



INVESTOR PRESENTATION

Q3 FY2023

Forward-looking Statements & Non-GAAP Financial Information

Forward-Looking Language

This presentation contains “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: “anticipate,” “intend,” “plan,” “goal,” “seek,” “believe,” “project,” “estimate,” “expect,” “strategy,” “future,” “likely,” “may,” “should,” “will” and similar references to future periods. Examples of forward-looking statements include, among others, our revenue and Adjusted EBITDA guidance for the second quarter, statements we make regarding our ability to improve our competitive positioning and improvement of our business momentum and business health over time once the industry begins to recover.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the effect of the COVID-19 pandemic on our business and the success of any measures we have taken or may take in the future in response thereto; and the risks described in the Company’s filings with the Securities and Exchange Commission, including the Company’s reports on Form 10-K and Form 10-Q.

Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement that may be made from time to time, whether written or oral, whether as a result of new information, future developments or otherwise.

Use of Non-GAAP Financial Information

To supplement the unaudited consolidated financial statements presented in accordance with U.S. GAAP in this press release, certain non-GAAP financial measures as defined by the SEC rules are used. These non-GAAP financial measures include EBITDA, Adjusted EBITDA, adjusted net income, adjusted basic earnings per share, adjusted diluted earnings per share and free cash flow. Management believes that such information can enhance investors’ understanding of the Company’s ongoing operations.

The Business We Are In



We Are In The Business Of Providing A Fully Integrated Suite Of Software Solutions To Enterprise Food & Beverage And Lodging Operators In The Hospitality Space That Enable Memorable Experiences Across All Channels Of Guest Engagement

Our Mission

**HELP OUR CUSTOMERS IMPROVE
EMPLOYEE & GUEST EXPERIENCE**



**WITH DEDICATION TO PAST,
PRESENT & FUTURE CUSTOMER
INVESTMENTS IN OUR PRODUCTS
AND SERVICES**



Defining Strategy Pillars

1 100% HOSPITALITY FOCUSED

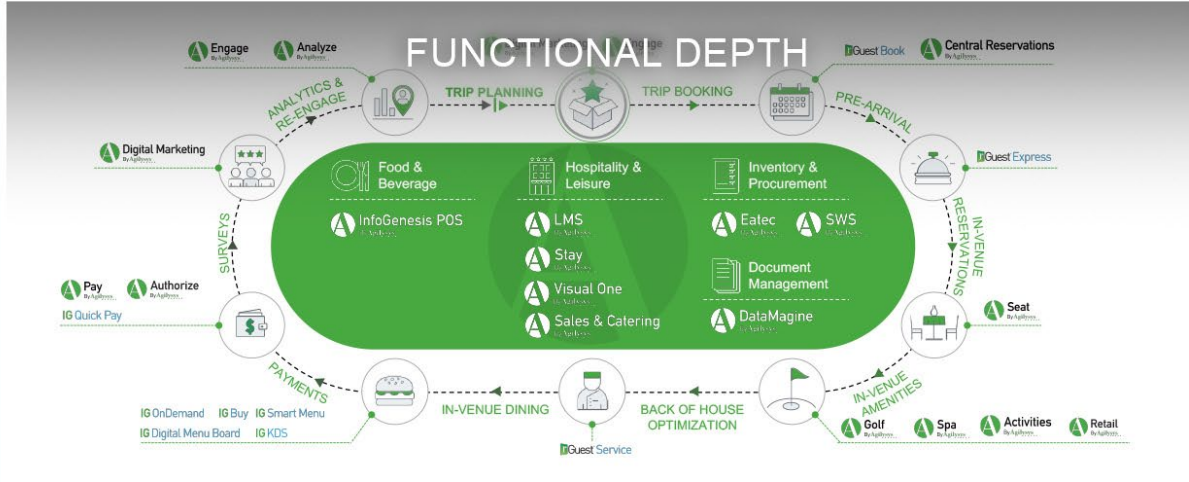
OBSESSIVELY CUSTOMER-CENTRIC 2

3 CORE PRODUCT FOCUS & INNOVATION DRIVEN

STATE OF THE ART CLOUD-NATIVE & ON-PREMISE OPTIONS 4

5 END-TO-END COMPREHENSIVE SOLUTION OFFERINGS

100% Hospitality Focused - Why It Matters



Modern Cloud-Native & On-Premise Options - Why It Matters

EVOLVING TRENDS



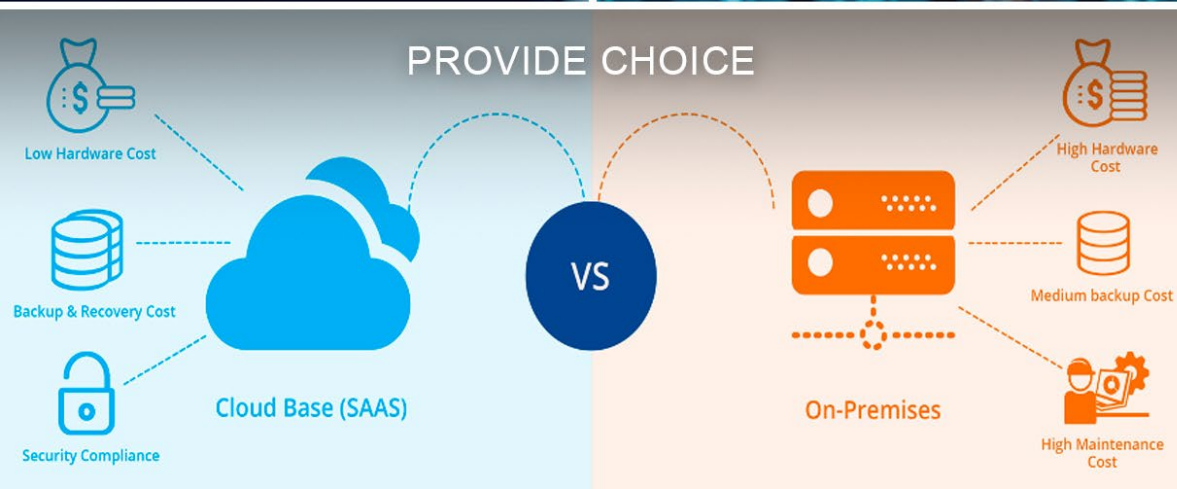
INCREASED SECURITY



CLOUD SCALABILITY



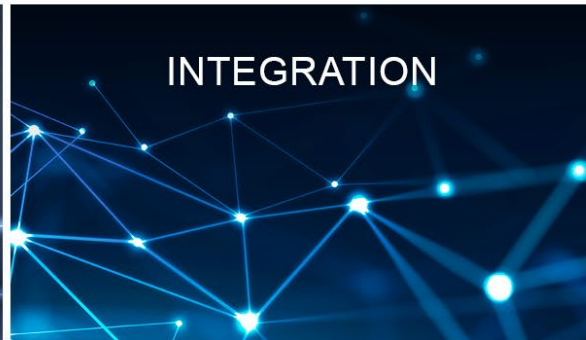
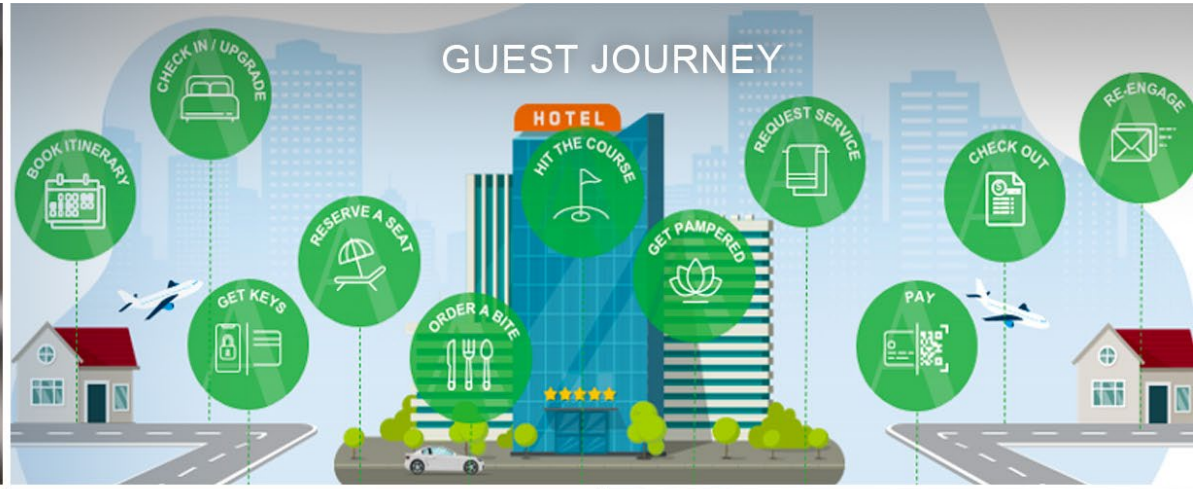
PROVIDE CHOICE



SPEED OF EXECUTION



End-To-End Comprehensive Solution Offerings - Why It Matters



Obsessively Customer-Centric - Why It Matters

ROADMAP INFLUENCE



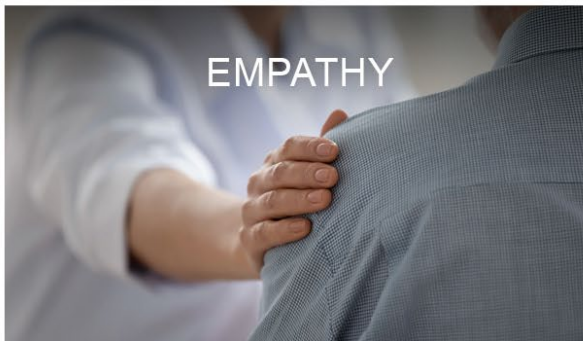
BENEFITS BOTH



EQUAL TREATMENT



EMPATHY



SERVICES & SUPPORT INVESTMENTS



Product & Innovation Driven - Why It Matters

ENGINEERING STRENGTH



CONTINUOUS INNOVATION



PEOPLE & TECHNOLOGY



AUTOMATION



PROBLEM SOLVING



Agilysys Revenue Overview

\$191.7M

Total
Revenue*

59%

Recurring Revenue
as a % of Total
Revenue*

49%

Subscription
Revenue as a % of
Recurring Revenue*

30%

Subscription
Revenue YOY
Growth Rate

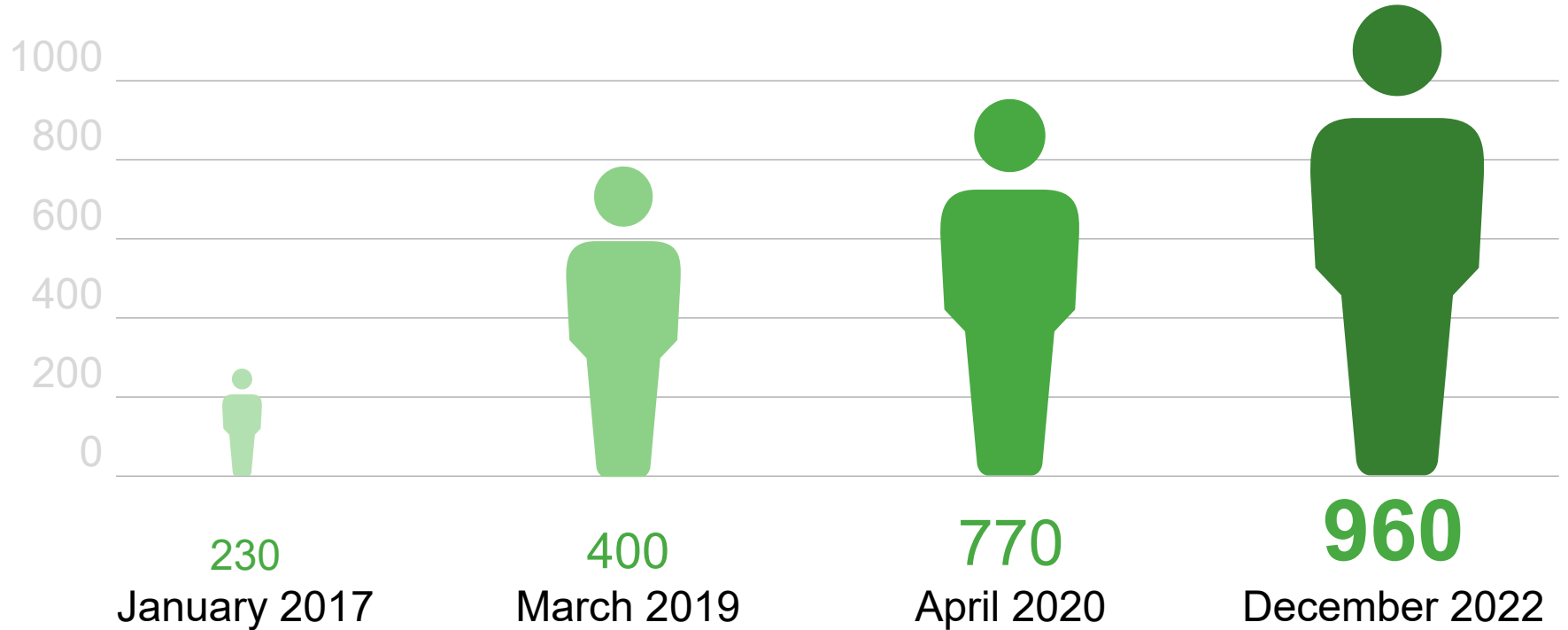
**Data is as of the trailing twelve months ended December 31, 2022.*



We Provide Industry Leading Hospitality Solutions

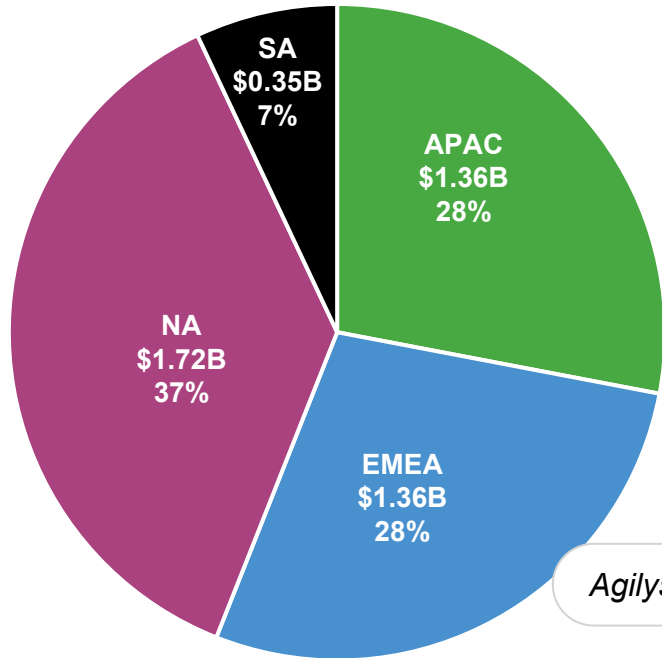


R&D Focus & Resource Strength

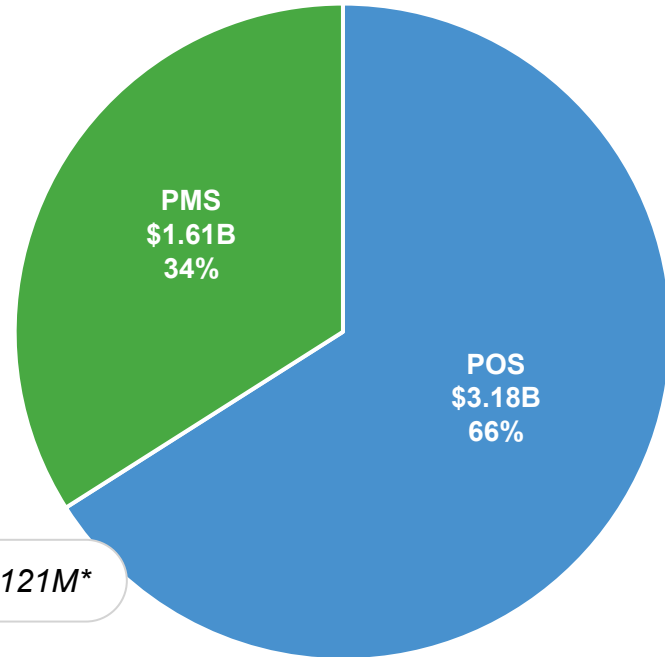


Total Addressable Market

ARR Market Opportunity
\$4.8 Billion

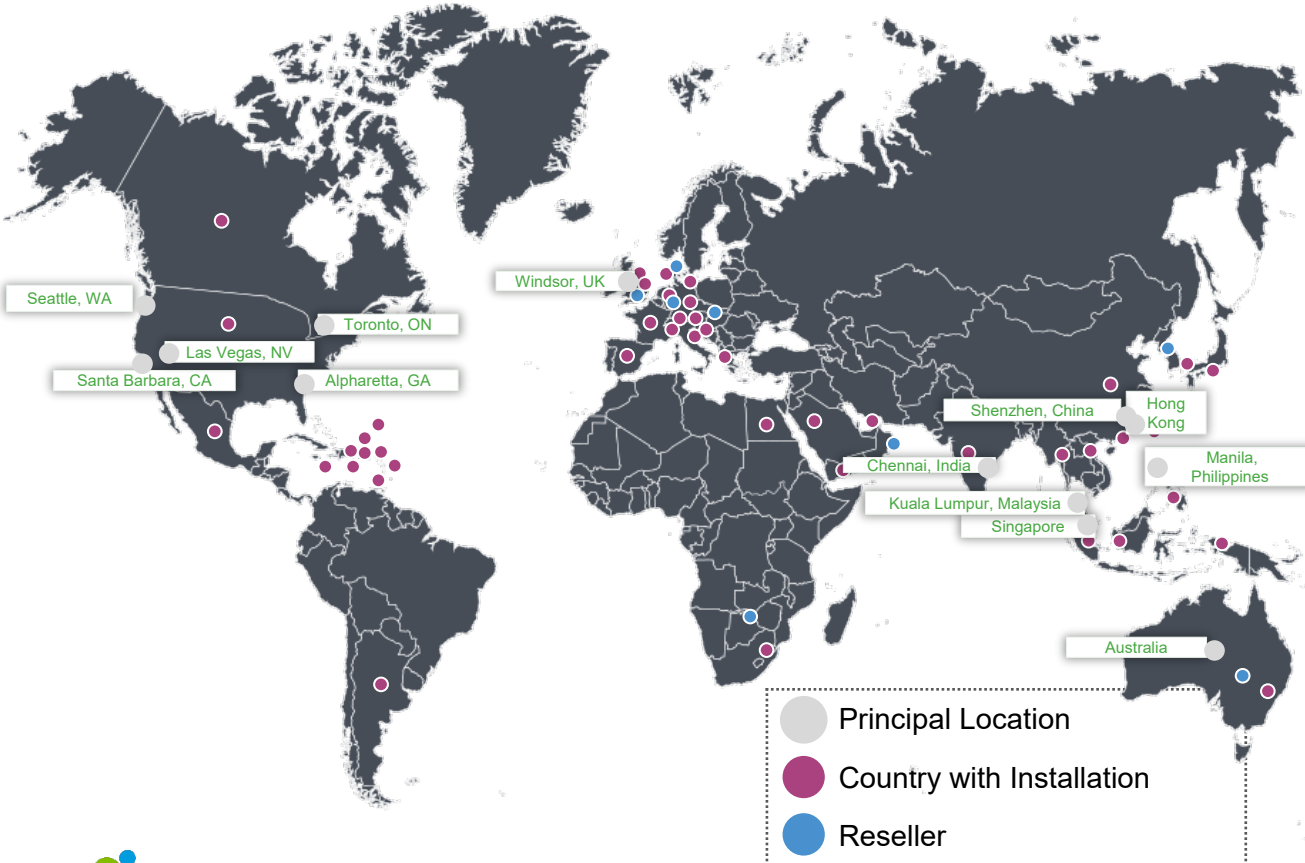


ARR Product Opportunity
\$4.8 Billion



Agilysys ARR ~ \$121M*

Global Presence



Publicly Traded - NASDAQ:
AGYS

Corporate Headquarters

- Alpharetta, Georgia

North America Offices

- Las Vegas, Nevada
- Santa Barbara, California
- Bellevue, Washington
- Toronto, Ontario

EMEA & MENA Offices

- United Kingdom
- Dubai, UAE

APAC Offices

- Hong Kong
- Malaysia
- Philippines
- Singapore
- China
- Australia

Demonstration Centers

- Las Vegas, Nevada

India Development Center

- Chennai, India

Transition to Growth

Subscription Revenue Growth

Record Subscription Revenue of \$15M

SaaS Revenue Reaches 49% of Total Recurring Revenue

30% Y-O-Y Subscription Revenue Growth

Sound Business Fundamentals

Q3 FY23 Record Total Revenue

Q3 FY23 GAAP Net Income Positive for 7th Consecutive Quarter

Q3 FY23 \$0.13 GAAP EPS Per Diluted Share

Focus on Profitability

\$8.1M
Q3 FY23 Adjusted EBITDA

\$11.7M Q3 FY23
Positive Free Cash Flow

\$105.8M
Ending Cash Balance As Of Q3 FY23

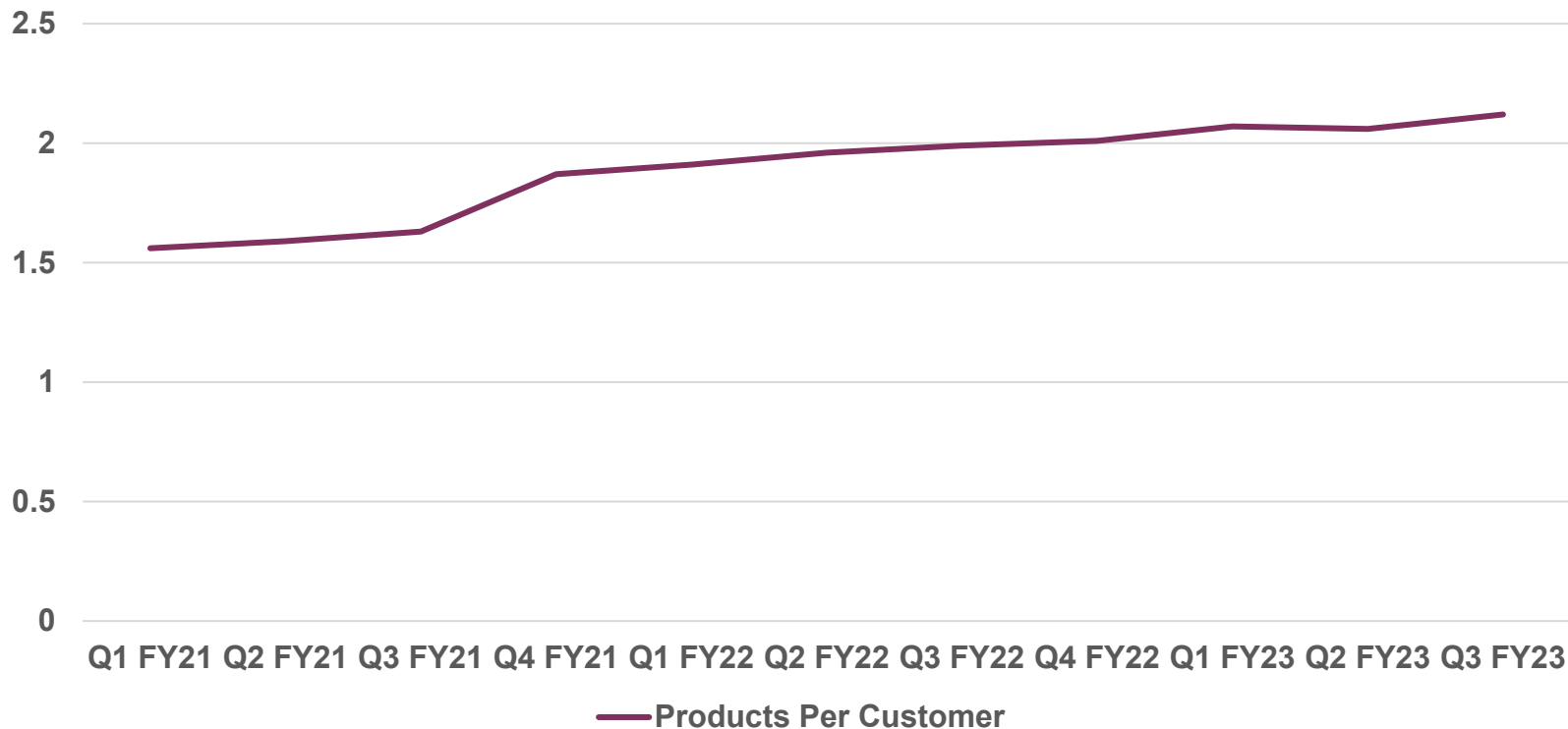
Recent Announcements

Selected as Marriott Global PMS RFP Winner

Opening of operations in Dubai UAE

25+ Products Available as End-to-End Solutions Provider

Existing Customer Greenspace - Average Products



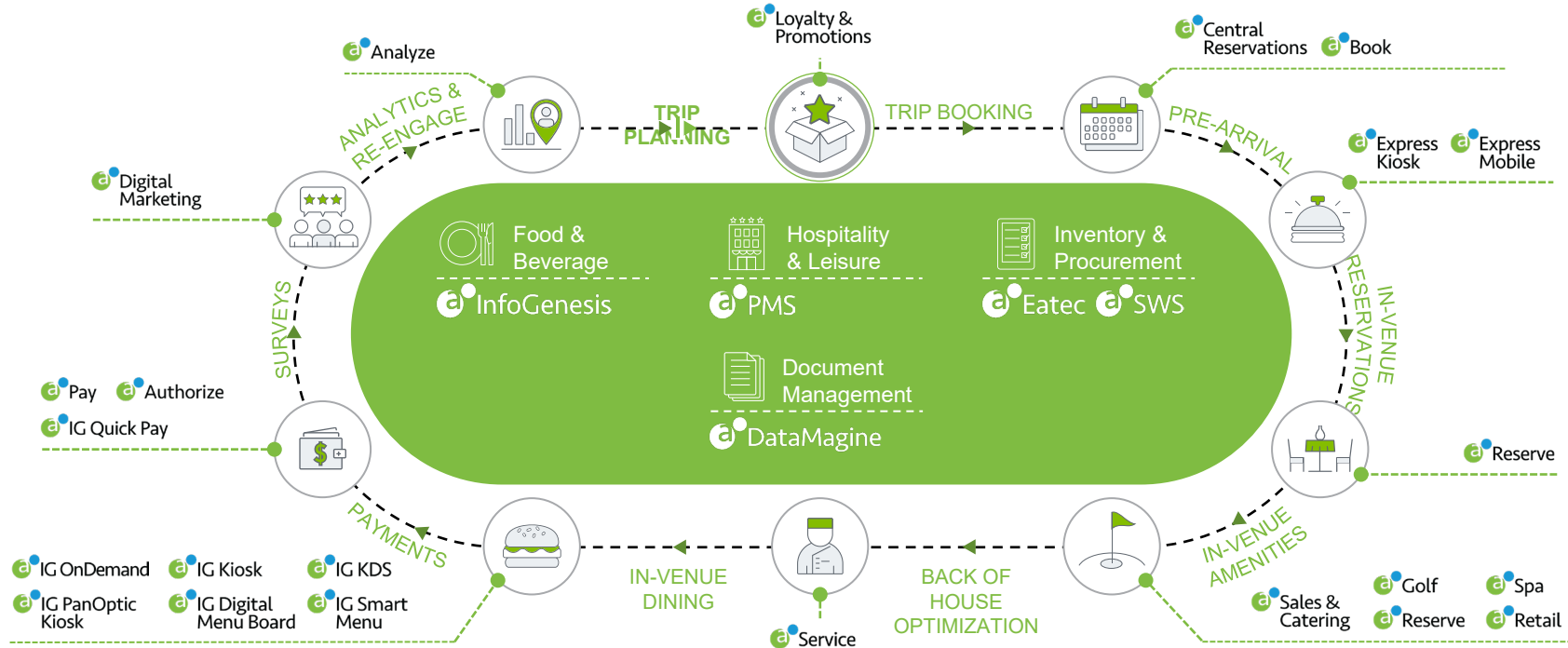
Property Management Room Growth Opportunity




Top 100 Global Customers

 COMPASS GROUP	 CAESARS ENTERTAINMENT	 GOLDEN ENTERTAINMENT	 BOYD GAMING	 BOYNE RESORTS <small>EMPOWERING THE EXPERIENCE</small>	 MGM RESORTS	 Hilton	 Royal Caribbean Group	 SEMINOLE GAMING	 PENN NATIONAL GAMING, INC.	 aramark
 VAIL RESORTS	 STATION CASINOS	 DRURY HOTELS	 the Chickasaw Nation	 Mohegan Sun	 Coyle Indian Tribe	 MILLENNIUM TECHNOLOGY GROUP <small>A Smart Hotels & Resorts Company</small>	 CHOCTAW CASINO RESORT	 IHG	 LODGESTONE CASINO	 Delaware North
 HERSHEY ENTERTAINMENT & RESORTS	 BIG CEDAR LODGE <small>A MICHIGAN PARKS & RECREATION RESORT</small>	 GOLDEN NUGGET ONLINE GAMING	 FRENCH LICK RESORT	 FOREST COUNTY POTAWATOMI <small>Keeper of the Fire</small>	 Eldorado CASINO	 DESERT DIAMOND CASINO & ENTERTAINMENT	 DRIVE SHACK IHG	 DOWNSTREAM CASINO RESORT	 FONTAINEBLEAU MIAMI BEACH	 Kalahari RESORTS & CONVENTIONS
 KOHLER	 FIREKEEPERS CASINO - BATTLE CREEK	 GOLDEN NUGGET	 WESTGATE LAS VEGAS RESORT & CASINO	 GRAND CASINO MICHIGAN	 Comwell HOTELS	 GRATON RESORT & CASINO	 NEMACOLIN WOODLANDS RESORT	 isle of capri CASINOS LTD.	 UNIVERSAL PARKS & RESORTS	 Hard Rock CASINO CINCINNATI
 MORONGO CASINO RESORT & SPA	 GOLDEN NUGGET	 GSR GRAND SIERRA RESORT AND CASINO	 Mashantucket Pequot Tribal Nation	 Sands LAS VEGAS SANDS CORP.	 MANDARIN ORIENTAL THE HOTEL GROUP	 SCARLET PEARL CASINO RESORT	 LDC LEISURE DEVELOPMENT CORPORATION	 MARINA BAY Sands SINGAPORE	 MESCALERO APACHE TRIBE	 HARD ROCK CASINO
 BARONA RESORT & CASINO	 ROLLING HILLS CASINO - RESORT	 Pinnacle Entertainment	 NORTHERN QUEST RESORT & CASINO	 Ocean CASINO - RESORT ATLANTIC CITY	 FORT WORTH MULTIPURPOSE ARENA <small>AT SBC SOFTBALL & TENNIS CENTER</small>	 SENECA NIAGARA RESORT & CASINO	 PRAIRIE BAND CASINO & RESORT	 PINEHURST	 PEPPERMILL RESORT + SPA + CASINO	 SENECA NATION OF INDIANS
 SAN MANUEL INDIAN BINGO & CASINO	 SANTA CLARA DEVELOPMENT CORPORATION	 SENECA NATION OF INDIANS	 RESORTS Casino - Hotel	 PRAIRIE MEADOWS	 SILVER REEF CASINO RESORT	 MARNELL GAMING	 Osage CASINO HOTEL	 THE COSMOPOLITAN OF LAS VEGAS	 THE GROVE, INC.	 CASINO ARIZONA TALKING STICK RESORT
 THE BROADMOOR	 Turning Stone RESORT CASINO	 Atlantis CASINO - HOTEL	 TROPICANA ENTERTAINMENT	 UT Southwestern Medical Center	 Borgata HOTEL CASINO & SPA	 Dotty's	 SAN MANUEL GAMING & HOSPITALITY AUTHORITY	 SEMINOLE Hard Rock SUPPORT SERVICES	 SEMINOLE Hard Rock SUPPORT SERVICES	 SeaPines Resort
 CARNIVAL UK	 PLAYLV	 NOOK SPORTS	 atrium	 MOREY'S Piers and WATER PARKS	 GRAND GRAND CASINO	 Bally's	 LIFETIME	 ASPEN SNOWMASS	 SOUTH POINT	 AGUA CALIENTE CASINOS

Agilysys Hospitality Product Suite



 **3rd Party Solution Integration With Modern Restful APIs**

Agilysys Hospitality Cloud





FINANCIAL OVERVIEW

Evolving Business, Evolving P&L

Business Metrics (as of 12/31/22)

Recurring Revenue* As % of Total Revenue	59%
Subscription Revenue* As % of Recurring Revenue	49%
Services Revenue* As % of Total Revenue	18%
Subscription Revenue Growth Y/Y*	30%
New Customer Count*	74

Financial Metrics and Valuation*

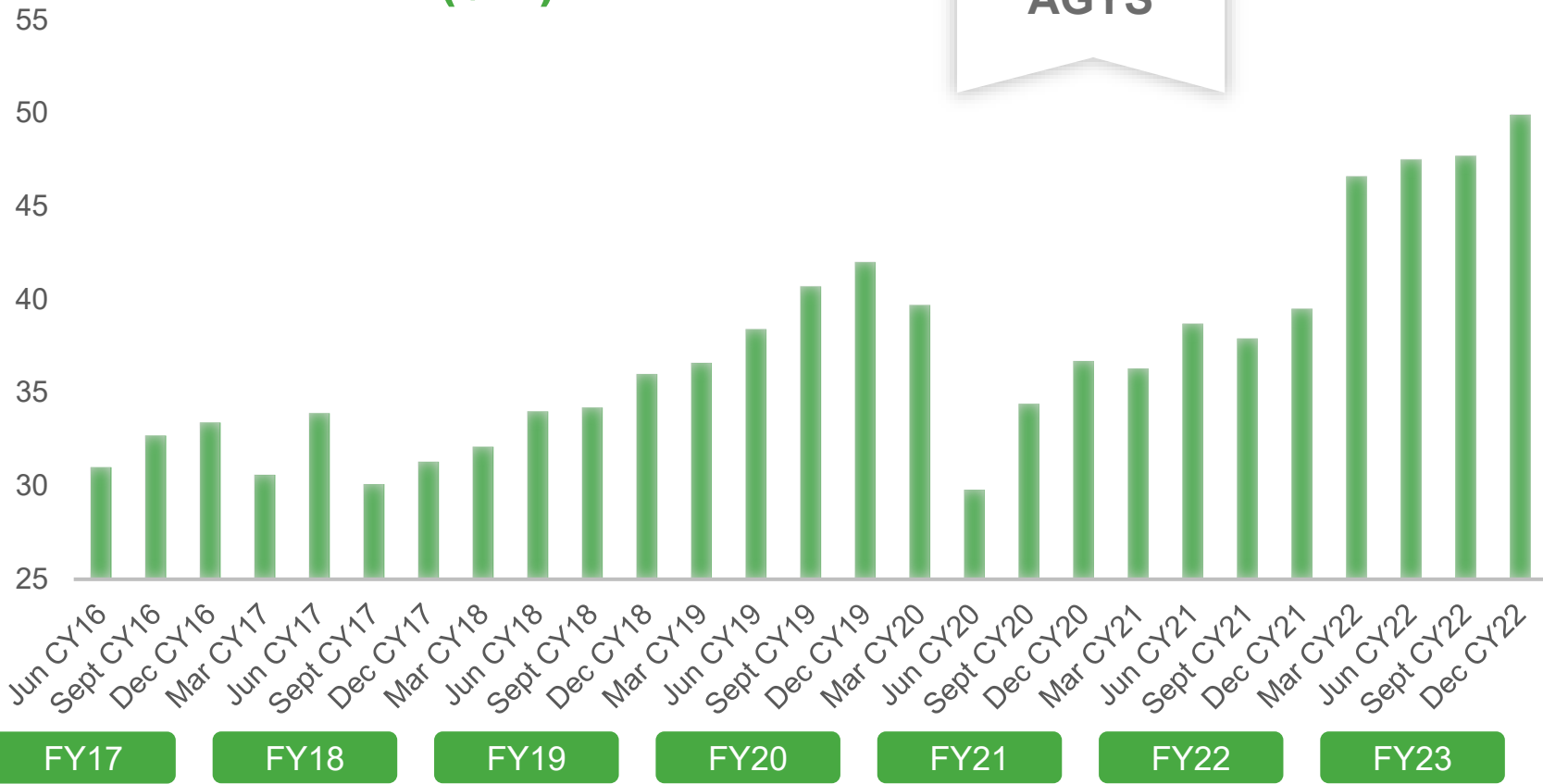
Share Price (1/25/23)	\$82.00
Diluted Shares Outstanding	26.1M
Diluted Market Capitalization	\$2,137.7M
Cash (as of 12/31/22)	\$105.8M
Debt (as of 12/31/22)	\$16.2M
Enterprise Value	\$2,048.2M
Revenue	\$191.7M
Gross Profit	\$116.3M
Adjusted EBITDA^	\$29.7M
Earnings per Share	\$0.41
EV/Revenue	10.7x
EV/Gross Profit	17.6x

Strong Balance Sheet

Consolidated Balance Sheet *(in thousands)*

	December 31, 2022	March 31, 2022
Cash, Cash Equivalents and Marketable Securities	\$105,818	\$96,971
Other Current Assets	53,265	39,202
Long-Term Assets	87,078	77,989
Total Assets	\$246,161	\$214,162
Current Liabilities	\$81,132	\$71,466
Other Liabilities	53,117	45,352
Total Liabilities	134,249	116,818
Shareholders' Equity	111,912	97,344
Total Liabilities and Shareholders' Equity	\$246,161	\$214,162

Revenue Growth (\$M)



FY17

FY18

FY19

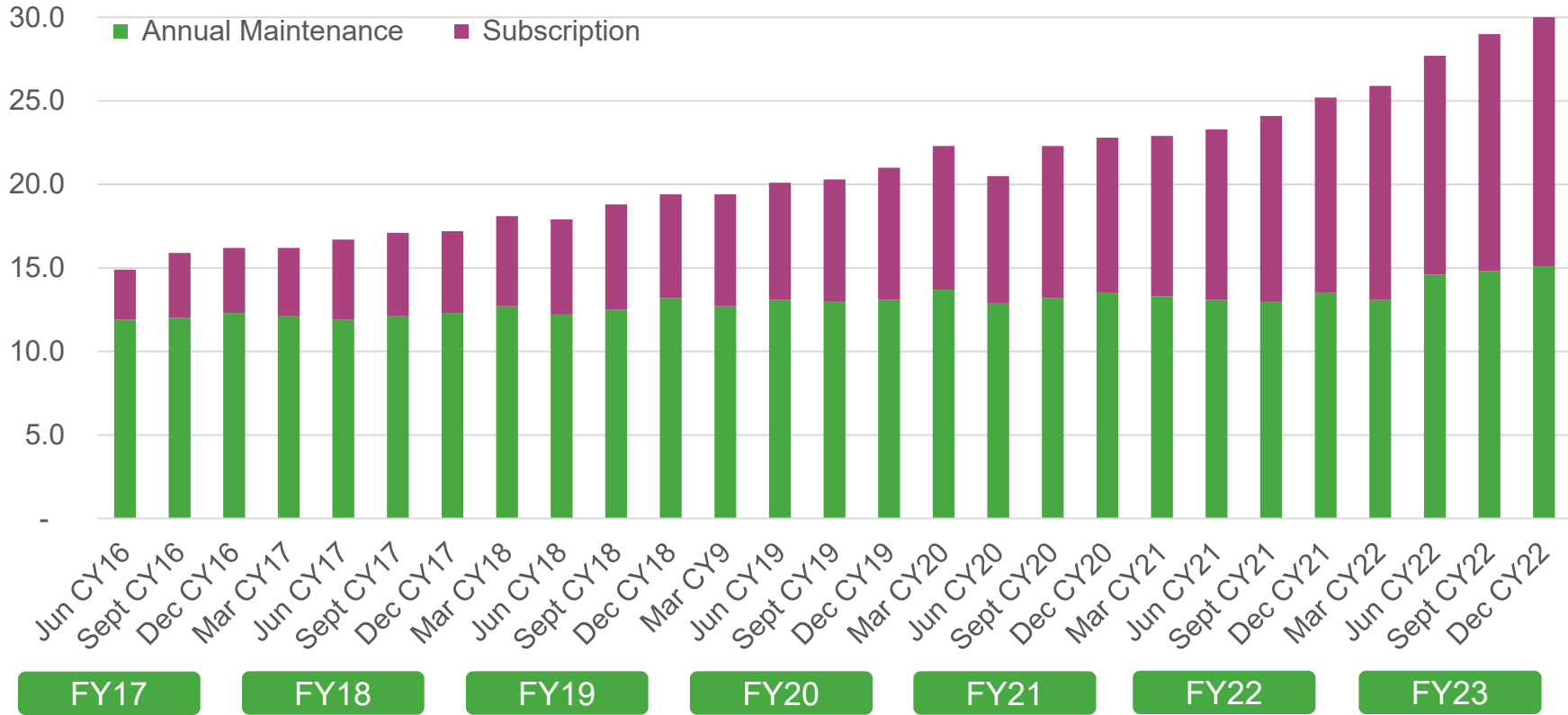
FY20

FY21

FY22

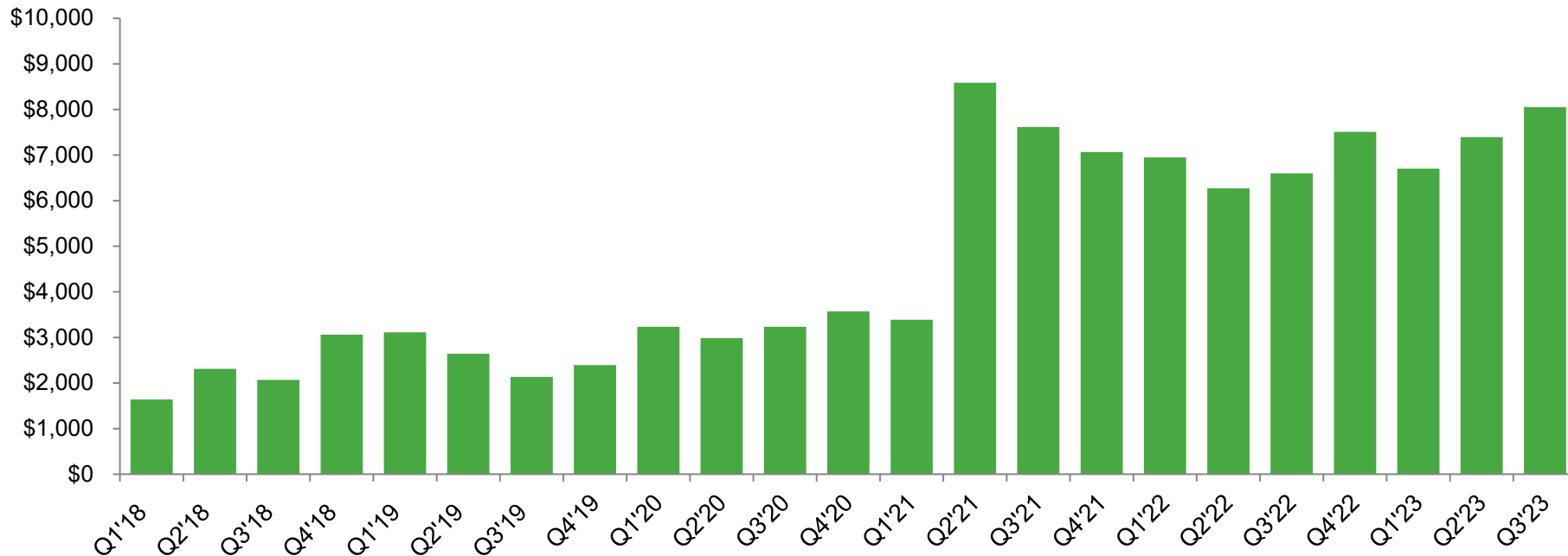
FY23

Recurring Revenue (\$M)



Profitability Metrics - Quarterly

Adjusted EBITDA – Non GAAP[^]

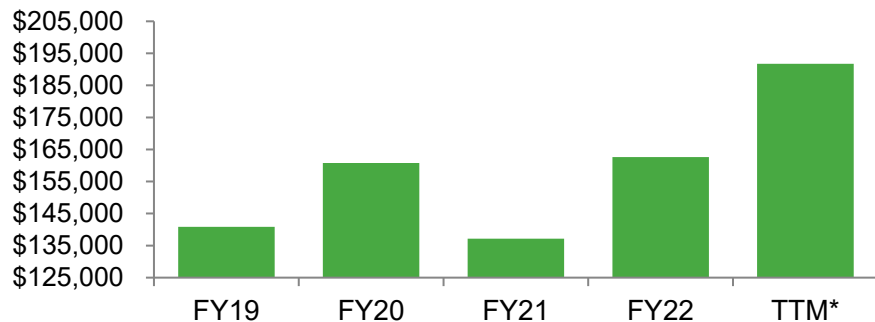


- Q2'21 included inorganic COVID related temporary cost savings, including employee compensation changes and reduction of workforce
- All COVID related cost savings ceased Q1 FY22

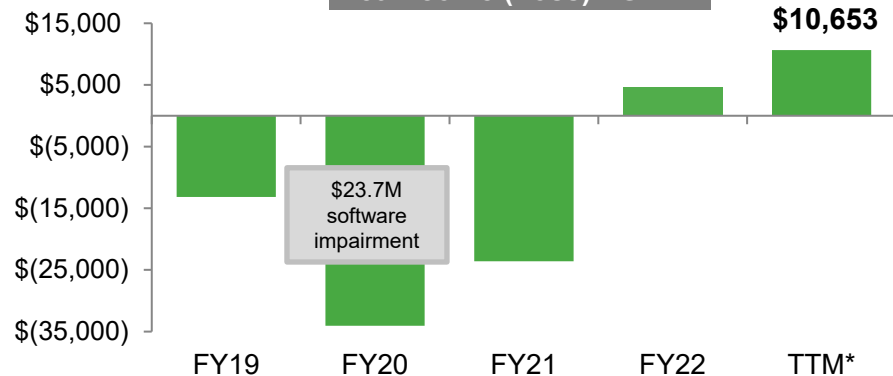
All numbers in thousands.
Fiscal Year is from 4/1-3/31
[^] Non-GAAP measure, see reconciliation on slide 27.

Historical Financial Results

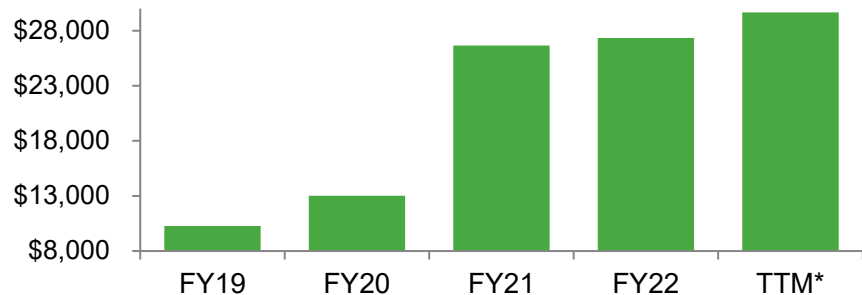
Revenue - GAAP



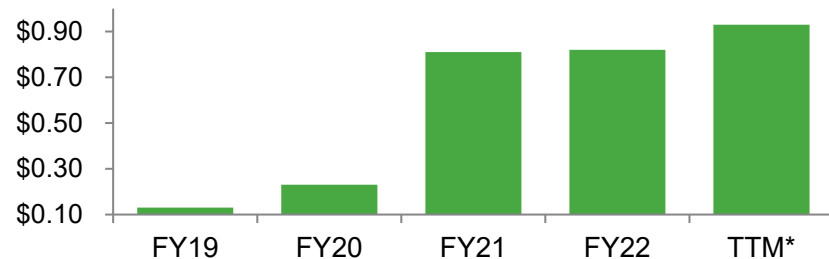
Net Income (Loss) - GAAP



Adjusted EBITDA – Non-GAAP[^]



Adjusted Diluted Earnings per Share – Non-GAAP[^]





APPENDIX

Agilysys Omnichannel POS Solution

Mobile / Web: IG OnDemand



Agilysys Lodging Ecosystem



Non-GAAP Reconciliation

AGILYSYS, INC.
RECONCILIATION OF NET LOSS TO EBITDA AND ADJUSTED EBITDA
(UNAUDITED)

<i>(In thousands)</i>	Twelve Months Ended				
	TTM*	March 31,			
	2022	2021	2020	2019	
Net income (loss)	\$ 12,489	\$ 6,478	\$ (21,001)	\$ (34,067)	\$ (13,164)
Income tax expense (benefit)	686	33	(208)	201	221
Income (loss) before taxes	13,175	6,511	(21,209)	(33,866)	(12,943)
Depreciation of fixed assets	1,973	2,210	2,832	2,574	2,504
Amortization of intangibles	1,903	1,654	1,959	2,541	2,567
Amortization of developed technology	162	42	-	12,561	12,602
Interest income	(1,191)	(47)	(87)	(371)	(329)
EBITDA (a)	16,022	10,370	(16,505)	(16,561)	4,401
Share-based compensation	13,157	14,549	40,093	5,205	4,376
Severance and other charges	772	1,584	2,529	582	1,168
Impairments	-	-	-	23,740	-
Other non-operating (income) expense	(997)	(145)	338	176	191
Legal settlements, net	702	969	200	(125)	141
Adjusted EBITDA (b)	29,656	27,327	26,655	13,017	10,277

(a) EBITDA is defined as net income before income taxes, interest expense, depreciation and amortization

(b) Adjusted EBITDA, a non-GAAP financial measure, is defined as income before income taxes, interest expense (net of interest income), depreciation and amortization (including amortization of developed technology), and excluding charges relating to i) legal settlements, ii) severance, and other charges, iii) impairments, iv) share-based compensation, and v) other non-operating (income) expense

Non-GAAP Reconciliation

AGILYSYS, INC.
RECONCILIATION OF NET INCOME (LOSS) TO EBITDA AND ADJUSTED EBITDA
(UNAUDITED)

	Three Months Ended															
	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 2021	September 2021	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
<i>(In thousands)</i>																
Net income (loss)	\$ 3,892	\$ 3,576	\$ 3,039	\$ 1,982	\$ 1,542	\$ 982	\$ 1,972	\$ (24,281)	\$ (2,070)	\$ 5,867	\$ (517)	\$ (26,992)	\$ (2,582)	\$ (2,918)	\$ (1,575)	\$ (3,589)
Income tax expense	678	(158)	398	(232)	24	48	193	(518)	182	121	8	40	95	41	25	35
Income (Loss) before taxes	4,570	3,418	3,437	1,750	1,566	1,030	2,165	(24,799)	(1,888)	5,988	(509)	(26,952)	(2,487)	(2,877)	(1,550)	(3,554)
Depreciation of fixed assets	437	461	473	602	495	548	566	672	722	715	723	801	854	707	213	571
Amortization of intangibles	430	443	453	577	267	345	465	470	521	508	461	641	608	614	678	675
Amortization of developed technology	39	40	41	42	-	-	-	-	-	-	-	-	3,129	3,129	3,128	3,175
Interest income	(704)	(379)	(100)	(8)	(6)	(13)	(21)	(24)	(18)	(26)	(20)	(88)	(67)	(112)	(79)	(102)
EBITDA (a)	4,772	3,983	4,304	2,963	2,322	1,910	3,175	(23,681)	(663)	7,185	655	(22,469)	2,037	1,460	2,437	835
Share-based compensation	3,466	3,456	2,488	3,747	3,839	3,342	3,621	30,781	6,630	1,256	1,426	2,049	1,329	1,345	482	1,420
Severance and other charges	93	67	214	398	381	580	225	(233)	1,552	7	1,203	150	11	190	231	222
Impairments	-	-	-	-	-	-	-	-	-	-	-	23,740	-	-	-	-
Other non-operating expense (income)	(384)	(112)	(304)	(197)	52	103	(103)	50	95	88	106	102	(142)	108	85	(100)
Legal settlements, net	104	-	-	598	4	337	30	150	-	50	-	-	-	(119)	-	15
Adjusted EBITDA (b)	8,051	7,394	6,702	7,509	6,598	6,272	6,948	7,067	7,614	8,586	3,390	3,572	3,235	2,984	3,235	2,392

(a) EBITDA is defined as net income before income taxes, interest expense, depreciation and amortization

(b) Adjusted EBITDA, a non-GAAP financial measure, is defined as income before income taxes, interest expense (net of interest income), depreciation and amortization (including amortization of developed technology), and excluding charges relating to i) legal settlements, ii) severance, and other charges, iii) impairments, iv) share-based compensation, and v) other non-operating (income) expense

Non-GAAP Reconciliation

AGILYSYS, INC.
RECONCILIATION OF NET LOSS TO ADJUSTED NET INCOME FOR ADJUSTED EARNINGS PER SHARE
(UNAUDITED)

<i>(In thousands)</i>	Twelve Months Ended				
	TTM*	March 31,			
		2022	2021	2020	2019
Net income (loss) attributable to common shareholders	\$ 10,653	\$ 4,641	\$ (23,608)	\$ (34,067)	\$ (13,164)
Amortization of intangibles	1,903	1,654	1,959	2,541	2,567
Amortization of developed technology	162	-	-	12,561	12,602
Share-based compensation	13,157	14,549	40,093	5,205	4,376
Impairments	-	-	-	-	-
Series A convertible preferred stock issuance costs	-	-	1,031	-	-
Severance and other charges	772	1,584	2,529	582	1,168
Legal settlements, net	702	969	200	(125)	141
Income tax adjustments	<u>(2,998)</u>	<u>(2,584)</u>	<u>(2,710)</u>	<u>(4,904)</u>	<u>(4,720)</u>
Adjusted net income (loss) (a)	24,351	20,814	19,494	(18,207)	2,970
Basic weighted average shares outstanding	24,703	24,357	23,458	23,233	23,037
Diluted weighted average shares outstanding	26,070	25,483	24,016	23,821	23,462
Adjusted basic earnings per share (b)	<u>0.99</u>	<u>0.85</u>	<u>0.83</u>	<u>(0.78)</u>	<u>0.13</u>
Adjusted diluted earning per share (b)	<u>0.93</u>	<u>0.82</u>	<u>0.81</u>	<u>(0.76)</u>	<u>0.13</u>

(a) Adjusted net income, a non-GAAP financial measure is defined as net income (loss) attributable to common shareholders before amortization expense (including amortization of developed technology), share-based compensation, and one-time charges including severance and other charges, impairments and legal settlements, less the related income tax effect of these adjustments, as applicable, at the Company's current combined federal and state income statutory tax rate. No income tax effect applies to one-time charges when a valuation allowance offsets their related deferred tax assets

(b) Adjusted earnings per share, a non-GAAP financial measure, is defined as adjusted net income (loss) divided by basic and diluted weighted average shares outstanding

Cash Flow

	TTM*	31-Mar FY22	31-Mar FY21	31-Mar FY20	31-Mar FY19
Operating activities					
Net income(loss) from operations	\$ 12,489	\$ 6,478	\$ (21,001)	\$ (34,067)	\$ (13,164)
Non cash adjustments, restructuring, legal settlements	16,292	17,683	43,969	46,260	22,219
Changes in assets & liabilities	(4,441)	4,314	5,439	(1,618)	(1,814)
Net cash provided by operating activities	24,340	28,475	28,407	10,575	7,241
Investing activities					
Capital expenditures	(3,735)	(1,197)	(1,389)	(3,420)	(3,318)
Cash paid for business combinations, net of cash acquired	(24,455)	(24,455)	-	-	-
Capitalized developed software	-	-	-	-	(2,189)
Investments	(51)	(27)	(2)	(27)	(27)
Net cash used in investing activities	(28,241)	(25,679)	(1,391)	(3,447)	(5,534)
Net cash provided by (used in) financing activities	(4,910)	(4,901)	25,316	(1,116)	(767)
Effect of exchange rate	(493)	(104)	195	(130)	(112)
Increase (decrease) in cash & cash equivalents	(9,304)	(2,209)	52,527	5,882	828
Cash & cash equivalents - beginning of period	115,122	99,180	46,653	40,771	39,943
Cash & cash equivalents - end of period	\$ 105,818	\$ 96,971	\$ 99,180	\$ 46,653	\$ 40,771

CONTACT

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