



NEWS RELEASE

## NCR Voyix Reports Second Quarter Results and Announces Strategic Actions

- *Enters definitive agreement to divest Digital Banking to Veritas Capital for purchase price of \$2.45 billion plus contingent consideration of up to \$100 million*
- *Executes outsourced design and manufacturing agreement with leading supplier Ennoconn Corp. to provide point-of-sale and self-checkout hardware manufacturing and support*
- *Implements multi-phase cost reductions program beginning with \$75 million in annualized payroll costs as of the end of the second quarter of 2024*

**ATLANTA, August 6, 2024** - NCR Voyix Corporation (NYSE: VYX) (“NCR Voyix” or the “Company”), a leading global provider of digital commerce solutions, reported financial results today for the three and six months ended June 30, 2024.

“The strategic actions announced today support the continued realignment of our operating model to focus on our restaurant and retail customers and will enable us to improve our revenue and earnings growth over time,” said David Wilkinson, NCR Voyix CEO.

### Q2 2024 Financial Results

- GAAP Revenue was \$876 million compared to \$946 million in the prior year.
- Normalized Revenue was \$876 million compared to \$928 million in the prior year.
- Net loss from continuing operations attributable to NCR Voyix was \$(74) million, compared with \$(51) million in the prior year.
- Adjusted EBITDA was \$144 million compared to \$168 million in the prior year.
- Normalized Adjusted EBITDA was \$145 million compared to \$183 million in the prior year.
- Diluted EPS from continuing operations was \$(0.54), non-GAAP diluted EPS was \$0.09.
- Software & Services Revenue was \$656 million compared to \$679 million in the prior year.
- Normalized Software & Services Revenue was \$656 million compared to \$665 million in the prior year.
- Total Segment ARR was \$2.2 billion compared to \$2.1 billion in the prior year.
- Software ARR was \$1.3 billion compared to \$1.2 billion in the prior year.

<i>In millions</i>	<b>Q2 2024</b>	<b>Q2 2023</b>	<b>%</b>	<b>Q2 2024</b>	<b>Q2 2023</b>	<b>%</b>
	<b>QTD</b>	<b>QTD</b>	<b>Change</b>	<b>YTD</b>	<b>YTD</b>	<b>Change</b>
<b>Retail</b>						
Revenue	\$ 517	\$ 553	(7)%	\$ 1,008	\$ 1,081	(7)%
Adjusted EBITDA	\$ 87	\$ 115	(24)%	173	198	(13)%
<b>Restaurants</b>						
Revenue	\$ 201	\$ 223	(10)%	\$ 403	\$ 434	(7)%
Adjusted EBITDA	\$ 62	\$ 51	22 %	117	95	23 %
<b>Digital Banking</b>						
Revenue	\$ 154	\$ 141	9 %	\$ 301	\$ 278	8 %
Adjusted EBITDA	\$ 63	\$ 54	17 %	117	103	14 %

## Strategic Announcements

Today's announcements accelerate NCR Voyix's long-term strategic objective to optimize the Company's operations and drive shareholder value. The initial part of this multi-faceted plan was achieved in October 2023 with the completion of the spin-off of the Company's ATM business into an independent publicly traded company, NCR Atleos. Following the spin-off, the NCR Voyix Board continued efforts to streamline the business and sharpen the Company's focus to better serve its customers and drive value for shareholders.

The proceeds of the Digital Banking transaction will primarily be used to reduce leverage on NCR Voyix's balance sheet. The Company expects its net leverage ratio to be approximately 2.0x net debt/Adjusted EBITDA on a pro forma basis after the completion of the aforementioned transactions and the pay-down of a portion of its debt. The Company is also executing a multi-phase cost alignment program that began with the elimination of approximately \$75 million in annualized payroll costs, including operational and capitalized costs, as of the end of the second quarter. Further work is underway to identify an additional \$30 million of annualized non-payroll spend expected to be eliminated from operational and capital costs once the Digital Banking transaction has closed and the outsourced design and manufacturing agreement has been implemented. This program contemplates an ongoing assessment of all costs.

Together, it is anticipated that these actions will significantly reduce leverage, moderate the variability of hardware-related revenue beginning in 2025, align NCR Voyix's current operating costs to the new structure, and position the Company for accelerated revenue growth and margin expansion.

## Sale of Digital Banking Business to Veritas Capital

- Veritas will acquire NCR Voyix's industry-leading Digital Banking business, which provides banks and credit unions with a fully integrated and seamless customer experience for consumer and business banking across channels, leveraging the largest independent platform of its kind in the United States. With over 1,600 employees across seven global facilities, the digital banking business generated \$579 million in revenue in 2023 from approximately 1,300 financial institutions.
- The purchase price consists of a cash payment of \$2.45 billion and contingent consideration of up to \$100 million in cash based on the achievement of the buyer's return at the time of any future exit.
- The transaction is expected to close by year-end 2024, subject to customary closing conditions, including regulatory approvals.
- Goldman Sachs & Co. LLC served as financial advisor and King & Spalding LLP served as legal counsel to NCR Voyix.

## **New Commercial Agreement, Transitioning Point-of-Sale (“POS”) and Self-Checkout (“SCO”) Hardware to an Outsourced Design and Manufacturing (“ODM”) Model**

- NCR Voyix will transition its POS and SCO hardware business to an ODM model with leading hardware provider Ennoconn.
- Once the agreement is implemented, NCR Voyix will continue to sell hardware to its customers as a sales agent; however, all other aspects of the hardware sale, including design, manufacturing, and warranty of the hardware, will be fulfilled by Ennoconn.
- NCR Voyix expects to recognize only the net sales commissions related to hardware sales after the agreement is implemented.

NCR Voyix management will discuss the transactions on its second quarter earnings conference call today at 8:00 a.m. Eastern Time, the details of which are described later in this release.

### **Financial Outlook**

The Company is updating its full year 2024 guidance to reflect the strategic announcements described above, including the classification of our Digital Banking business as a discontinued operation beginning in the third quarter of fiscal 2024 as a result of the planned divestiture, which results in the removal of Digital Banking results from our outlook and results of operations for the full year and all prior periods, as follows:

	<b>Full Year</b>
Software Revenue	\$1,000M – \$1,020M
Services Revenue	\$1,040M – \$1,060M
Hardware Revenue	\$765M – \$780M
Total Revenue	\$2,805M – \$2,860M
Adj. EBITDA (cont. ops.)	\$355M – \$375M
Adj. EBITDA (%)	12.6% – 13.1%

In addition, the Company is providing the following supplemental full year 2024 outlook on a pro forma basis to give effect to the divestiture of the Digital Banking business and the application of the proceeds from the sale to pay down outstanding indebtedness, the ongoing expense reduction actions and the transition of the Company’s POS and SCO hardware businesses to an ODM model, as if all such transactions and actions had occurred on January 1, 2024, in order to enhance investors’ ability to evaluate and compare the Company’s operations on a go-forward basis, reflecting the impact of these transactions and actions.

## Pro Forma Impact on FY2024 Guidance (mid-point)

*\$ in millions*

<b>Pro Forma 2024 Revenue and Adjusted EBITDA</b>	
Software	\$ 1,010
Services	1,040
Hardware (Commission)	100
Total Pro Forma Revenue	<u>\$ 2,150</u>
Pro Forma Adj. EBITDA / Margin %	\$430 / ~20%
Anticipated Net Leverage Ratio	~2.0x

  

<b>Proforma 2024 Cash Flow</b>	
Pro Forma Adj. EBITDA	\$ 430
Pro Forma Capex	(135)
Pro Forma Cash Interest	(55)
Pro Forma Cash Taxes and Other	(70)
Pro Forma Adj. Free Cash Flow-Unrestricted	<u>\$ 170</u>
Pro Forma Conversion Rate	~40%

In this release, we use certain non-GAAP measures. These non-GAAP measures include “Adjusted EBITDA,” “Adjusted EBITDA Margin,” “Non-GAAP diluted EPS,” “Adjusted Free Cash Flow-Unrestricted,” “Conversion Rate,” “Net Leverage Ratio,” “Normalized Revenue,” “Normalized Adjusted EBITDA,” and “Normalized Adjusted EBITDA Margin,” and others with the words “non-GAAP” or “normalized” in their titles. These non-GAAP measures are listed, described and reconciled for historic periods to their most directly comparable GAAP measures under the heading “Non-GAAP Financial Measures” later in this release. Our Adjusted EBITDA for historic periods after giving effect to the spin-off of NCR Atleos includes certain costs historically allocated to NCR Atleos that do not meet the definition of expenses related to discontinued operations for purposes of GAAP requirements regarding the reporting of discontinued operations. Accordingly, our guidance for Adjusted EBITDA in 2024 is more comparable to our historical Normalized Adjusted EBITDA, which includes an adjustment for these estimated costs. With respect to our Adjusted EBITDA outlook for full year 2024 on an actual and pro forma basis and our pro forma outlook for our anticipated Net Leverage Ratio, our Adjusted EBITDA Margin, our Adjusted Free Cash Flow-Unrestricted and our Conversion Rate, we do not provide a reconciliation of the GAAP measure because we are not able to predict with reasonable certainty the reconciling items that may affect the GAAP net income from continuing operations and GAAP cash flow provided by (used in) operating activities without unreasonable effort. The reconciling items are primarily the future impact of special tax items, capital structure transactions, restructuring, pension mark-to-market transactions, acquisitions or divestitures, or other events. These reconciling items are uncertain, depend on various factors and could significantly impact, either individually or in the aggregate, the GAAP measures. The Company also believes such reconciliations would imply a degree of precision that would be confusing or misleading to investors.

## **Second Quarter 2024 Earnings Conference Call**

NCR Voyix management will host a conference call and webcast today at 8:00 a.m. Eastern Time to discuss the Company's results for the second quarter. Access to the webcast and the accompanying slides are available on the Investor Relations section of the Company's website at <https://investor.ncrvoyix.com>. Participants may access the live call by dialing 877-407-3088 (United States/Canada Toll-free) or +1 201-389-0927 (International Toll) and requesting to be connected to the conference call. A replay of the audio webcast will be archived on the Company's website following the live event.

More information on the Company's second quarter earnings is available on the NCR Voyix Investor Relations section of the Company's website at <https://investor.ncrvoyix.com>.

### **About NCR Voyix**

NCR Voyix Corporation (NYSE: VYX) is a leading global provider of digital commerce solutions for the retail, restaurant and digital banking industries. NCR Voyix transforms retail stores, restaurant systems and digital banking experiences with comprehensive, platform-led SaaS and services capabilities. NCR Voyix is headquartered in Atlanta, Georgia, with customers in more than 30 countries across the globe.

Website: <https://investor.ncrvoyix.com>

Twitter: [https://www.x.com/ncr\\_voyix/](https://www.x.com/ncr_voyix/)

Facebook: <https://www.facebook.com/ncrcorp>

Instagram: <https://www.instagram.com/ncrvoyix/>

LinkedIn: <https://www.linkedin.com/company/ncrvoyix/>

YouTube: <https://www.youtube.com/@ncrvoyix>

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## **Cautionary Statements**

This release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 (the “Act”). Forward-looking statements use words such as “expect,” “target,” “anticipate,” “outlook,” “guidance,” “intend,” “plan,” “confident,” “believe,” “will,” “should,” “would,” “potential,” “positioning,” “proposed,” “planned,” “objective,” “likely,” “could,” “may,” and words of similar meaning, as well as other words or expressions referencing future events, conditions or circumstances. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Act. Statements that describe or relate to the Company’s plans, goals, intentions, strategies, or financial outlook, and statements that do not relate to historical or current fact, are examples of forward-looking statements. Examples of forward-looking statements in this release include, without limitation, statements regarding: our expectations of the announced strategic actions, including the divestiture of our digital banking business, the transition of our hardware business to an outsourced design and manufacturing model, and additional cost alignment initiatives, the anticipated benefits of such actions (including the achievement of our financial objectives) and the expected time period to realize the benefits of such actions, our anticipated future performance and expected debt pay-down, and statements regarding our pro forma capital structure. Forward-looking statements are not guarantees of future performance, and there are a number of important factors that could cause actual outcomes and results to differ materially from the results contemplated by such forward-looking statements, including those factors relating to: challenges with transforming and growing our business, including our ability to attract new customers, increase use of our platform by existing customers and cross-sell additional products and solutions; development and introduction of new, competitive solutions on a timely, cost-effective basis; our ability to compete effectively against new and existing competitors; our ability to maintain a consistently high level of customer service; our ability to successfully manage our profitability and cost reduction initiatives; integration of acquisitions and management of other strategic transactions; the potential strategic benefits, synergies or opportunities expected from the Spin-Off may not be realized or may take longer to realize than expected; any unforeseen tax liabilities or impacts resulting from the Spin-Off, requests, requirements or penalties imposed by any governmental authorities related to certain existing liabilities; domestic and global economic and credit conditions; downturn or consolidation in the financial services industry; difficulties and risks associated with developing and selling complex new solutions and enhancements, including those using artificial intelligence; risks and uncertainties associated with our payments-related business; disruptions in our data center hosting and public cloud facilities; any failures or delays in our efforts to modernize our information technology infrastructure; retention and attraction of key employees; defects, errors, installation difficulties or development delays; failure of third-party suppliers; a major natural disaster or catastrophic event; geopolitical and macroeconomic challenges or events or acts of terrorism; environmental exposures from historical manufacturing activities; the impact of cybersecurity incidents on our business, including the April 2023 ransomware incident, and efforts to prevent or mitigate such incidents and any related impacts on our operations; efforts to comply with applicable data protection and data privacy laws; our level of indebtedness; the terms governing our indebtedness; incurrence of additional debt or other liabilities or obligations; access to the capital markets and other sources of financing; our cash flow sufficiency to service our indebtedness; interest rate risks and increased costs of borrowings; the terms governing our trade receivables facility; the impact of certain changes in control relating to acceleration of our indebtedness; our obligations under other financing arrangements, or required repurchase of our senior unsecured notes; any lowering or withdrawal of the ratings assigned to our debt securities by rating agencies; unforeseen tax liabilities or changes in tax law; our failure to maintain effective internal control over financial reporting and disclosure controls and procedures and our ability to remediate material weaknesses in our internal control over financial reporting; the write down of the value of certain significant assets; allegations or claims by third parties that our products or services infringe on intellectual property rights of others, including claims against our customers and claims by our customers to defend and indemnify them with respect to such claims; protection of our intellectual property; changes to our tax rates and additional income tax liabilities; and uncertainties regarding regulations, lawsuits and other related matters; rights preferences and privileges of holders of our Series A Convertible Stock compared to the rights of our common stockholders; impact of the terms of our Series A Convertible Preferred Stock relating to voting power, share dilution and market price of our common stock; actions or proposals from stockholders that do not align with our business strategies or the interest of our stockholders; and other factors presented in “Item 1A-Risk Factors” of our most recent Annual Report on Form 10-K for the year ended December 31, 2023 and subsequent filings we make with the U.S. Securities and Exchange Commission (“SEC”), including our Quarterly Reports on Form 10-Q, which we advise you to review.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those set forth in the forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made and should not be relied upon as representing our plans and expectations as of any subsequent date. The Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

## **Non-GAAP Financial Measures**

*Non-GAAP Financial Measures.* While the Company reports its results in accordance with Generally Accepted Accounting Principles in the United States, or GAAP, in this release the Company also uses the non-GAAP measures listed and described

below. The Company's definitions and calculations of these non-GAAP measures may differ from similarly-titled measures reported by other companies and cannot, therefore, be compared with similarly-titled measures of other companies. These non-GAAP measures should not be considered as substitutes for, or superior to, results determined in accordance with GAAP.

*Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) and Adjusted EBITDA margin.* The Company determines Adjusted EBITDA for a given period based on its GAAP net income from continuing operations attributable to NCR Voyix plus interest expense, net; plus income tax expense (benefit); plus depreciation and amortization (excluding acquisition-related amortization of intangibles); plus stock-based compensation expense; plus other income (expense); plus pension mark-to-market adjustments and other special items, including amortization of acquisition-related intangibles, separation-related costs, cyber ransomware incident recovery costs (net of insurance recoveries), fraudulent ACH disbursements costs, transformation and restructuring charges (which includes integration, severance and other exit and disposal costs), acquisition-related costs, foreign currency devaluation related costs, and strategic initiative costs, among others. Separation-related costs include costs incurred as a result of the spin-off. Professional and other fees to effect the spin-off including separation management, organizational design, and legal fees have been classified within discontinued operations through October 16, 2023, the separation date. The Company also uses Adjusted EBITDA margin, which is calculated based on Adjusted EBITDA as a percentage of total revenue. The Company uses Adjusted EBITDA and Adjusted EBITDA margin to manage and measure the performance of its business segments. The Company also uses Adjusted EBITDA and Adjusted EBITDA margin to manage and determine the effectiveness of its business managers and as a basis for incentive compensation. The Company believes that Adjusted EBITDA and Adjusted EBITDA margin provide useful information to investors because they are indicators of the strength and performance of the Company's ongoing business operations, including its ability to fund discretionary spending such as capital expenditures, strategic acquisitions and other investments. Adjusted EBITDA and Adjusted EBITDA margin should not be considered as substitutes for, or superior to, net income from continuing operations attributable to NCR Voyix or net profit margin, respectively, under GAAP.

*Normalized Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Normalized Adjusted EBITDA) and Normalized Revenue.* The Company determines Normalized Adjusted EBITDA for a given period by further adjusting its Adjusted EBITDA for estimated costs historically allocated to NCR Atleos that do not meet the definition of expenses related to discontinued operations for purposes of GAAP requirements regarding the reporting of discontinued operations. Normalized Adjusted EBITDA and Normalized Revenue also removes revenue and for Normalized Adjusted EBITDA the costs associated with the transfer or pending transfer of NCR Atleos-related operations in all foreign countries that have not occurred by March 31, 2024 from Adjusted EBITDA. In addition, Normalized Adjusted EBITDA and Normalized Revenue adjusts for all divestitures that occurred in prior periods that are not treated as discontinued operations under GAAP. The Company uses Normalized Adjusted EBITDA and Normalized Revenue to estimate the performance of the continuing business following the spin-off. The Company believes that Normalized Adjusted EBITDA and Normalized Revenue provide useful information to investors because it is an indicator of the strength and performance of the Company's ongoing business operations following the spin-off and allow for more easy comparisons period over period.

*Non-GAAP Diluted Earnings Per Share (EPS).* The Company determines Non-GAAP EPS by excluding, as applicable, pension mark-to-market adjustments, pension settlements, pension curtailments and pension special termination benefits, as well as other special items, including amortization of acquisition related intangibles, stock-based compensation expense, separation-related costs, cyber ransomware incident recovery costs, fraudulent ACH disbursements costs, strategic initiative costs, foreign currency devaluation costs, costs related to the disposal of businesses, and transformation and restructuring activities, from the Company's GAAP earnings per share. Due to the non-operational nature of these pension and other special items, the Company's management uses these non-GAAP measures to evaluate year-over-year operating performance. The Company believes this measure is useful for investors because it provides a more complete understanding of the Company's underlying operational performance, as well as consistency and comparability with the Company's past reports of financial results.

*Adjusted Free Cash Flow-Unrestricted and Conversion Rate.* NCR Voyix management uses the non-GAAP measure called "adjusted free cash flow-unrestricted" and "conversion rate" to assess the financial performance of the Company. We define free cash flow as net cash provided by (used in) operating activities less capital expenditures for property, plant and equipment, less additions to capitalized software, plus/minus net reductions or reinvestments in the trade receivables facility due to fluctuations in the outstanding balance of receivables sold, restricted cash settlement activity, NCR Atleos settlement activity, net cash provided by (used in) environmental discontinued operations plus acquisition-related items, and plus pension contributions and settlements. NCR Atleos settlement activity relates to changes in amounts owed to and amounts due from NCR Atleos for activity related to items governed by the separation and distribution agreement. Activity from the commercial and transition services agreements are not included in this adjustment. We define conversion rate as adjusted free cash flow-unrestricted divided by Adjusted EBITDA. We believe adjusted free cash flow-unrestricted and conversion rate information is useful for investors because it relates the operating cash flows from the Company's continuing and discontinued operations to the capital that is spent to continue and improve business operations and the Company's ability to convert Adjusted EBITDA into free cash flow. In particular, free cash flow indicates the amount of cash available after capital expenditures for, among other things, investments in the Company's existing businesses, strategic acquisitions, and repayment of debt obligations. Free cash flow does not represent the residual cash

flow available for discretionary expenditures, since there may be other non-discretionary expenditures that are not deducted from the measure. Free cash flow and conversion rate do not have uniform definitions under GAAP, and therefore the Company's definitions may differ from other companies' definitions of these measures. These non-GAAP measures should not be considered a substitute for, or superior to, cash flows from operating activities under GAAP.

*Net Debt and Net Leverage Ratio.* NCR Voyix management uses non-GAAP measures called "net debt" and "net leverage ratio" to assess the financial performance of the Company. We define net debt as total debt minus cash and cash equivalents. NCR Voyix's management considers net debt to be an important measure of liquidity and an indicator of our ability to meet ongoing obligations. Net leverage ratio is calculated as net debt divided by last-twelve-months Adjusted EBITDA. NCR Voyix's management considers net leverage ratio to be an important indicator of the Company's indebtedness in relation to its operating performance. The Company's definition of net debt and net leverage ratio may differ from other companies' definitions of each measure, and each measure should not be considered a substitute for, or superior to, comparable GAAP metrics.

*Non-GAAP Pro Forma Outlook.* The supplemental non-GAAP pro forma financial outlook in this press release is not necessarily indicative of the operating results of the Company were the divestiture of the Digital Banking business and the application of the proceeds from the sale to pay off outstanding indebtedness, the ongoing expense reduction actions and the transition of the Company's POS and SCO hardware businesses to an ODM model effected as of or before January 1, 2024 or of the operating results of the Company in the future. The supplemental non-GAAP pro forma financial outlook included in this press release is not pro forma information prepared in accordance with Article 11 of Regulation S-X of the SEC, and the preparation of information in accordance with Article 11 would result in a different presentation. The Company will publish historical pro forma financial information in accordance with Article 11 of Regulation S-X of the SEC to give effect to the divestiture of the Digital Banking business in connection with the closing of the transaction.

#### *Use of Certain Terms*

The term "recurring revenue" includes all revenue streams from contracts where there is a predictable revenue pattern that will occur at regular intervals with a relatively high degree of certainty. This includes hardware and software maintenance revenue, cloud revenue, payment processing revenue, interchange and network revenue, and certain professional services arrangements, as well as term-based software license arrangements that include customer termination rights.

The term "annual recurring revenue" or "ARR" is recurring revenue, excluding software licenses (SWL) sold as a subscription, for the last three months times four. In addition, plus the rolling four quarters of term-based SWL arrangements that include customer termination rights.

The term "Software ARR" includes recurring software license revenue, software maintenance revenue, SaaS revenue, standalone hosted contract revenue, professional services recurring revenue and payments revenue.

The term "Software & Services Revenue" includes all software, services and payments revenue and excludes hardware revenue.

The term "ARPU" means average recurring revenue per active user (digital banking).

The term "platform sites" includes all sites for which we bill for use of our Commerce platform.

The term "payment sites" includes all sites which utilizes NCR Voyix's payment processing capabilities.



**Reconciliation of Net Income from Continuing Operations Attributable to NCR Voyix (GAAP) to Adjusted Earnings Before Interest, Depreciation, Taxes and Amortization (Adjusted EBITDA)**

<i>\$ in millions</i>	Q2 2024 QTD	Q2 2023 QTD	Q2 2024 YTD	Q2 2023 YTD
<b>Net Income (Loss) from Continuing Operations Attributable to NCR Voyix (GAAP)</b>	\$ (74)	\$ (51)	\$ (113)	\$ (123)
Depreciation and amortization (excluding acquisition-related amortization of intangibles)	70	61	136	120
Acquisition-related amortization of intangibles	15	18	29	35
Interest expense	41	91	80	174
Interest income	(1)	(3)	(3)	(6)
Acquisition-related costs	—	1	—	1
Income tax expense (benefit)	24	7	10	12
Stock-based compensation expense	14	25	27	50
Transformation and restructuring costs	51	3	79	6
Separation costs	3	6	8	8
Loss (gain) on disposal of businesses	(7)	(4)	(14)	(7)
Foreign currency devaluation	—	—	15	—
Fraudulent ACH disbursements	(1)	3	(2)	5
Cyber ransomware incident recovery costs	(4)	11	(4)	11
Strategic initiatives	13	—	17	—
<b>Adjusted EBITDA (Non-GAAP)</b>	<b>\$ 144</b>	<b>\$ 168</b>	<b>\$ 265</b>	<b>\$ 286</b>
Less: Divestitures <sup>(1)</sup>	—	(6)	—	(13)
Less: NCR Atleos delayed country transfers	1	(2)	2	(3)
Plus: Estimated costs historically allocated to NCR Atleos	—	23	—	38
<b>Normalized Adjusted EBITDA (Non-GAAP)</b>	<b>\$ 145</b>	<b>\$ 183</b>	<b>\$ 267</b>	<b>\$ 308</b>

<sup>(1)</sup>2023 Divestiture amounts shown in table represent the quarterly impact of the non-core payments and Austria-hardware divestitures.

**Reconciliation of Revenue to Normalized Revenue**

<i>\$ in millions</i>	Q2 2024 QTD	Q2 2023 QTD	Q2 2024 YTD	Q2 2023 YTD
<b>Revenue</b>	\$ 876	\$ 946	\$ 1,734	\$ 1,852
Less: Divestitures <sup>(1)</sup>	—	(14)	—	(29)
Less: NCR Atleos delayed country transfers	—	(4)	—	(6)
<b>Normalized Revenue</b>	<b>\$ 876</b>	<b>\$ 928</b>	<b>\$ 1,734</b>	<b>\$ 1,817</b>

<sup>(1)</sup>2023 Divestiture amounts shown in table represent the quarterly impact of the non-core payments and Austria-hardware divestitures.

**Reconciliation of Software & Services Revenue to Normalized Software & Services Revenue**

<i>\$ in millions</i>	Q2 2024 QTD	Q2 2023 QTD	Q2 2024 YTD	Q2 2023 YTD
<b>Software &amp; Services Revenue</b>	\$ 656	\$ 679	\$ 1,318	\$ 1,323
Less: Divestitures <sup>(1)</sup>	—	(11)	—	(24)
Less: NCR Atleos delayed country transfers	—	(3)	—	(5)
<b>Normalized Software &amp; Services Revenue</b>	<b>\$ 656</b>	<b>\$ 665</b>	<b>\$ 1,318</b>	<b>\$ 1,294</b>

<sup>(1)</sup>2023 Divestiture amounts shown in table represent the quarterly impact of the non-core payments and Austria-hardware divestitures.

**Reconciliation of Diluted Earnings Per Share from Continuing Operations (GAAP) to  
Non-GAAP Diluted Earnings Per Share from Continuing Operations (Non-GAAP)**

	Q2 2024 QTD	Q2 2024 YTD
<b>Diluted Earnings Per Share from Continuing Operations (GAAP)<sup>(1)</sup></b>	<b>\$ (0.54)</b>	<b>\$ (0.84)</b>
Acquisition-related amortization of intangibles	0.10	0.17
Stock-based compensation expense	0.09	0.17
Transformation and restructuring costs	0.31	0.47
Separation costs	0.02	0.05
Loss (gain) on disposal of businesses	(0.04)	(0.08)
Foreign currency devaluation	0.01	0.08
Fraudulent ACH disbursements	(0.01)	(0.01)
Cyber ransomware incident recovery costs	(0.02)	(0.02)
Strategic initiatives	0.09	0.10
<b>Diluted Earnings Per Share from Continuing Operations (Non-GAAP)<sup>(1)</sup></b>	<b>\$ 0.09</b>	<b>\$ 0.22</b>

<sup>(1)</sup> Non-GAAP diluted EPS is determined using the conversion of the Series A Convertible Preferred Stock into common stock in the calculation of weighted average diluted shares outstanding. GAAP EPS is determined using the most dilutive measure, either including the impact of dividends or deemed dividends on the Company's Series A Convertible Preferred Stock in the calculation of net income or loss available to common stockholders or including the impact of the conversion of the Series A Convertible Preferred Stock into common stock in the calculation of the weighted average diluted shares outstanding. Therefore, GAAP diluted EPS and non-GAAP diluted EPS may not mathematically reconcile.

<i>\$ in millions</i>	Q2 2024 QTD	Q2 2024 QTD Non-GAAP	Q2 2024 YTD	Q2 2024 YTD Non-GAAP
<b>Income (loss) from continuing operations attributable to NCR Voyix common stockholders</b>				
Income (loss) from continuing operations (attributable to NCR Voyix)	\$ (74)	\$ 14	\$ (113)	\$ 36
Dividends on convertible preferred shares	(4)	—	(8)	—
Income (loss) from continuing operations attributable to NCR Voyix common stockholders	\$ (78)	\$ 14	\$ (121)	\$ 36
<i>Weighted average outstanding shares:</i>				
Weighted average diluted shares outstanding	145.0	147.2	144.3	147.1
Weighted as-if converted preferred shares	—	15.9	—	15.9
Total shares used in diluted earnings per share	145.0	163.1	144.3	163.0
<b>Diluted earnings per share from continuing operations</b>	<b>\$ (0.54)</b>	<b>\$ 0.09</b>	<b>\$ (0.84)</b>	<b>\$ 0.22</b>

**NCR VOYIX CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)  
(in millions, except per share amounts)

Schedule A

	For the Period Ended June 30			
	Three Months		Six Months	
	2024	2023	2024	2023
<b>Revenue</b>				
Product	\$ 256	\$ 311	\$ 488	\$ 599
Service	620	635	1,246	1,253
<b>Total Revenue</b>	<b>876</b>	<b>946</b>	<b>1,734</b>	<b>1,852</b>
Cost of products	232	269	431	536
Cost of services	453	413	916	828
<b>Total gross margin</b>	<b>191</b>	<b>264</b>	<b>387</b>	<b>488</b>
<i>% of Revenue</i>	<i>21.8 %</i>	<i>27.9 %</i>	<i>22.3 %</i>	<i>26.3 %</i>
Selling, general and administrative expenses	140	167	271	322
Research and development expenses	55	42	115	91
<b>Income (loss) from operations</b>	<b>(4)</b>	<b>55</b>	<b>1</b>	<b>75</b>
<i>% of Revenue</i>	<i>(0.5)%</i>	<i>5.8 %</i>	<i>0.1 %</i>	<i>4.0 %</i>
Interest expense	(41)	(91)	(80)	(174)
Other income (expense), net	(5)	(8)	(25)	(12)
Total interest and other expense, net	(46)	(99)	(105)	(186)
<b>Income (loss) from continuing operations before income taxes</b>	<b>(50)</b>	<b>(44)</b>	<b>(104)</b>	<b>(111)</b>
<i>% of Revenue</i>	<i>(5.7)%</i>	<i>(4.7)%</i>	<i>(6.0)%</i>	<i>(6.0)%</i>
Income tax expense (benefit)	24	7	10	12
<b>Income (loss) from continuing operations</b>	<b>(74)</b>	<b>(51)</b>	<b>(114)</b>	<b>(123)</b>
Income (loss) from discontinued operations, net of tax	1	67	—	147
<b>Net income (loss)</b>	<b>(73)</b>	<b>16</b>	<b>(114)</b>	<b>24</b>
Net income (loss) attributable to noncontrolling interests	—	—	(1)	—
Net income (loss) attributable to noncontrolling interests of discontinued operations	—	(1)	—	—
<b>Net income (loss) attributable to NCR Voyix</b>	<b>\$ (73)</b>	<b>\$ 17</b>	<b>\$ (113)</b>	<b>\$ 24</b>
<b>Amounts attributable to NCR Voyix common stockholders:</b>				
Income (loss) from continuing operations	\$ (74)	\$ (51)	\$ (113)	\$ (123)
Dividends on convertible preferred stock	(4)	(4)	(8)	(8)
Income (loss) from continuing operations attributable to NCR Voyix common stockholders	(78)	(55)	(121)	(131)
Income (loss) from discontinued operations, net of tax	1	68	—	147
Net income (loss) attributable to NCR Voyix common stockholders	<b>\$ (77)</b>	<b>\$ 13</b>	<b>\$ (121)</b>	<b>\$ 16</b>
<b>Income (loss) per share attributable to NCR Voyix common stockholders:</b>				
<b>Income (loss) per common share from continuing operations</b>				
Basic	<b>\$ (0.54)</b>	<b>\$ (0.39)</b>	<b>\$ (0.84)</b>	<b>\$ (0.94)</b>
Diluted <sup>(1)</sup>	<b>\$ (0.54)</b>	<b>\$ (0.39)</b>	<b>\$ (0.84)</b>	<b>\$ (0.94)</b>
<b>Net income (loss) per common share</b>				
Basic	<b>\$ (0.53)</b>	<b>\$ 0.09</b>	<b>\$ (0.84)</b>	<b>\$ 0.11</b>
Diluted <sup>(1)</sup>	<b>\$ (0.53)</b>	<b>\$ 0.09</b>	<b>\$ (0.84)</b>	<b>\$ 0.11</b>
<b>Weighted average common shares outstanding</b>				
Basic	<b>145.0</b>	<b>140.4</b>	<b>144.3</b>	<b>140.0</b>
Diluted <sup>(1)</sup>	<b>145.0</b>	<b>140.4</b>	<b>144.3</b>	<b>140.0</b>

<sup>(1)</sup> Diluted EPS is determined using the most dilutive measure, either including the impact of the dividends and deemed dividends on the Company's Series A Convertible Preferred Shares in the calculation of net income or loss per common share from continuing operations and net income or loss per common share or including the impact of the conversion of such preferred stock into common stock in the calculation of the weighted average diluted shares outstanding.

**NCR VOYIX CORPORATION**  
**REVENUE AND ADJUSTED EBITDA SUMMARY**  
(Unaudited)  
(in millions)

**Schedule B**

	For the Period Ended June 30					
	Three Months			Six Months		
	2024	2023	% Change	2024	2023	% Change
<b>Revenue by segment</b>						
Retail	\$ 517	\$ 553	(7)%	\$ 1,008	\$ 1,081	(7)%
Restaurants	201	223	(10)%	403	434	(7)%
Digital Banking	154	141	9 %	301	278	8 %
Corporate and Other <sup>(1)</sup>	4	29	(86)%	22	59	(63)%
<b>Total revenue</b>	<b>\$ 876</b>	<b>\$ 946</b>	<b>(7)%</b>	<b>\$ 1,734</b>	<b>\$ 1,852</b>	<b>(6)%</b>
<b>Adjusted EBITDA by segment</b>						
Retail	\$ 87	\$ 115	(24)%	\$ 173	\$ 198	(13)%
<i>Retail Adjusted EBITDA margin %</i>	<i>16.8%</i>	<i>20.8%</i>		<i>17.2%</i>	<i>18.3%</i>	
Restaurants	62	51	22 %	117	95	23 %
<i>Restaurants Adjusted EBITDA margin %</i>	<i>30.8%</i>	<i>22.9%</i>		<i>29.0%</i>	<i>21.9%</i>	
Digital Banking	63	54	17 %	117	103	14 %
<i>Digital Banking Adjusted EBITDA margin %</i>	<i>40.9%</i>	<i>38.3%</i>		<i>38.9%</i>	<i>37.1%</i>	
<b>Segment Adjusted EBITDA</b>	<b>\$ 212</b>	<b>\$ 220</b>	<b>(4)%</b>	<b>\$ 407</b>	<b>\$ 396</b>	<b>3 %</b>
<i>Segment Adjusted EBITDA margin %</i>	<i>24.3%</i>	<i>24.0%</i>		<i>23.8%</i>	<i>22.1%</i>	
Corporate and Other <sup>(1)</sup>	(68)	(52)	31 %	(142)	(110)	29 %
<b>Total Adjusted EBITDA</b>	<b>\$ 144</b>	<b>\$ 168</b>	<b>(14)%</b>	<b>\$ 265</b>	<b>\$ 286</b>	<b>(7)%</b>
<i>Total Adjusted EBITDA margin %</i>	<i>16.4%</i>	<i>17.8%</i>		<i>15.3%</i>	<i>15.4%</i>	

<sup>(1)</sup> Corporate and Other includes income and expenses related to corporate functions that are not specifically attributable to any of our three individual reportable segments along with certain non-strategic businesses that are considered immaterial operating segment(s) and certain countries which are expected to transfer to NCR Atleos during the remainder of 2024, as well as commercial agreements with NCR Atleos.

**NCR VOYIX CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
(Unaudited)  
(in millions, except per share amounts)

Schedule C

In millions, except per share amounts	June 30, 2024	December 31, 2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 204	\$ 261
Accounts receivable, net of allowances of \$23 and \$29 as of June 30, 2024 and December 31, 2023, respectively	429	472
Inventories	220	250
Restricted cash	24	21
Prepaid and other current assets	187	187
Current assets of discontinued operations	—	15
<b>Total current assets</b>	<b>1,064</b>	<b>1,206</b>
Property, plant and equipment, net	205	212
Goodwill	2,038	2,040
Intangibles, net	261	291
Operating lease assets	233	236
Prepaid pension cost	40	43
Deferred income taxes	244	239
Other assets	698	715
Noncurrent assets of discontinued operations	—	\$ 8
<b>Total assets</b>	<b>\$ 4,783</b>	<b>\$ 4,990</b>
<b>Liabilities and stockholders' equity (deficit)</b>		
Current liabilities		
Short-term borrowings	\$ 15	\$ 15
Accounts payable	478	504
Payroll and benefits liabilities	93	148
Contract liabilities	230	187
Settlement liabilities	51	39
Other current liabilities	387	425
Current liabilities of discontinued operations	—	15
<b>Total current liabilities</b>	<b>1,254</b>	<b>1,333</b>
Long-term debt	2,595	2,563
Pension and indemnity plan liabilities	157	161
Postretirement and postemployment benefits liabilities	45	43
Income tax accruals	66	64
Operating lease liabilities	252	254
Other liabilities	225	259
Noncurrent liabilities of discontinued operations	—	12
<b>Total liabilities</b>	<b>4,594</b>	<b>4,689</b>
<b>Commitments and Contingencies (Note 10)</b>		
Series A convertible preferred stock: par value \$0.01 per share, 3.0 shares authorized, 0.3 shares issued and outstanding as of June 30, 2024 and December 31, 2023; redemption amount and liquidation preference of \$276 as of June 30, 2024 and December 31, 2023	276	276
<b>Stockholders' equity (deficit)</b>		
NCR Voyix stockholders' equity (deficit)		
Preferred stock: par value \$0.01 per share, 100.0 shares authorized, no shares issued and outstanding as of June 30, 2024 and December 31, 2023, respectively	—	—
Common stock: par value \$0.01 per share, 500.0 shares authorized, 145.1 and 142.6 shares issued and outstanding as of June 30, 2024 and December 31, 2023, respectively	1	1
Paid-in capital	899	874
Retained earnings (deficit)	(517)	(421)
Accumulated other comprehensive loss	(468)	(429)
<b>Total NCR Voyix stockholders' equity (deficit)</b>	<b>(85)</b>	<b>25</b>
Noncontrolling interests in subsidiaries	(2)	—
<b>Total stockholders' equity (deficit)</b>	<b>(87)</b>	<b>25</b>
<b>Total liabilities and stockholders' equity (deficit)</b>	<b>\$ 4,783</b>	<b>\$ 4,990</b>

**NCR VOYIX CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)  
(in millions)

Schedule D

In millions	Six months ended June 30	
	2024	2023
<b>Operating activities</b>		
Net income (loss)	\$ (114)	\$ 24
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	167	306
Stock-based compensation expense	27	68
Deferred income taxes	(8)	15
Impairment of other assets	5	1
Loss (gain) on disposal of property, plant and equipment and other assets	—	1
(Gain) loss on divestiture	(14)	(8)
Changes in assets and liabilities:		
Receivables	61	96
Inventories	31	21
Current payables and accrued expenses	(52)	(104)
Contract liabilities	41	25
Employee benefit plans	(3)	(24)
Other assets and liabilities	(114)	117
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 27</b>	<b>\$ 538</b>
<b>Investing activities</b>		
Expenditures for property, plant and equipment	\$ (21)	\$ (70)
Proceeds from sale of property, plant and equipment and other assets	—	8
Additions to capitalized software	(104)	(134)
Business acquisitions, net of cash acquired	—	(6)
Proceeds from divestiture, net	14	8
Proceeds from disposition of corporate-owned life insurance policies	30	—
<b>Net cash provided by (used in) investing activities</b>	<b>\$ (81)</b>	<b>\$ (194)</b>
<b>Financing activities</b>		
Payments on term credit facilities	(8)	(50)
Payments on revolving credit facilities	(374)	(927)
Borrowings on revolving credit facilities	412	732
Payments on other financing arrangements	—	(2)
Cash dividend paid for Series A preferred shares dividends	(8)	(8)
Proceeds from employee stock plans	7	14
Tax withholding payments on behalf of employees	(9)	(16)
Principal payments for finance lease obligations	(5)	(9)
<b>Net cash provided by (used in) financing activities</b>	<b>\$ 15</b>	<b>\$ (266)</b>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(14)	(8)
<b>Increase (decrease) in cash, cash equivalents, and restricted cash</b>	<b>\$ (53)</b>	<b>\$ 70</b>
Cash, cash equivalents and restricted cash at beginning of period	285	740
<b>Cash, cash equivalents, and restricted cash at end of period</b>	<b>\$ 232</b>	<b>\$ 810</b>