

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): December 13, 2023

Presto Automation Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-39830

(Commission File Number)

84-2968594

(IRS Employer
Identification No.)

**985 Industrial Road
San Carlos, CA 94070**

(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: **(650) 817-9012**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.0001 per share	PRST	The Nasdaq Stock Market LLC
Warrants, each whole warrant exercisable for one share of common stock	PRSTW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On December 13, 2023, Nathan Cook submitted his resignation as Interim Chief Financial Officer of Presto Automation Inc. Company (“Presto” or the “Company”), effective immediately. Mr. Cook was engaged as Interim Chief Financial Officer pursuant to an agreement with Teneo Capital LLC (“Teneo”) that required the Company to pay a monthly fee of \$90,000, a copy of which was filed as Exhibit 10.12 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on October 11, 2023. The agreement with Teneo terminated upon the Company’s notice to Teneo on the date hereof.

On December 14, 2023, the Board of Directors (the “Board”) of Presto appointed Stanley Mbugua to serve as Interim Chief Financial Officer, effective immediately.

Mr. Mbugua has served as Chief Accounting Officer of the Company since March 2023, a role in which he will remain while serving as Interim Chief Financial Officer, and as the Interim Chief Financial Officer from August 2023 to October 2023. From September 2021 to March 2023, Mr. Mbugua served as Chief Accounting Officer at Skillz Inc., a mobile eSports platform, a position he held since 2021. Mr. Mbugua served as Group Vice President and Chief Accounting Officer of Rimini Street, a software company delivering third-party enterprise software support for Oracle, SAP, JD Edwards, PeopleSoft, Siebel, and other applications, from 2017 to 2021. From 2015 to 2017, Mr. Mbugua served as Senior Director and Corporate Controller at Lattice Semiconductor Corp., a manufacturer of high-performance programmable logic devices. Mr. Mbugua is a Certified Public Accountant and has a Bachelor’s degree from the University of Nairobi.

The Company is in the process of determining potential changes to the compensation arrangements for Mr. Mbugua.

There are no other arrangements or understandings pursuant to Mr. Mbugua’s appointment as Interim Chief Financial Officer. There are no family relationships among any of the Company’s executive officers, members of the Board and Mr. Mbugua, and there are no transactions with Mr. Mbugua that require disclosure pursuant to Item 404(a) of Regulation S-K.

Item 7.01 Regulation FD Disclosure

Investor Presentation

On December 14, 2023, the Company posted an updated investor presentation to its website. A copy of the investor presentation is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The Company notes as follows:

- For restaurant locations that use the Company’s AI technology (e.g., locations other than Checkers which is powered by Hi Auto’s solution), the Company tracks the Non-Intervention Rate (NIR). NIR is a measure of how frequently the Company’s system is able to independently process a drive-thru customer’s order without a member of the restaurant’s staff needing to take over that order. NIR does not relate to the Company’s use of human agents (referred to “humans-in-the-loop” or HITL) in connection with the Company’s AI technology. NIR across all restaurants enabled by Company’s technology is 85% on average, with certain restaurant locations at 95% or higher.
- At select locations where the Company is piloting the most advanced version of its AI technology, approximately 30% of orders taken at those locations do not require human agents to enter the orders. With this version of the AI engine, although the AI is able to complete the order without a human agent intervention, human supervision ensures that the AI is accurately entering the order and is immediately ready to review, validate and correct orders if necessary. The Company is rolling out this enhanced AI capability to all restaurants enabled by the Company’s AI technology and targets enabling more than 80% of these stores by March 31, 2024. Pending the completion of that roll out, locations that use the Company’s AI technology currently use human agent intervention, including entering the order, in all instances.

Press Release

On December 14, 2023, the Company issued a press release titled “Presto’s Voice™ AI Solution Projected to Capitalize on Strong Momentum as Company Releases 2024 and 2025 Projected Annualized Run Rate Targets.” A copy of the press release is attached as Exhibit 99.2 to this Current Report on Form 8-K.

The information in Item 7.01 of this Current Report on Form 8-K, including Exhibits 99.1 and 99.2 attached hereto, is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be deemed subject to the requirements of amended Item 10 of Regulation S-K, nor shall it be deemed incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing. The furnishing of this information hereby shall not be deemed an admission as to the materiality of any such information.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Investor Presentation
99.2	Press Release titled “Presto’s Voice™ AI Solution Projected to Capitalize on Strong Momentum as Company Releases 2024 and 2025 Projected Annualized Run Rate Targets”
104	Cover Page Interactive Data File (embedded within Inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PRESTO AUTOMATION INC.

By: /s/ Susan Shinoff
Name: Susan Shinoff
Title: General Counsel and Corporate Secretary

Dated: December 14, 2023



Next Generation Enterprise Grade AI and Automation Solutions

for the Restaurant Industry

investor.presto.com

Safe Harbor Statement

THIS PRESENTATION INCLUDES FORWARD-LOOKING STATEMENTS, AND THE DISCLAIMER SHOULD BE READ CAREFULLY

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This presentation, and information provided during any discussion accompanying this presentation, contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and are based on our management's beliefs and assumptions and on information currently available to our management.

Forward-looking statements include information concerning our possible or assumed future results of our business and statements regarding our financial condition, results of operations, liquidity, plans and objectives.

Forward-looking statements include all statements that are not historical facts and in some cases can be identified by terminology such as "believe," "may," "anticipate," "estimate," "continue," "intend," "should," "plan," "expect," "predict," "project," "potential," "will," or the negative of these terms or other similar expressions that convey uncertainty of future events or outcomes.

These statements are based on the beliefs and assumptions of our management based on information currently available to management. Such forward-looking statements are subject to risks, uncertainties and other important factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward-looking statements.

Factors that could cause or contribute to such differences are discussed in the section titled "Risk Factors" included in our Annual Report on Form 10-K for the year ended June 30, 2023 filed with the SEC on October 11, 2023, as amended by Amendment No. 1 on Form 10-K/A filed with the SEC on October 12, 2023 (the "2023 Form 10-K"), and other risk factors detailed from time to time in filings with the SEC. Our ability to predict the results of our operations or the effects of various events on our operating results is inherently uncertain.

Therefore, we caution you to consider carefully the matters described under the caption "Risk Factors" and certain other matters discussed in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein, and other publicly available sources.

Such factors and many others beyond the control of our management could cause our actual results, performance or achievements to differ materially from any future results, performance or achievements that may be expressed or implied by the forward-looking statements.

Unless we are required to do so under U.S. federal securities laws or other applicable laws, we do not intend to update or revise our forward-looking statements.

INTRODUCING PRESTO AUTOMATION

The Challenges

The QSR and Casual Dining segments are experiencing:

- High labor costs
- High staff turnover
- A need to drive higher order values
- A need to drive loyalty and engagement
- A need to drive labor efficiency

1M+

Restaurant industry job openings in the US in June 2023

Solutions

We offer two solutions:



Presto Voice

Our Voice AI solution for QSR drive-thru operators.



Presto Touch¹

Our pay-at-table tablet solutions for Casual Dining chain. In 2024 we plan to exit touch.

58%

of US restaurant operators say that adopting technology-enabled solutions to improve operations will be common

Market Opportunity

\$17m 'expandable' annual revenue opportunity on Presto Voice if we deploy with franchisees that have currently signed a master service or pilot agreement.

\$100m+ 'approachable' annual revenue opportunity on Presto Voice if we deploy at locations of restaurant groups that have a master service or pilot agreement.

\$3.0B

Serviceable addressable market size in the US and Canada²

Current Customers



We are well-placed to scale with many of our current customers with their complex and diverse ownership models

Restaurant operators are tackling a myriad of challenges

While growing and robust, the restaurant industry faces significant operating challenges.



Increasing Labor Cost

Labor costs have historically accounted for **approximately 30% of sales** in restaurants, and recent labor inflation has exacerbated the challenge.



Achieving Higher Efficiency in Drive-thru

Improving throughput enhances the guest experience (lower wait & delivery times) and drives revenue.



Combating High Staff Turnover

The restaurant industry has experienced consistently high turnover rates and in 2022, **83% of small restaurants indicated difficulty filling their open roles.**



Generating Higher Average Order Values

Generating upsell is a key lever for increasing order size, however, restaurant employees often attempt upsells inconsistently, with mixed results.



Driving Loyalty and Engagement

Actively engaged customers can **spend significantly more** compared to pre-loyalty behavior.



We offer two solutions to address the restaurant industry's challenges: Our growth engine **Presto Voice** and our legacy solution **Presto Touch**



Presto Voice

Voice AI solution for Quick Service Restaurant (QSR) drive-thrus

Our growth engine

Completes complex orders with greater accuracy and more consistent upsell with limited onsite restaurant staff intervention

Generates increased revenue through upselling and faster through-put, while allowing staff to focus on order accuracy and reduce delivery times



Presto Touch¹

Pay-at-table solution for Casual Dining chains

Our legacy business


Provides self-service ordering, payment processing, gaming, and personalized guest experiences

Allows restaurant to operate fewer staff, enhance loyalty, and gain valuable guest insights



Presto Touch is a pay-at-table tablet solution for Casual Dining chains - it has four key features

KEY FEATURES OF PRESTO TOUCH AND CUSTOMER BENEFITS:

			
Self-service ordering	Payment processing	Premium gaming	Building engagement
<p>Guests can easily browse menus and place orders through the tablet</p>	<p>Tablets enable contactless payment at the table, and allow guests to split bills</p>	<p>For a small fee, guests can choose from, and play games on the tablet</p>	<p>Guests can opt into loyalty programs and redeem rewards</p>
<ul style="list-style-type: none"> • Reduces the risk of order mistakes and language barriers as guests can order directly through the tablet, using a display in their chosen language • Increases speed of service with guests able to order without waiting for a server • Automated prompts encourage upsell and additional purchases 	<ul style="list-style-type: none"> • Speeds up table turnover, allowing for greater guest throughput • Checks can be closed at the table, on-demand, increasing consumer satisfaction • More secure transactions with payment tokenization and encryption included within the device 	<ul style="list-style-type: none"> • Improves guest experience by providing entertainment, particularly allowing families to keep children occupied and engaged • Games and entertainment provide a unique offering to guests, increasing consumer retention • By ensuring guests are engaged customers may increase their order value 	<ul style="list-style-type: none"> • Drives increased uptake of loyalty programs with automated prompts and seamless signups • Improves brand recognition by using customized communication styles and messages to connect with guests

Presto Voice - Video Overview



7 This video can also be viewed here: youtu.be/81aOLnZBrco

presto

Presto Voice drives ROI for its customers in 3 core ways

1.

Improved utilization of labor

Allows restaurant staff to be utilized in the restaurant to improve customer satisfaction and drive in-store revenue.

Reduction in staff vacancies and staff training costs as restaurants are less reliant on staff for drive-thru.



2.

Consistent drive-thru throughput and order accuracy

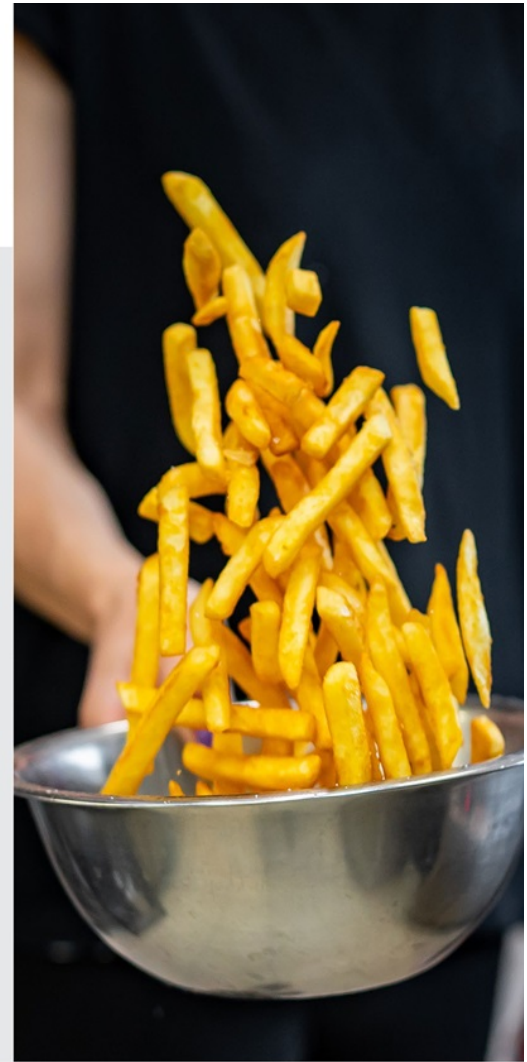
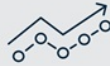
Our technology-human interface results in more accurate orders, operated at a more consistent rate, resulting in consistent throughput in the drive-thru lane.



3.

Incremental revenue for consistent and effective upselling




We offer upsells on approximately 80% of drive-thru orders and they are accepted by guests 35% of the time, resulting in increased revenue.



Presto Voice greets guests, takes orders, and integrates with the restaurants point-of-sale system for processing

Presto's proprietary Voice AI solution is underpinned by a Presto box and a cloud-based AI technology solution

Drive-thru guest arrives

-  Drive-thru guests are greeted by and speak to the restaurant's speaker which is connected to our Presto box
-  The box is linked to our cloud-based AI technology solution, which takes the order, populates the order in the restaurant's point of sale (POS) system...
-  ... and delivers the order into the restaurant's Kitchen Display System for processing, allowing staff to build order while the system finalizes the order

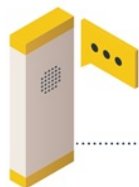
Guest is given their order by restaurant staff





Presto Voice relies on an innovative combination of machine learning and human collaboration to accurately collect customer orders and feed through to the restaurant POS

THE KEY ELEMENTS OF OUR AI TECHNOLOGY SOLUTION CONSIST OF:



The Presto box

Our Presto box is connected to the restaurant's existing speaker box, which has a microphone to capture spoken orders for processing in complex environments.



Automatic Speech Recognition (ASR) engine

Deciphers spoken orders and converts into text for processing, including from regional dialects and in challenging audio environments.



Natural Language Understanding (NLU) technology

Analyzes text and deciphers the meaning to best identify the chosen menu item and follow-up response.



Human-in-the-Loop (HITL)

Our solutions use a common approach referred to as HITL to ensure the desired level of accuracy in order taking is achieved. Our systems currently use a Presto human agent to enter, review, and correct order received by Presto Voice and make sure we guarantee industry leading levels of accuracy.



Text-to-Speech (TTS) engine

Converts the text output into a human-like voice for interaction with guests.



Restaurant Point of Sale (POS) system

Generated orders are populated into the restaurant's POS system, before being processed into the restaurant's Kitchen Display System.



As we continue to deploy our AI technology and reduce Presto human agent hours, we seek to increase site margins

	Past progress	Current progress at select locations ¹	Q2 '24 ²	Q3 '24 ²	Q4 '24 ²
Summary of Presto's Voice maturity	Implementing our agent efficiency program and strengthening our AI accuracy	Driving weekly improvements in AI accuracy and deploying AI across live stores	Increasing automation of orders through a stronger AI engine	Realizing incremental AI gains through targeted product development	Investing and prioritizing efforts to scale customers at positive site margins
Targeted % of orders processed with no Presto human agent intervention³	Less than 30%	30%	50%	60%	70%
Targeted site margins³	Negative	Near break even	Positive	Positive	Highly Positive

We have significant competitive advantages which will allow us to scale our technology across large customers



Innovative Technology

Our technology comprehensively addresses the key challenges of restaurant operators, and seamlessly integrates into a restaurant's existing technology stack - including enabling **multiple back-end integrations and complex menu management**.



Proprietary machine learning Human Interface

Our machine learning interface delivers industry-leading levels of **accuracy and order delivery time** required to operate a high-yield drive-thru business.



Proven Ability to Scale Our Platforms for Our Customers

Over the past 15 years, Presto has developed the knowledge and tools to **install, roll-out, integrate and educate** restaurant operators through deploying over 277,000 Presto Touch tablets across three diverse customers.



Business Model That is "Sticky" and High Growth

We typically engage in pilot programs to demonstrate ROI, while customizing and familiarizing restaurant management with our capabilities. When we sign MSAs, we generate a high level of adoption resulting in **large switching costs**.



Success across multiple nationally recognized QSR brands

	ACTIVE ENGAGEMENT	SIGN PILOT	DEPLOY PILOT	SIGN MSA	ROLL OUT	Total number of stores in US and Canada ¹ <i>Presto's opportunity at 100% penetration across logos</i>
²	✓	✓	✓	✓	✓	850
	✓	✓	✓	✓	✓	2,750
	✓	✓	✓	(✓)	-	350
BRAND A	✓	✓	-	-	-	1050
BRAND B	✓	✓	-	-	-	850
BRAND C	✓	✓	-	-	-	450
BRAND D	✓	✓	-	-	-	200
OTHER BRANDS <small>X 30+</small>	✓	-	-	-	-	-



A multi-pronged strategy targets brand-level and franchise-level engagement



Presto's sales and marketing teams focuses on **strategic growth and customer acquisitions** by prioritizing and targeting brands with rapid store roll-out potential.



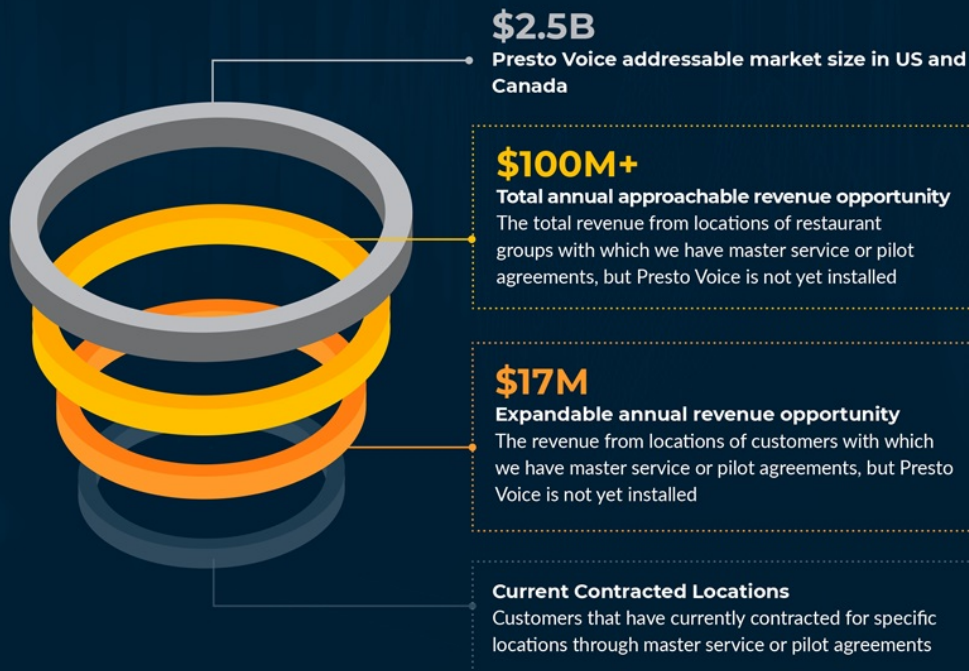
Our sales process consists of four steps: signing pilots with potential customers, deploying these pilots and proving the return on investment, negotiating master service agreements (MSA), and rolling out Presto Voice across stores.



Once we have signed up brands or franchisees with multiple stores, we are able to **rapidly accelerate roll-out with short sales and implementation cycles.**

Presto Voice has an annual revenue opportunity of over \$100m when rolled out across total approachable locations

UNPACKING THE MARKET OPPORTUNITY

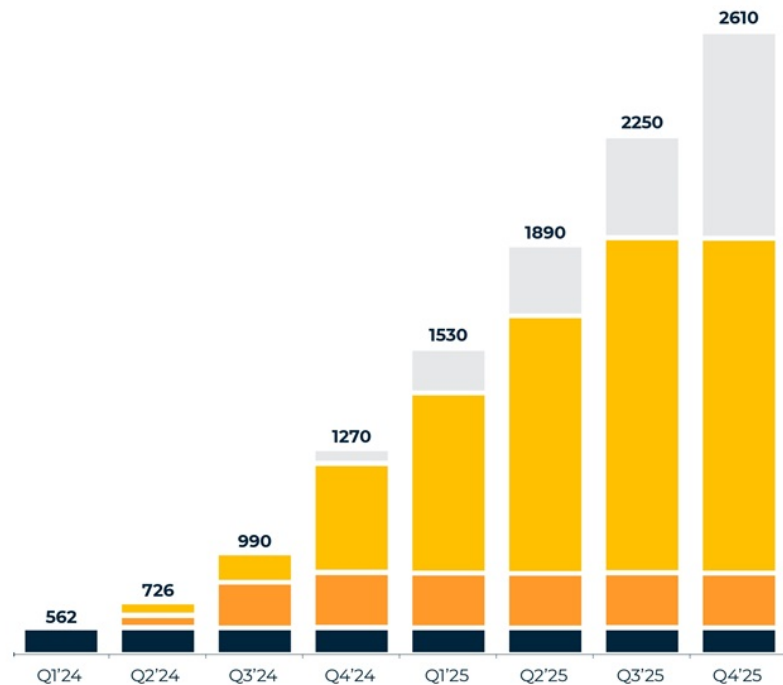


We seek to accelerate our rollout of **Presto Voice** across locations that are expandable and approachable through existing agreements

STORE ROLLOUT TARGETS

JANUARY 2024 – DECEMBER 2025

Live stores, #



Presto is led by a highly experienced team

PRESTO LEADERSHIP TEAM



Xavier Casanova
CEO

Xavier is a Silicon Valley serial entrepreneur who has founded several successful startups including Fireclick (acquired by Digital River), Wambo, and Liveclicker (acquired by Campaign Monitor).



Nathan Cook
Interim CFO

Nathan is a corporate finance expert with over 25 years of experience in management consulting and interim management roles for global companies. Previously he was a Senior Managing Director with EY-Parthenon.



Justin Foster
CRO

Justin is a revenue-focused entrepreneur with over 20 years of experience driving the growth of successful technology companies. He was co-founder of Everystep and Liveclicker (acquired by CM Group) and provided strategic leadership for WhatCounts, Insider, and Iterate.ai.



Susan Shinoff
General Counsel & Corporate Secretary

Susan has headed legal teams or was division counsel at Edmodo (HKG: 0777), Sirius XM (NASDAQ: SIRI), and Gracenote (NYSE: NLSN). Her expertise is in technology and AI. Previous to in-house, she worked for Quinn Emanuel Urquhart & Sullivan, LLP and Steptoe & Johnson, LLP.



Bill Healey
CTO

Bill has led Presto's software and system development efforts for the past 10 years. He worked on P2P protocols and wireless WAN at Microsoft. He holds a masters degree from the University of Illinois at Urbana-Champaign.



Stanley Mbugua
CAO

Stanley brings over 20 years of experience in accounting and finance with large multinational public technology companies including Skillz, Rimini Street, and Lattice Semiconductor. He is a CPA and holds a Bachelor of Commerce (Accounting) from the University of Nairobi.



Kat Hoffman-Flynt
VP Project Management

Kat is an operational strategist with a talent for building strong customer relationships and scaling new deployments. Her hospitality background includes everything from General Manager to operational and strategic leadership roles at Old Chicago, Rock Bottom Brewery, Gordon Biersch, and Longhorn Steakhouse.

Presto's VoiceTM AI Solution Projected to Capitalize on Strong Momentum as Company Releases 2024 Projected Annualized Run Rate

Presto Automation Inc. (NASDAQ: PRST), one of the largest drive-thru automation technology providers in the hospitality industry, today provided additional information to investors about its projected financial results for calendar year 2024.

As a result of the strong momentum being experienced in its Voice AI solution, Presto is estimating its projected annualized run rate (PARR) to be \$17.6M at the end of calendar year 2024, which is directly correlated to the store count projection the company has already released (1270 stores by the end of 2024). We define PARR as the annualized revenue of contracts for our Presto Voice AI solution that are projected to be in effect at the end of the relevant period.

"These projections should convey the market-leading momentum we are seeing in our Presto Voice business as our store count continues to go up and we convert more of our signed and immediate revenue opportunity into live revenue. We expect to be a business of real scale over the course of 2024 and we expect to remain the market leader," said Krishna Gupta, Chairman of Presto.

As of the date hereof, PARR reflects 404 currently contracted locations with 866 additional projected contracted locations by the end of 2024. As a result, a significant portion of the PARR is based on our expectation that we will roll out additional locations. Our pricing assumes the continuation of our pricing arrangements with Checkers and pricing assumptions which reflect our experience with recent additions of new locations.

We believe that our PARR is a useful measure of our overall expected volume at a particular point in time and of changes in the volume of business over time because it allows investors to understand how we expect our business to scale and eliminates the time impact associated with the signing of new contracts during a quarterly or annual period.

Our Voice contracts are generally for 12-month terms. Our two most significant Voice contracts can be terminated upon 2 months' notice or on a location-by-location basis, respectively, if minimum service levels are not maintained. All of our contracts have "evergreen" provisions that extend their term automatically unless the customer provides notification of non-renewal. Therefore, unless a notice of non-renewal has been received, our PARR calculation assumes that each contract in place currently will continue through the end of the relevant reporting period.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Forward-looking statements are typically identified by words such as "plan," "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "continue," "could," "may," "might," "possible," "potential," "predict," "should," "would" and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements are based on management's current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. The forward-looking statements speak only as of the date of this press release or as of the date they are made. Except as otherwise required by applicable law, Presto disclaims any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this press release. Presto cautions you that these forward-looking statements are subject to numerous risks and uncertainties, most of which are difficult to predict and many of which are beyond the control of Presto. In addition, Presto cautions you that the forward-looking statements contained in this press release are subject to the following risks and uncertainties: our ability to manage our growth effectively, to sustain our recent revenue growth or attract new customers; the limited operating history with our new Voice products in a new and developing market; our ability to roll out new locations within a specified amount of time; our ability to achieve revenue growth while our expenses increase; continued adverse impacts from COVID-19 (including as a result of global supply chain shortages); the loss of any of our three largest customers or a reduction in their business with us; our ability to improve and enhance the functionality, performance, reliability, design, security, or scalability of our platform to respond to customers' evolving needs; our ability to protect the security of our customers' information; changing privacy laws, regulations and standards, and our ability to comply with contractual obligations and laws related to data privacy and security; unfavorable conditions in the restaurant industry or the global economy, including with respect to food, labor, and occupancy costs; the availability of capital or financing on acceptable terms, if at all; financial covenants and other restrictions on our actions contained in our financing agreements that may limit our operational flexibility; the length and unpredictability of our sales cycles and the amount of investments required in sales efforts; material weaknesses in our internal control over financial reporting and, our ability to remediate these deficiencies; our ability to continue as a going concern; our ability to receive additional financing in a timely manner; shortages, price increases, changes, delays or discontinuations of hardware; our ability to maintain relationships with our payment processors; our relies on computer hardware, licensed software and services rendered by third parties; U.S. laws and regulations (including with respect to payment transaction processing), many of which are unsettled and still developing, and our or our customers' ability to comply with such laws and regulations; significant changes in U.S. and international trade policies that restrict imports or increase tariffs; any requirements to collect additional sales taxes or be subject to other tax liabilities that may increase the costs to our customers; our ability to adequately protect our intellectual property rights; claims by third parties of intellectual property infringement; our use of open-source software in our platform; and other economic, business, competitive and/or regulatory factors affecting Presto's business generally as set forth in our filings with the Securities and Exchange Commission.