state levels.

Disclosure Regarding Non-GAAP and Adjusted Financial Measures (4 of 4)



One-Time Expenses. The Company's adjusted financial measures exclude the following costs to normalize comparable reporting periods, as these are generally non-recurring expenses that do not reflect the ongoing operational results. These items are typically not budgeted and are infrequent and unusual in nature.

- **Settlements, Penalties and Interest.** The Company excludes legal settlements, including separation agreements, penalties and interest that are generally one-time in nature and not reflective of the operational results of the business.
- **Acquisition and Transaction Related Costs.** The Company excludes these expenses as they are transaction costs and expenses that are generally one-time in nature and not reflective of the underlying operational results of our business. Examples of these types of expenses include legal, accounting, regulatory, other consulting services, severance and other employee costs.
- **Other non-recurring Expenses.** The Company excludes these as they are generally non-recurring items that are not reflective of the underlying operational results of the business and are generally not anticipated to recur. Some examples of these types of expenses, historically, have included write-offs or impairments of assets, demolition of office space and cybersecurity consultants.
- **Other (Expense) Income, Net.** The Company's adjusted financial measures exclude Other (Expense) Income, Net because it includes items that are not reflective of the underlying operational results of the business, such as loan forgiveness, adjustments to contingent liabilities and credits earned as part of the CARES Act, passed by Congress in the wake of the coronavirus pandemic.

Appendix 1

Valuation Comparisons

Comparable Public Companies Operational Detail



| Company | LTM Margins | | Revenue | | | EBITDA | | |
|---------------------------------|-------------|--------|-------------|-------------|-------------|------------|------------|------------|
| | Gross | EBITDA | LTM | CY2023P | CY2024P | LTM | CY2023P | CY2024P |
| High Growth Payroll | | | | | | | | |
| Paycom Software, Inc. | 86.1% | 36.6% | \$ 1,778.3 | \$ 1,682.5 | \$ 1,868.0 | \$ 650.7 | \$ 707.8 | \$ 730.5 |
| Paylocity Holding Corporation | 68.6 | 20.5 | 1,402.5 | 1,290.3 | 1,472.2 | 287.4 | 437.9 | 525.4 |
| Workday, Inc. | 75.8 | 8.1 | 7,863.0 | 7,253.5 | 8,401.7 | 636.0 | 1,999.7 | 2,429.3 |
| Mean | 76.8% | 21.7% | \$ 3,681.3 | \$ 3,408.8 | \$ 3,914.0 | \$ 524.7 | \$ 1,048.5 | \$ 1,228.4 |
| Median | 75.8 | 20.5 | 1,778.3 | 1,682.5 | 1,868.0 | 636.0 | 707.8 | 730.5 |
| Low-Mid Growth Payroll | | | | | | | | |
| Automatic Data Processing, Inc. | 47.9% | 29.1% | \$ 19,202.6 | \$ 18,573.3 | \$ 19,727.5 | \$ 5,581.1 | \$ 5,109.6 | \$ 5,678.5 |
| Dayforce Inc. | 48.8 | 14.8 | 1,632.0 | 1,514.2 | 1,741.5 | 242.3 | 411.5 | 501.9 |
| Intuit Inc. | 79.6 | 27.6 | 16,285.0 | 15,095.9 | 16,943.3 | 4,496.0 | 5,986.2 | 6,768.1 |
| Paychex, Inc. | 71.8 | 44.4 | 5,310.8 | 5,163.1 | 5,365.9 | 2,358.8 | 2,289.7 | 2,430.0 |
| Paycor HCM, Inc. | 65.9 | 8.0 | 654.9 | 600.9 | 691.2 | 52.3 | 182.0 | 231.8 |
| Mean | 62.8% | 24.8% | \$ 8,617.1 | \$ 8,189.5 | \$ 8,893.9 | \$ 2,546.1 | \$ 2,795.8 | \$ 3,122.1 |
| Median | 65.9 | 27.6 | 5,310.8 | 5,163.1 | 5,365.9 | 2,358.8 | 2,289.7 | 2,430.0 |
| Asure Software, Inc. | 69.9% | 10.1% | \$ 115.3 | \$ 119.2 | \$ 125.2 | \$ 11.7 | \$ 23.1 | \$ 25.3 |

(\$ in millions, excluding per share data)

Comparable Public Companies Valuation Detail



| Company | Closing Price 10/17/2024 | % of 52 Week High | % Float | Market Cap | Net Cash | Enterprise Value | Enterprise Value Multiples | | | | | |
|---------------------------------|-----------------------------|-------------------------|---------|---------------|------------|---------------------|----------------------------|---------|---------|--------|---------|---------|
| | | | | | | | Revenue | | | EBITDA | | |
| | | | | | | | LTM | CY2023P | CY2024P | LTM | CY2023P | CY2024P |
| High Growth Payroll | | | | | | | | | | | | |
| Paycom Software, Inc. | \$ 165.25 | 60.7% | 87.7% | \$ 9,243.3 | \$ 346.5 | \$ 8,896.8 | 5.0x | 5.3x | 4.8x | 13.7x | 12.6x | 12.2x |
| Paylocity Holding Corporation | 170.28 | 85.0 | 78.8 | 9,485.7 | 347.4 | 9,138.4 | 6.5 | 7.1 | 6.2 | 31.8 | 20.9 | 17.4 |
| Workday, Inc. | 243.27 | 78.1 | 79.3 | 64,198.7 | 4,009.0 | 60,189.7 | 7.7 | 8.3 | 7.2 | 94.6 | 30.1 | 24.8 |
| Mean | | 74.6% | 81.9% | \$ 27,642.5 | \$ 1,567.6 | \$ 26,074.9 | 6.4x | 6.9x | 6.0x | 46.7x | 21.2x | 18.1x |
| Median | | 78.1 | 79.3 | 9,485.7 | 347.4 | 9,138.4 | 6.5 | 7.1 | 6.2 | 31.8 | 20.9 | 17.4 |
| Low-Mid Growth Payroll | | | | | | | | | | | | |
| Automatic Data Processing, Inc. | \$ 291.96 | 99.2% | 99.8% | \$ 119,340.4 | \$(885.2) | \$ 120,225.6 | 6.3x | 6.5x | 6.1x | 21.5x | 23.5x | 21.2x |
| Dayforce Inc. | 63.89 | 85.6 | 88.9 | 10,179.0 | (773.0) | 10,952.0 | 6.7 | 7.2 | 6.3 | 45.2 | 26.6 | 21.8 |
| Intuit Inc. | 609.23 | 90.0 | 97.3 | 171,045.1 | (2,493.0) | 173,538.1 | 10.7 | 11.5 | 10.2 | 38.6 | 29.0 | 25.6 |
| Paychex, Inc. | 142.32 | 98.7 | 89.2 | 51,407.4 | 631.0 | 50,776.4 | 9.6 | 9.8 | 9.5 | 21.5 | 22.2 | 20.9 |
| Paycor HCM, Inc. | 14.15 | 56.2 | 45.7 | 2,530.3 | 97.5 | 2,432.8 | 3.7 | 4.0 | 3.5 | 46.5 | 13.4 | 10.5 |
| Mean | | 86.0% | 84.2% | \$ 70,900.4 | \$(684.5) | \$ 71,585.0 | 7.4x | 7.8x | 7.1x | 34.7x | 22.9x | 20.0x |
| Median | | 90.0 | 89.2 | 51,407.4 | (773.0) | 50,776.4 | 6.7 | 7.2 | 6.3 | 38.6 | 23.5 | 21.2 |
| Asure Software, Inc. | \$ 9.23 | 87.8% | 94.5% | \$ 246.9 | \$ 9.2 | \$ 237.7 | 2.1x | 2.0x | 1.9x | 20.3x | 10.3x | 9.4x |

(\$ in millions, excluding per share data)

Appendix 2

Unaudited Supplemental
Quarterly Financial
Information

Information Regarding Unaudited Supplemental Quarterly Financial Information

- The Unaudited Supplemental Quarterly Financial Information in the appendix of this presentation reflect Asure Software, Inc.'s (the "Company") financial statements for the periods presented give effect in prior periods certain reclassifications reflected in the Company's annual report on Form 10-K filed on February 26, 2024.
- The Company is providing this financial information to assist investors in identifying trends in the Company's HCM business and to enable the comparison of the Company's current financial results to its historical results. This financial information has not been audited or reviewed by the Company's independent registered accounting firm, nor does it contain footnotes or other information that may be required under Generally Accepted Accounting Standards (GAAP) or applicable securities laws. It is being provided for illustration purposes only and should not be relied upon to make investment decisions. Please see the Company's annual reports on Form 10-K filed on March 14, 2022, February 27, 2023 and February 26, 2024 as well as the Company's quarterly reports on Form 10-Q filed on May 9, 2022, August 8, 2022, November 7, 2022, May 8, 2023, August 7, 2023, November 13, 2023, May 2, 2024, August 1, 2024 and October 31, 2024, for information about the Company's actual financial results.
- Nothing in this supplemental quarterly financial information shall be deemed to amend or restate any of the financial information included with the Company's annual reports and quarterly reports on file with the SEC. The Company does not consider this presentation of the financial information material and provides it merely as a tool to aid its investors and other third parties in understanding the Company's historical financial results.

Balance Sheets (Unaudited)



| | Dec. 31, 2022 | Mar. 31, 2023 | Jun. 30, 2023 | Sep. 30, 2023 | Dec. 31, 2023 | Mar. 31, 2024 | Jun. 30, 2024 | Sep. 30, 2024 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| ASSETS | | | | | | | | |
| Current assets: | | | | | | | | |
| Cash and cash equivalents | \$ 17,010 | \$ 21,438 | \$ 21,613 | \$ 32,787 | \$ 30,317 | \$ 23,166 | \$ 20,736 | \$ 11,248 |
| Accounts receivable, net of allowance for credit losses | 12,123 | 14,762 | 16,629 | 15,133 | 14,202 | 15,074 | 16,273 | 17,233 |
| Inventory | 251 | 218 | 134 | 93 | 155 | 205 | 263 | 233 |
| Prepaid expenses and other current assets | 10,304 | 5,075 | 3,960 | 3,907 | 3,471 | 4,187 | 4,636 | 4,586 |
| Total current assets before funds held for clients | 39,688 | 41,493 | 42,336 | 51,920 | 48,145 | 42,632 | 41,908 | 33,300 |
| Funds held for clients | 203,588 | 223,465 | 186,517 | 172,503 | 219,075 | 239,808 | 190,438 | 193,589 |
| Total current assets | 243,276 | 264,958 | 228,853 | 224,423 | 267,220 | 282,440 | 232,346 | 226,889 |
| Property and equipment, net | 11,439 | 11,944 | 12,588 | 13,436 | 14,517 | 15,822 | 17,189 | 18,490 |
| Goodwill | 86,011 | 86,011 | 86,011 | 86,011 | 86,011 | 86,011 | 86,011 | 94,724 |
| Intangible assets, net | 66,594 | 63,024 | 60,635 | 57,326 | 62,082 | 70,960 | 70,319 | 73,429 |
| Operating lease assets, net | 7,065 | 6,531 | 5,898 | 5,265 | 4,991 | 4,674 | 4,484 | 4,401 |
| Other assets, net | 5,523 | 6,376 | 7,033 | 8,036 | 9,047 | 9,431 | 9,769 | 10,176 |
| Total assets | \$ 419,908 | \$ 438,844 | \$ 401,018 | \$ 394,497 | \$ 443,868 | \$ 469,338 | \$ 420,118 | \$ 428,109 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | | | | |
| Current liabilities: | | | | | | | | |
| Current portion of notes payable | \$ 4,106 | \$ 5,418 | \$ 6,557 | \$ 195 | \$ 27 | \$ 23 | \$ 18 | \$ - |
| Accounts payable | 2,194 | 1,744 | 1,365 | 1,696 | 2,570 | 1,610 | 1,240 | 1,317 |
| Accrued compensation and benefits | 5,791 | 4,391 | 4,826 | 5,770 | 6,519 | 3,399 | 3,540 | 4,277 |
| Operating lease liabilities, current | 1,860 | 1,671 | 1,525 | 1,510 | 1,490 | 1,510 | 1,537 | 1,600 |
| Other accrued liabilities | 3,728 | 5,013 | 6,542 | 5,170 | 3,862 | 7,170 | 7,524 | 8,287 |
| Contingent purchase consideration | 2,955 | 2,886 | 2,299 | - | - | - | - | - |
| Deferred revenue | 8,461 | 4,182 | 3,293 | 3,392 | 6,853 | 3,547 | 3,030 | 3,029 |
| Total current liabilities before client fund obligations | 29,095 | 25,305 | 26,407 | 17,733 | 21,321 | 17,259 | 16,889 | 18,510 |
| Client fund obligations | 206,088 | 225,462 | 188,863 | 175,056 | 220,019 | 241,141 | 191,794 | 193,951 |
| Total current liabilities | 235,183 | 250,767 | 215,270 | 192,789 | 241,340 | 258,400 | 208,683 | 212,461 |
| Long-term liabilities: | | | | | | | | |
| Deferred revenue | 788 | 728 | 1,334 | 666 | 16 | 960 | 3,224 | 2,276 |
| Deferred tax liability | 1,503 | 1,430 | 1,589 | 1,614 | 1,728 | 1,751 | 1,983 | 2,116 |
| Notes payable, net of current portion | 30,795 | 30,478 | 30,226 | 2,633 | 4,282 | 5,256 | 5,985 | 7,506 |
| Operating lease liabilities, noncurrent | 6,459 | 6,098 | 5,631 | 4,956 | 4,638 | 4,281 | 4,029 | 3,832 |
| Other liabilities | 114 | 132 | 154 | 177 | 209 | 1,015 | 683 | 765 |
| Total long-term liabilities | 39,659 | 38,866 | 38,934 | 10,046 | 10,873 | 13,263 | 15,904 | 16,495 |
| Total liabilities | 274,842 | 289,633 | 254,204 | 202,835 | 252,213 | 271,663 | 224,587 | 228,956 |
| Stockholders' equity: | | | | | | | | |
| Common stock, \$.01 par value | 206 | 210 | 211 | 252 | 254 | 258 | 259 | 265 |
| Treasury stock at cost | (5,017) | (5,017) | (5,017) | (5,017) | (5,017) | - | - | - |
| Additional paid-in capital | 433,586 | 436,907 | 438,767 | 485,981 | 487,973 | 494,537 | 496,743 | 502,920 |
| Accumulated deficit | (281,226) | (280,887) | (284,652) | (286,858) | (290,440) | (295,761) | (300,121) | (304,022) |
| Accumulated other comprehensive loss | (2,483) | (2,002) | (2,495) | (2,696) | (1,115) | (1,359) | (1,350) | (10) |
| Total stockholders' equity | 145,066 | 149,211 | 146,814 | 191,662 | 191,655 | 197,675 | 195,531 | 199,153 |
| Total liabilities and stockholders' equity | \$ 419,908 | \$ 438,844 | \$ 401,018 | \$ 394,497 | \$ 443,868 | \$ 469,338 | \$ 420,118 | \$ 428,109 |

(\$ in thousands)

Income Statements (Unaudited)



| THREE MONTHS ENDED | Dec. 31, 2022 | Mar. 31, 2023 | Jun. 30, 2023 | Sep. 30, 2023 | Dec. 31, 2023 | Mar. 31, 2024 | Jun. 30, 2024 | Sep. 30, 2024 |
|---|-----------------|---------------|-------------------|-------------------|-------------------|-----------------|-------------------|-------------------|
| Revenue: | | | | | | | | |
| Recurring | \$ 24,146 | \$ 27,956 | \$ 22,960 | \$ 23,833 | \$ 24,985 | \$ 30,273 | \$ 27,051 | \$ 28,626 |
| Professional services, hardware and other | 5,146 | 5,108 | 7,460 | 5,501 | 1,279 | 1,379 | 993 | 678 |
| Total revenue | 29,292 | 33,064 | 30,420 | 29,334 | 26,264 | 31,652 | 28,044 | 29,304 |
| Cost of sales | 8,153 | 8,664 | 8,402 | 8,054 | 8,425 | 9,045 | 9,176 | 9,600 |
| Gross profit | 21,139 | 24,400 | 22,018 | 21,280 | 17,839 | 22,607 | 18,868 | 19,704 |
| Operating expenses: | | | | | | | | |
| Sales and marketing | 6,022 | 7,200 | 8,515 | 6,597 | 6,422 | 7,767 | 6,924 | 6,680 |
| General and administrative | 9,720 | 9,956 | 10,336 | 9,294 | 9,747 | 10,063 | 10,118 | 10,378 |
| Research and development | 1,627 | 1,979 | 1,325 | 1,803 | 1,739 | 1,769 | 1,962 | 1,973 |
| Amortization of intangible assets | 3,352 | 3,302 | 3,294 | 3,333 | 3,694 | 3,449 | 4,046 | 4,295 |
| Total operating expenses | 20,721 | 22,437 | 23,470 | 21,027 | 21,602 | 23,048 | 23,050 | 23,326 |
| (Loss) Income from operations | 418 | 1,963 | (1,452) | 253 | (3,763) | (441) | (4,182) | (3,622) |
| Interest (expense) income, net | (1,429) | (1,944) | (1,593) | (782) | 24 | 156 | 53 | (109) |
| Other income (expense), net | (139) | 83 | (93) | (1,800) | (1) | 10 | - | - |
| (Loss) Income from operations before income taxes | (1,150) | 102 | (3,138) | (2,329) | (3,740) | (275) | (4,129) | (3,731) |
| Income tax (expense) benefit | 94 | 237 | (627) | 123 | 158 | (33) | (231) | (170) |
| Net (loss) income | (1,056) | 339 | (3,765) | (2,206) | (3,582) | (308) | (4,360) | (3,901) |
| Other comprehensive (loss) income: | | | | | | | | |
| Unrealized income (loss) on marketable securities | 418 | 481 | (493) | (201) | 1,581 | (244) | 9 | 1,340 |
| Comprehensive (loss) income | \$ (638) | \$ 820 | \$ (4,258) | \$ (2,407) | \$ (2,001) | \$ (552) | \$ (4,351) | \$ (2,561) |

(\$ in thousands)

Statements of Cash Flows (Unaudited)



| THREE MONTHS ENDED | Dec. 31, 2022 | Mar. 31, 2023 | Jun. 30, 2023 | Sep. 30, 2023 | Dec. 31, 2023 | Mar. 31, 2024 | Jun. 30, 2024 | Sep. 30, 2024 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Cash flows from operating activities: | | | | | | | | |
| Net (loss) income | \$ (1,056) | \$ 339 | \$ (3,765) | \$ (2,206) | \$ (3,582) | \$ (308) | \$ (4,360) | \$ (3,901) |
| Adjustments to reconcile (loss) income to net cash (used in) provided by operations: | | | | | | | | |
| Depreciation and amortization | 4,690 | 4,789 | 4,886 | 4,568 | 4,892 | 4,860 | 5,499 | 5,841 |
| Amortization of operating lease assets | 434 | 307 | 468 | 354 | 352 | 335 | 342 | 348 |
| Amortization of debt financing costs and discount | 187 | 169 | 186 | 193 | 272 | 142 | 160 | 229 |
| Non-cash interest expense | - | 982 | 449 | 40 | - | - | - | - |
| Net amortization of premiums and accretion of discounts on available-for-sale securities | 1 | (14) | (17) | (32) | (56) | (78) | (92) | (103) |
| Provision for (Recovery of) expected losses | 499 | 652 | 1,221 | 131 | 43 | 46 | 61 | 4 |
| Provision for (Recovery of) deferred income taxes | (255) | (73) | 159 | 25 | 114 | 24 | 231 | 133 |
| Loss on extinguishment of debt | - | - | - | 1,208 | (218) | - | - | - |
| Net realized gains on sales of available-for-sale securities | (413) | (453) | (571) | (621) | (612) | (652) | (642) | (635) |
| Share-based compensation | 837 | 1,337 | 1,582 | 1,251 | 1,260 | 1,902 | 1,488 | 1,591 |
| Loss (gain) on disposals of long-term assets | 24 | 160 | (68) | 40 | - | - | - | - |
| Change in fair value of contingent purchase consideration | 105 | (69) | - | 244 | - | - | - | - |
| Goodwill and intangible asset adjustment | (5) | - | - | - | - | - | - | - |
| Changes in operating assets and liabilities: | | | | | | | | |
| Accounts receivable | (5,802) | (3,290) | (3,089) | 1,365 | 888 | (919) | (1,259) | (964) |
| Inventory | 71 | 33 | 85 | 41 | (62) | (50) | (58) | 30 |
| Prepaid expenses and other assets | 138 | 4,850 | (330) | (489) | 1,070 | (473) | (1,163) | (20) |
| Operating lease right-of-use assets | 469 | - | 189 | 284 | 73 | 30 | 68 | (98) |
| Accounts payable | 874 | (450) | (380) | 332 | 874 | (960) | (370) | 77 |
| Accrued expenses and other long-term obligations | 1,191 | (123) | 1,051 | (10) | (831) | (2,665) | 807 | 806 |
| Operating lease liabilities | (275) | (219) | (266) | (410) | (223) | (141) | (233) | (765) |
| Deferred revenue | 4,823 | (4,339) | (282) | (569) | 2,811 | (5,040) | 1,749 | (1,248) |
| Net cash provided by (used in) operating activities | 6,537 | 4,588 | 1,508 | 5,739 | 7,065 | (3,947) | 2,228 | 1,325 |
| Cash flows from investing activities: | | | | | | | | |
| Acquisition of intangible asset | - | - | - | (697) | (6,954) | (710) | (3,387) | (8,300) |
| Purchases of property and equipment | (130) | (726) | (294) | (345) | (220) | (240) | (135) | (171) |
| Software capitalization costs | (1,009) | (1,158) | (2,143) | (1,728) | (1,998) | (2,435) | (2,607) | (2,635) |
| Purchases of available-for-sale securities | (3,778) | (10,189) | (8,696) | (2,628) | (6,134) | (3,516) | (2,946) | (4,452) |
| Proceeds from sales and maturities of available-for-sale securities | 2,909 | 5,426 | 514 | 4,488 | 3,957 | 2,406 | 6,211 | 4,708 |
| Net cash used in investing activities | (2,008) | (6,647) | (10,619) | (910) | (11,349) | (4,495) | (2,864) | (10,850) |
| Cash flows from financing activities: | | | | | | | | |
| Payments of notes payable | - | (232) | (411) | (34,984) | - | - | - | (420) |
| Debt extinguishment costs | - | - | - | (468) | 218 | - | - | - |
| Payments of contingent purchase consideration | (121) | - | - | - | - | - | - | - |
| Net proceeds from issuance of common stock | 305 | 1,988 | 278 | 43,720 | 814 | 176 | 396 | 330 |
| Capital raise fees | - | - | - | (258) | (80) | - | (46) | (1) |
| Payments made on amounts due for the acquisition of intangibles | - | - | - | - | (311) | (236) | - | (422) |
| Net change in client fund obligations | 21,472 | 19,372 | (36,597) | (13,808) | 44,964 | 21,122 | (49,347) | 2,157 |
| Net cash provided by (used in) financing activities | 21,656 | 21,128 | (36,730) | (5,798) | 45,605 | 21,062 | (48,997) | 1,644 |
| Net increase (decrease) in cash and cash equivalents | 26,185 | 19,069 | (45,841) | (969) | 41,321 | 12,620 | (49,633) | (7,881) |
| Cash and cash equivalents at beginning of period | 137,857 | 164,042 | 183,111 | 137,270 | 136,301 | 177,622 | 190,242 | 140,609 |
| Cash and cash equivalents at end of period | \$ 164,042 | \$ 183,111 | \$ 137,270 | \$ 136,301 | \$ 177,622 | \$ 190,242 | \$ 140,609 | \$ 132,728 |

Non-GAAP Reconciliation (Unaudited, 1 of 2)



| THREE MONTHS ENDED | Dec. 31, 2022 | Mar. 31, 2023 | Jun. 30, 2023 | Sep. 30, 2023 | Dec. 31, 2023 | Mar. 31, 2024 | Jun. 30, 2024 | Sep. 30, 2024 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue | \$ 29,292 | \$ 33,064 | \$ 30,420 | \$ 29,334 | \$ 26,264 | \$ 31,652 | \$ 28,044 | \$ 29,304 |
| GAAP to Non-GAAP Gross Profit | | | | | | | | |
| Gross Profit | \$ 21,139 | \$ 24,400 | \$ 22,018 | \$ 21,280 | \$ 17,839 | \$ 22,607 | \$ 18,868 | \$ 19,704 |
| <i>Gross Margin</i> | 72.2% | 73.8% | 72.4% | 72.5% | 67.9% | 71.4% | 67.3% | 67.2% |
| Share-based Compensation | 34 | 31 | 46 | 28 | 32 | 40 | 43 | 44 |
| Depreciation | 871 | 1,009 | 1,309 | 984 | 921 | 1,110 | 1,145 | 1,232 |
| Amortization - intangibles | 298 | 268 | 50 | 50 | 50 | 50 | 50 | 50 |
| One-time expenses | | | | | | | | |
| Settlements, penalties & interest | 3 | 4 | - | 8 | (6) | - | 3 | 2 |
| Acquisition and transaction costs | - | - | - | - | - | 39 | 264 | 367 |
| Non-GAAP Gross Profit | \$ 22,345 | \$ 25,712 | \$ 23,423 | \$ 22,350 | \$ 18,836 | \$ 23,846 | \$ 20,373 | \$ 21,399 |
| <i>Non-GAAP Gross Margin</i> | 76.3% | 77.8% | 77.0% | 76.2% | 71.7% | 75.3% | 72.6% | 73.0% |
| GAAP to Non-GAAP Sales and Marketing Expense | | | | | | | | |
| Sales and Marketing Expense | \$ 6,022 | \$ 7,200 | \$ 8,515 | \$ 6,597 | \$ 6,422 | \$ 7,767 | \$ 6,924 | \$ 6,680 |
| Share-based Compensation | 93 | 124 | 149 | 210 | 180 | 243 | 237 | 269 |
| Depreciation | - | - | - | - | 1 | 1 | - | 1 |
| One-time expenses | | | | | | | | |
| Settlements, penalties & interest | - | 11 | 4 | 30 | 6 | 18 | 5 | (5) |
| Acquisition and transaction costs | - | - | - | - | - | 11 | 37 | 68 |
| Other non-recurring expenses | - | - | 180 | - | - | - | - | - |
| Non-GAAP Sales and Marketing Expense | \$ 5,929 | \$ 7,065 | \$ 8,182 | \$ 6,357 | \$ 6,235 | \$ 7,494 | \$ 6,645 | \$ 6,347 |
| GAAP to Non-GAAP General and Administrative Expense | | | | | | | | |
| General and Administrative Expense | \$ 9,720 | \$ 9,956 | \$ 10,336 | \$ 9,294 | \$ 9,747 | \$ 10,063 | \$ 10,118 | \$ 10,378 |
| Share-based Compensation | 641 | 1,142 | 1,298 | 936 | 980 | 1,535 | 1,122 | 1,187 |
| Depreciation | 168 | 210 | 234 | 200 | 225 | 251 | 256 | 264 |
| One-time expenses | | | | | | | | |
| Settlements, penalties & interest | 34 | 102 | 432 | 101 | 284 | 98 | 304 | 377 |
| Acquisition and transaction costs | - | - | - | - | 51 | 57 | 245 | 371 |
| Other non-recurring expenses | - | - | 453 | - | 53 | 86 | - | 253 |
| Non-GAAP General and Administrative Expense | \$ 8,877 | \$ 8,502 | \$ 7,919 | \$ 8,057 | \$ 8,154 | \$ 8,036 | \$ 8,191 | \$ 7,926 |
| GAAP to Non-GAAP Research and Development Expense | | | | | | | | |
| Research and Development Expense | \$ 1,627 | \$ 1,979 | \$ 1,325 | \$ 1,803 | \$ 1,739 | \$ 1,769 | \$ 1,962 | \$ 1,973 |
| Share-based Compensation | 70 | 40 | 89 | 76 | 69 | 85 | 86 | 90 |
| One-time expenses | | | | | | | | |
| Settlements, penalties & interest | 25 | - | - | - | - | 31 | 27 | - |
| Acquisition and transaction costs | - | - | - | - | - | 147 | 369 | 195 |
| Non-GAAP Research and Development Expense | \$ 1,532 | \$ 1,939 | \$ 1,236 | \$ 1,727 | \$ 1,670 | \$ 1,506 | \$ 1,480 | \$ 1,688 |

(\$ in thousands)

Non-GAAP Reconciliation (Unaudited, 2 of 2)



| THREE MONTHS ENDED | Dec. 31, 2022 | Mar. 31, 2023 | Jun. 30, 2023 | Sep. 30, 2023 | Dec. 31, 2023 | Mar. 31, 2024 | Jun. 30, 2024 | Sep. 30, 2024 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue | \$ 29,292 | \$ 33,064 | \$ 30,420 | \$ 29,334 | \$ 26,264 | \$ 31,652 | \$ 28,044 | \$ 29,304 |
| GAAP Net income (loss) to Adjusted EBITDA | | | | | | | | |
| GAAP Net income (loss) | \$ (1,056) | \$ 339 | \$ (3,765) | \$ (2,206) | \$ (3,582) | \$ (308) | \$ (4,360) | \$ (3,901) |
| Interest Expense & Other, Net | 1,429 | 1,944 | 1,593 | 782 | (24) | (156) | (53) | 109 |
| Taxes | (94) | (237) | 627 | (123) | (158) | 33 | 231 | 170 |
| Depreciation | 1,039 | 1,219 | 1,542 | 1,185 | 1,148 | 1,361 | 1,402 | 1,497 |
| Amortization - intangibles | 3,648 | 3,570 | 3,343 | 3,384 | 3,743 | 3,499 | 4,096 | 4,345 |
| EBITDA | \$ 4,966 | \$ 6,835 | \$ 3,340 | \$ 3,022 | \$ 1,127 | \$ 4,429 | \$ 1,316 | \$ 2,220 |
| EBITDA Margin | 17.0% | 20.7% | 11.0% | 10.3% | 4.3% | 14.0% | 4.7% | 7.6% |
| Share-based Compensation | 838 | 1,337 | 1,582 | 1,251 | 1,260 | 1,902 | 1,488 | 1,591 |
| One Time Expenses | | | | | | | | |
| Settlements, penalties and interest | 62 | 117 | 436 | 140 | 283 | 147 | 339 | 375 |
| Acquisition and transaction costs | - | - | - | - | 51 | 254 | 914 | 1,001 |
| Other non-recurring expenses | - | - | 633 | - | 53 | 86 | - | 253 |
| Other income, net | 139 | (83) | 93 | 1,800 | 1 | (10) | - | - |
| Adjusted EBITDA | \$ 6,005 | \$ 8,206 | \$ 6,084 | \$ 6,213 | \$ 2,775 | \$ 6,808 | \$ 4,057 | \$ 5,440 |
| Adjusted EBITDA Margin | 20.5% | 24.8% | 20.0% | 21.2% | 10.6% | 21.5% | 14.5% | 18.6% |
| (\$ in thousands) | | | | | | | | |