



INVESTOR PRESENTATION



Q1 FY2024

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, subscription revenue and Adjusted EBITDA guidance for the 2024 fiscal year and statements we make regarding expected property management room growth.

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.

Our Mission

Helping Our Customers Improve Employee & Guest Experiences, With Dedication To Past, Present & Future Customer Investments In Our Products And Services.

Agilysys Defining Strategy Pillars

1 100% HOSPITALITY FOCUSED

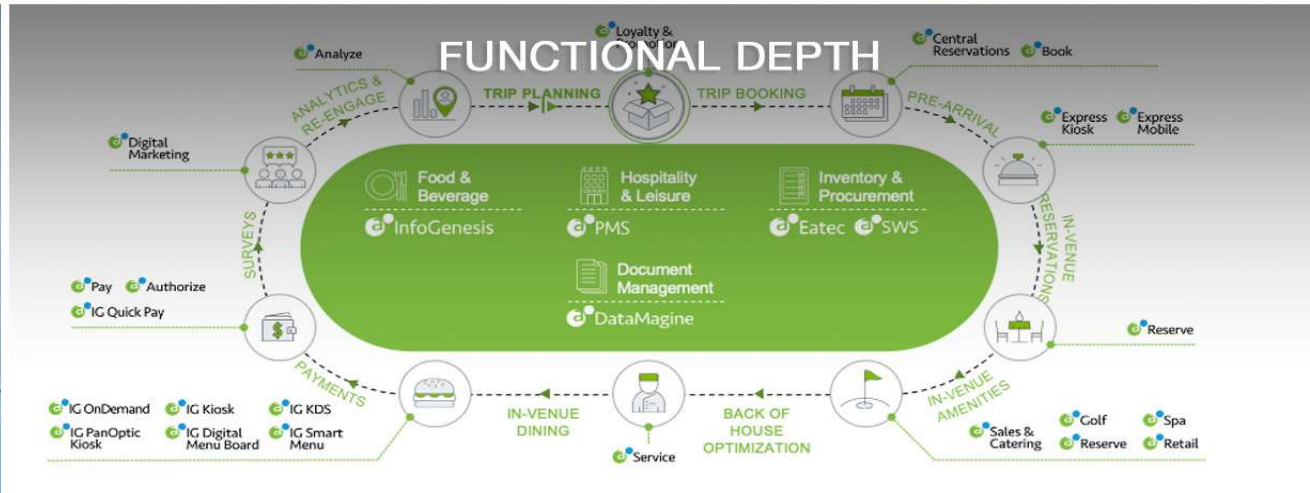
OBSESSIVELY CUSTOMER-CENTRIC 2

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



Obsessively Customer-Centric - Why It Matters

ROADMAP INFLUENCE



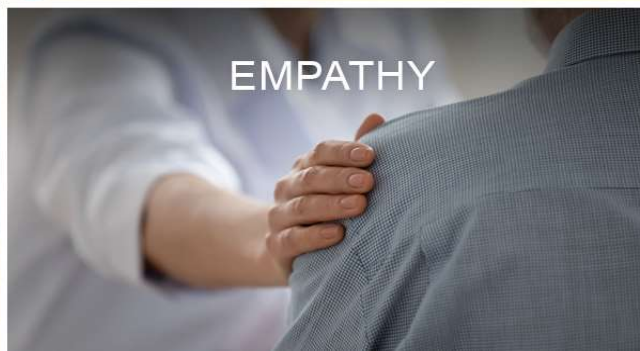
BENEFITS BOTH



EQUAL TREATMENT



EMPATHY



SERVICES & SUPPORT INVESTMENTS



Core Product Focus & Innovation Driven - Why It Matters

ENGINEERING STRENGTH



CONTINUOUS INNOVATION



PEOPLE & TECHNOLOGY



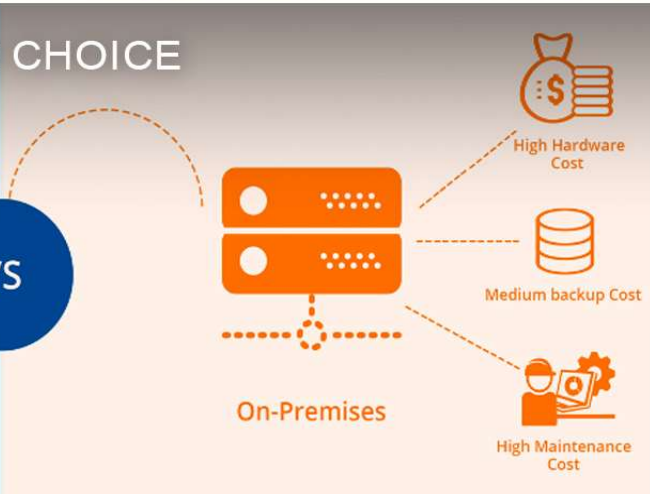
AUTOMATION



PROBLEM SOLVING



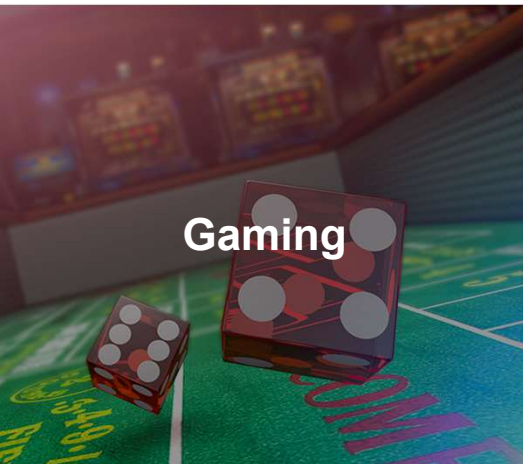
State Of The Art Cloud-native & On-premise Options - Why It Matters



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



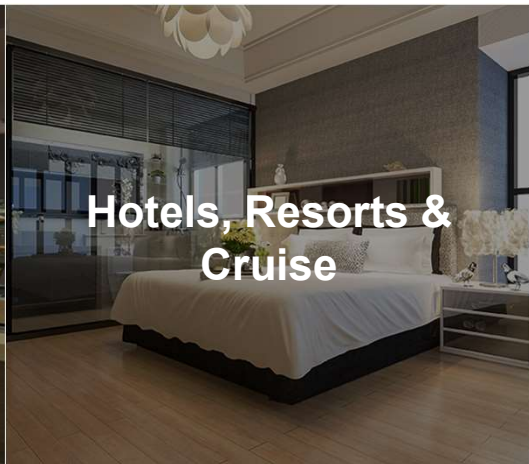
Global Customers



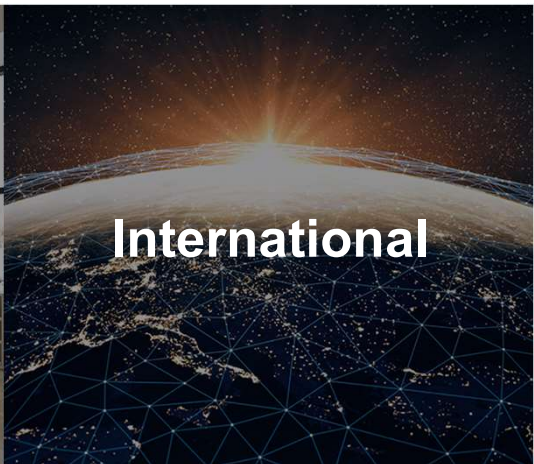
Gaming



Managed Foodservice



Hotels, Resorts & Cruise



International



CASINO ARIZONA
TALKING STICK RESORT



CARNIVAL UK



agilysys High Return Hospitality™

Agilysys Revenue Overview

\$206.6M

Total
Revenue*

59%

Recurring Revenue
as a % of Total
Revenue*

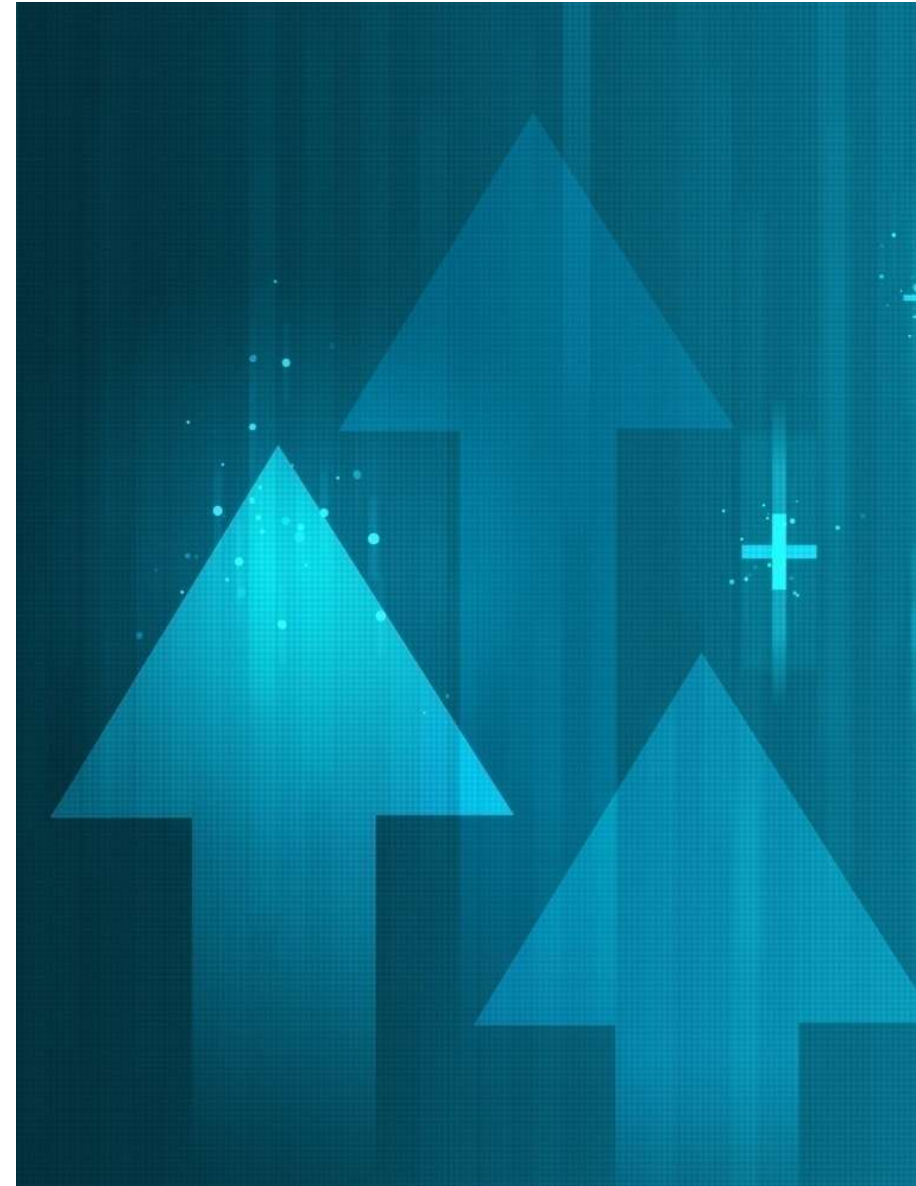
50%

Subscription
Revenue as a % of
Recurring Revenue*

27%

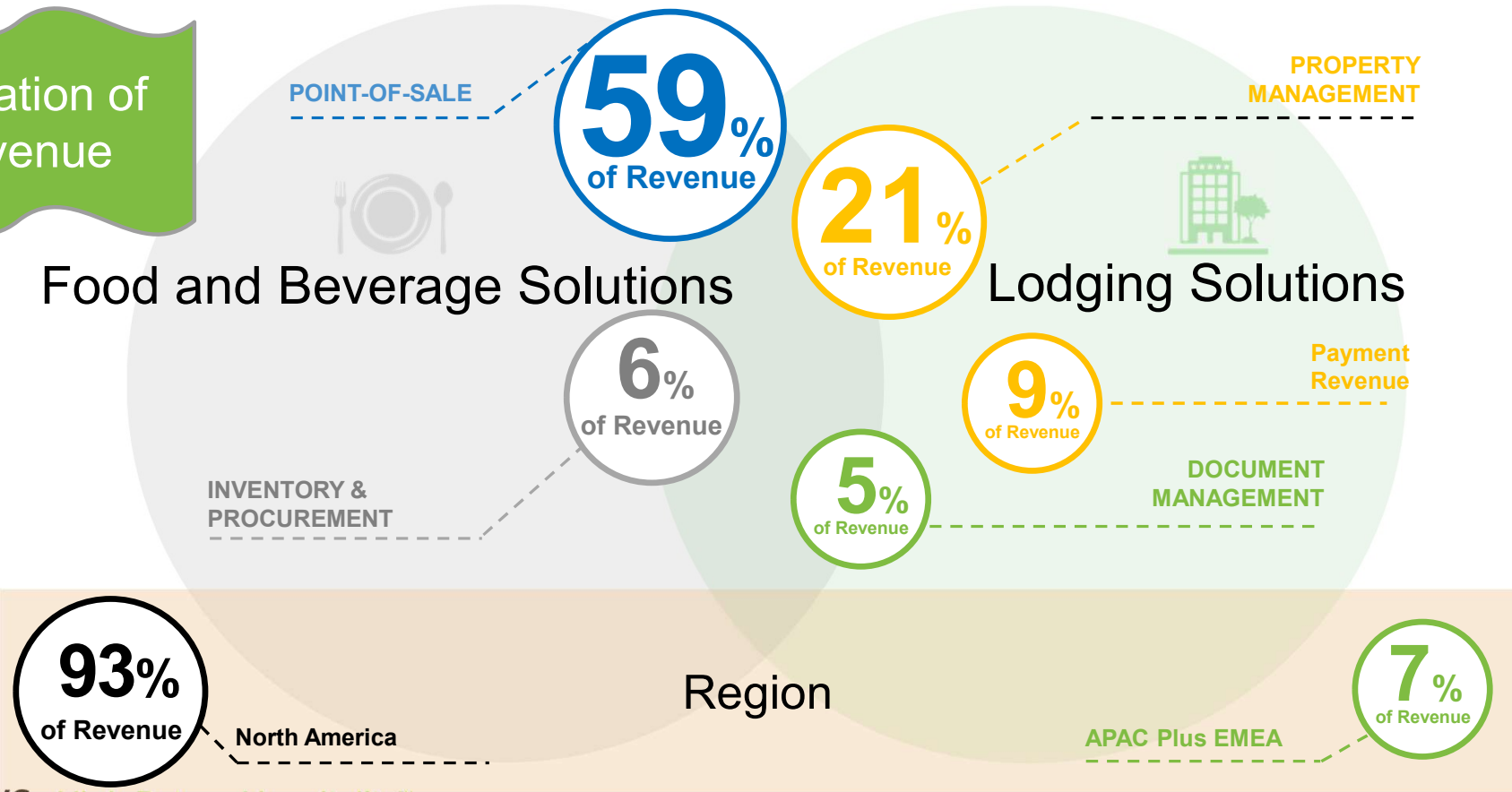
Subscription
Revenue YOY
Growth Rate

**Data is as of the trailing twelve months ended June 30, 2023.*



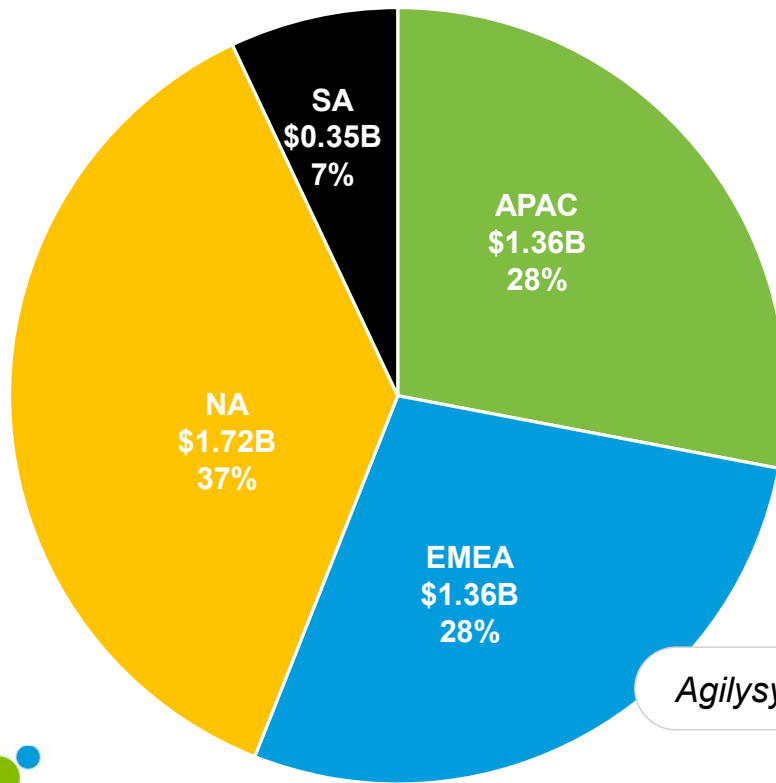
We Provide Industry Leading Hospitality Solutions

Allocation of Revenue

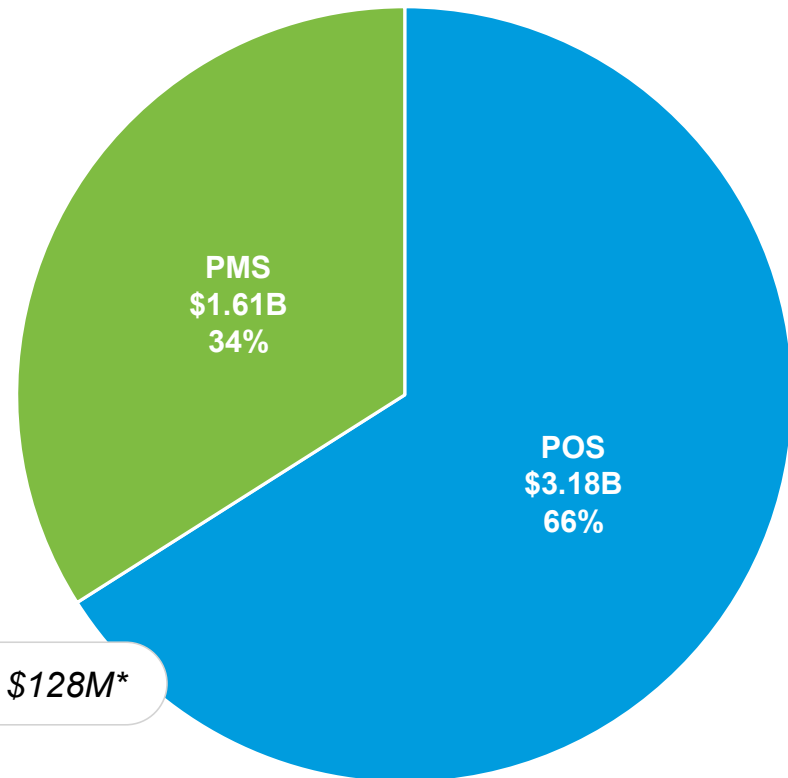


Total Addressable Market

ARR Market Opportunity
\$4.8 Billion



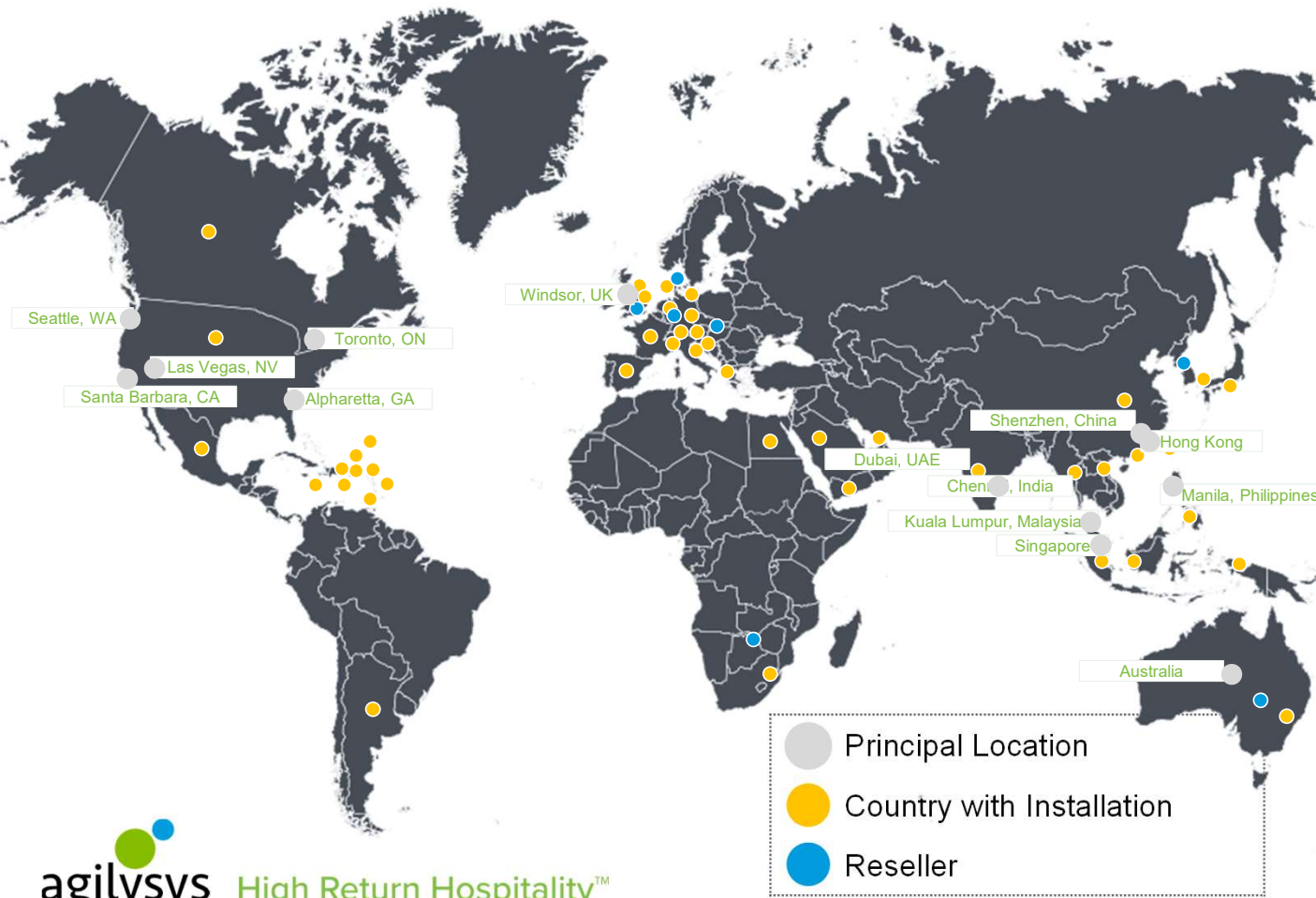
ARR Product Opportunity
\$4.8 Billion



Agilysys ARR ~ \$128M*

*Exit rate ARR quarter ended June 30, 2023.

Agilysys Global Presence



Publicly Traded - NASDAQ: AGYS

Corporate Headquarters

- Alpharetta, Georgia

North America Offices

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

EMEA Office

- United Kingdom
- Dubai, UAE

APAC Offices

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

Demonstration Centers

- Las Vegas, Nevada

India Development Center

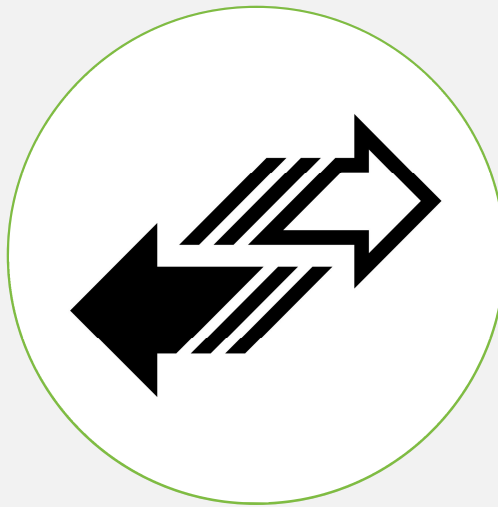
- Chennai, India

Solution Strategy Themes



Extensible Experiences

The same code engines inform multiple workflows so solutions can be repurposed for multiple uses. Enables users to drive more revenue and us to extend how we monetize solutions within a market sector and across market sectors



Staff2Guest Efficiency

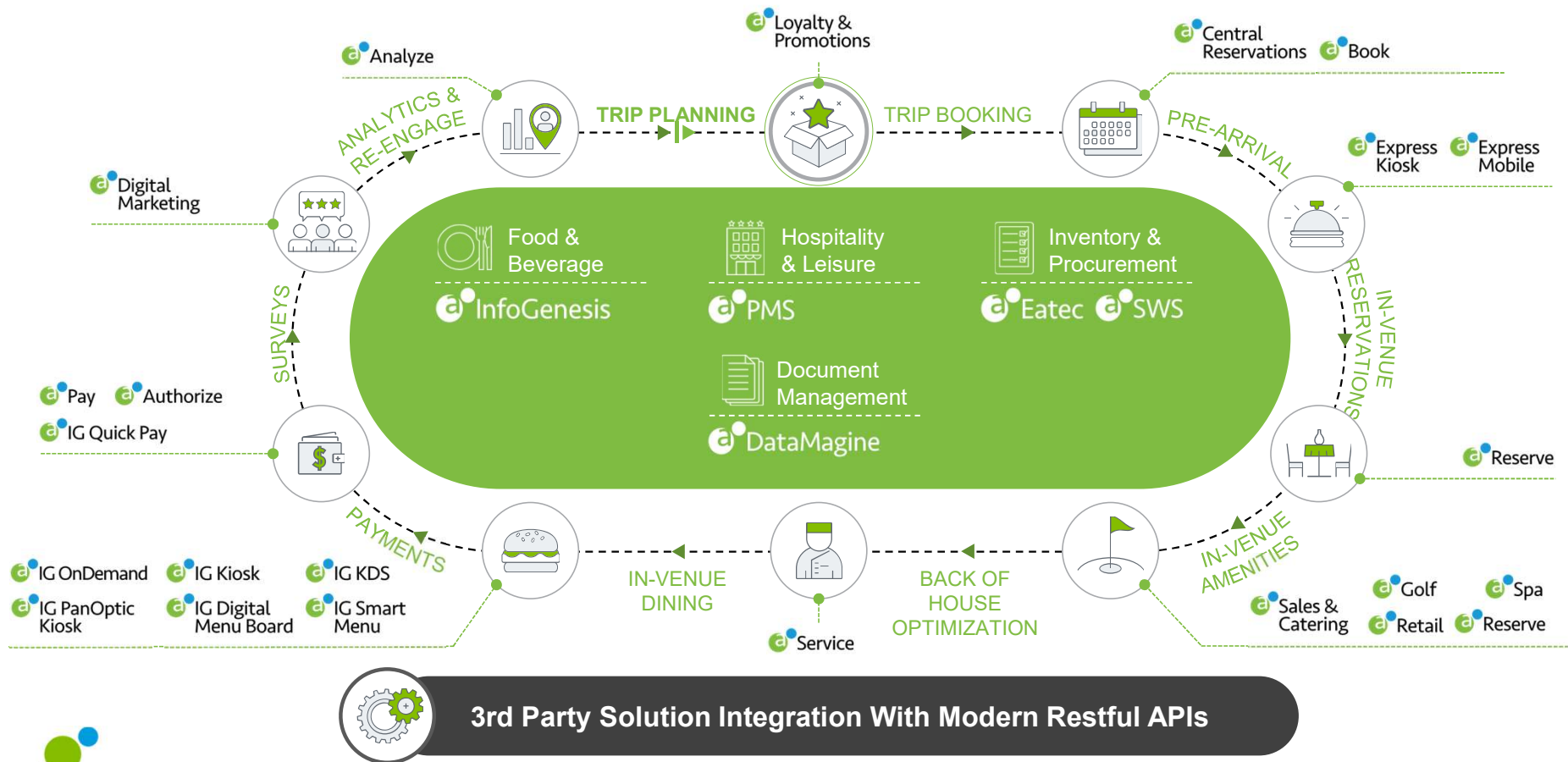
Solutions adapt from staff-facing to guest-facing. Dual purpose mitigates staff shortage challenges and elevates technology investment impact



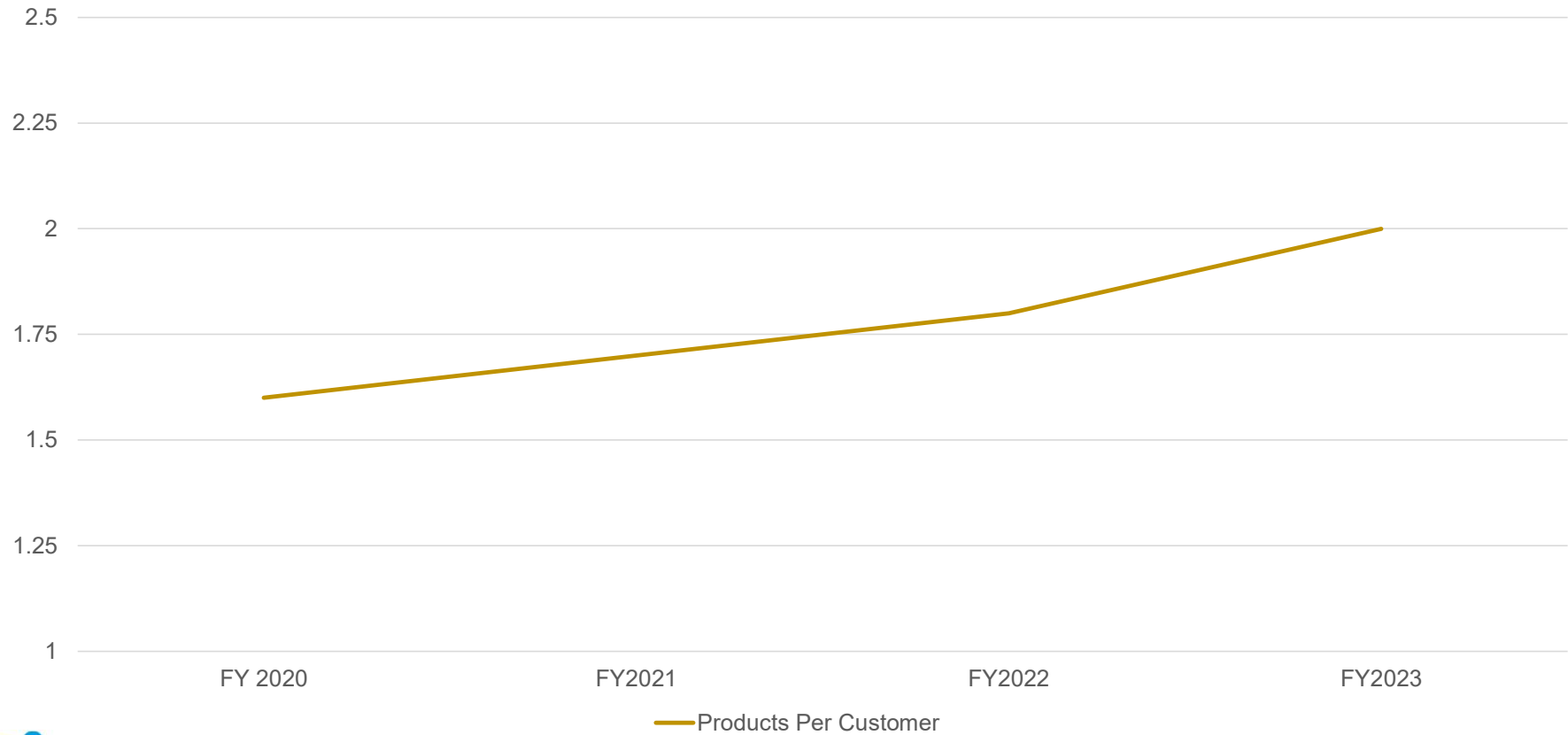
Future-Forward Fluidity

Systems – and Agilysys services teams -- are designed to accommodate change without heavy IT impact. Choice is user-driven, from payments, to form factors, to guest and staff experiences.

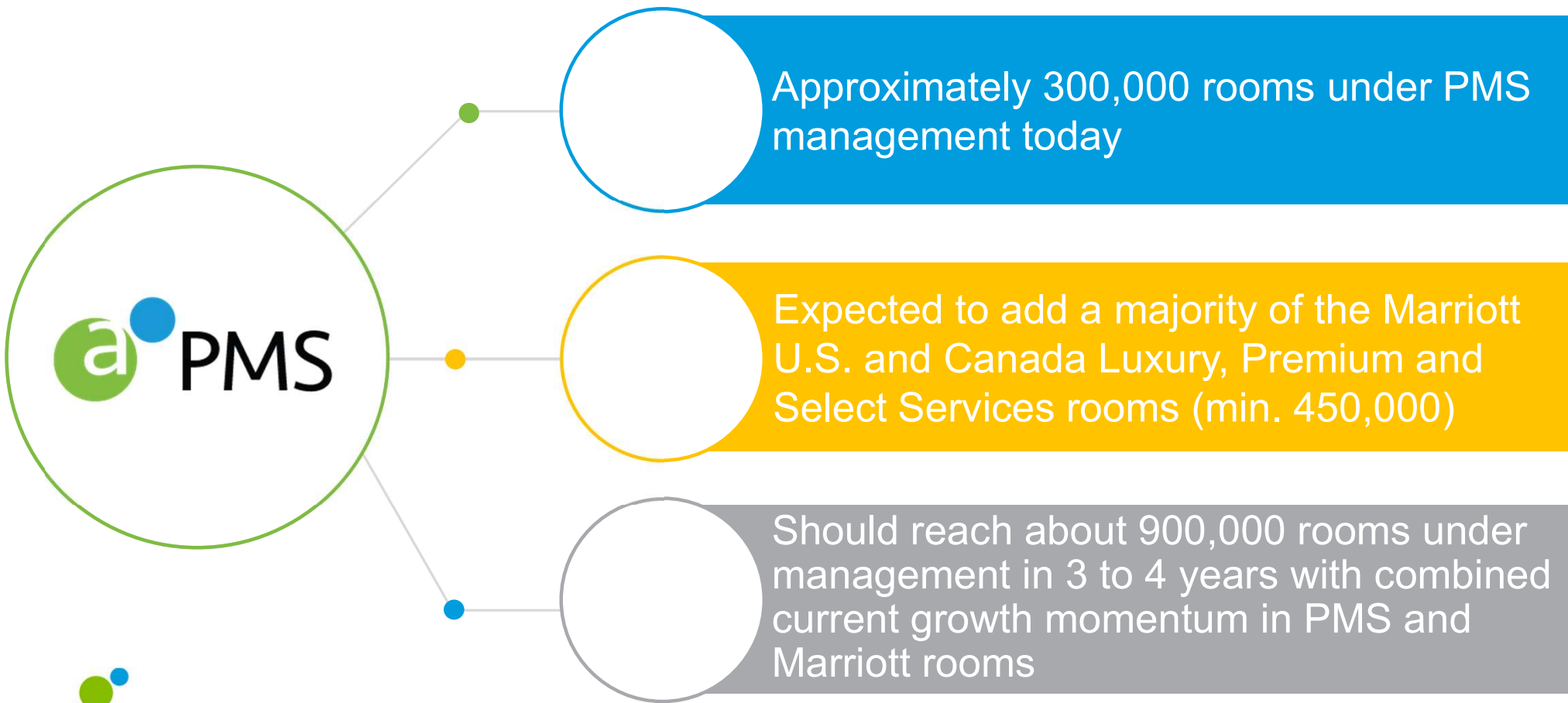
Agilysys Hospitality Product Suite



Existing Customer Greenspace - Average Products FY Exit Rate



Property Management Room Growth Opportunity



FY24 Annual Guidance

Revenue

\$230M TO
\$235M
ANNUAL REVENUE

FY21 = \$137.2M
FY22 = \$162.6M
FY23 = \$198.1M

EBITDA

13%
ADJUSTED EBITDA
AS % OF REVENUE

FY21 = 19.5%
FY22 = 16.8%
FY23 = 15.3%

Subscription Revenue

25%
YEAR OVER
YEAR GROWTH

FY21 = 15.5%
FY22 = 28.0%
FY23 = 27.5%



FINANCIAL OVERVIEW



Evolving Business, Evolving P&L

Business Metrics (as of 6/30/23)

Recurring Revenue* As % of Total Revenue	59%
Subscription Revenue* As % of Recurring Revenue	50%
Services Revenue* As % of Total Revenue	19%
Subscription Revenue Growth Y/Y*	27%
New Customer Count*	66

Financial Metrics and Valuation*

Share Price (8/17/23)	\$69.35
Diluted Shares Outstanding	26.2M
Diluted Market Capitalization	\$1,815.4M
Cash (as of 3/31/23)	\$107.1M
Debt (as of 3/31/23)	\$28.9M
Enterprise Value	\$1,737.2M
Revenue	\$206.6M
Gross Profit	\$125.4M
Adjusted EBITDA^	\$29.9M
Earnings per Share	\$0.43
EV/Revenue	8.4x
EV/Gross Profit	13.9x

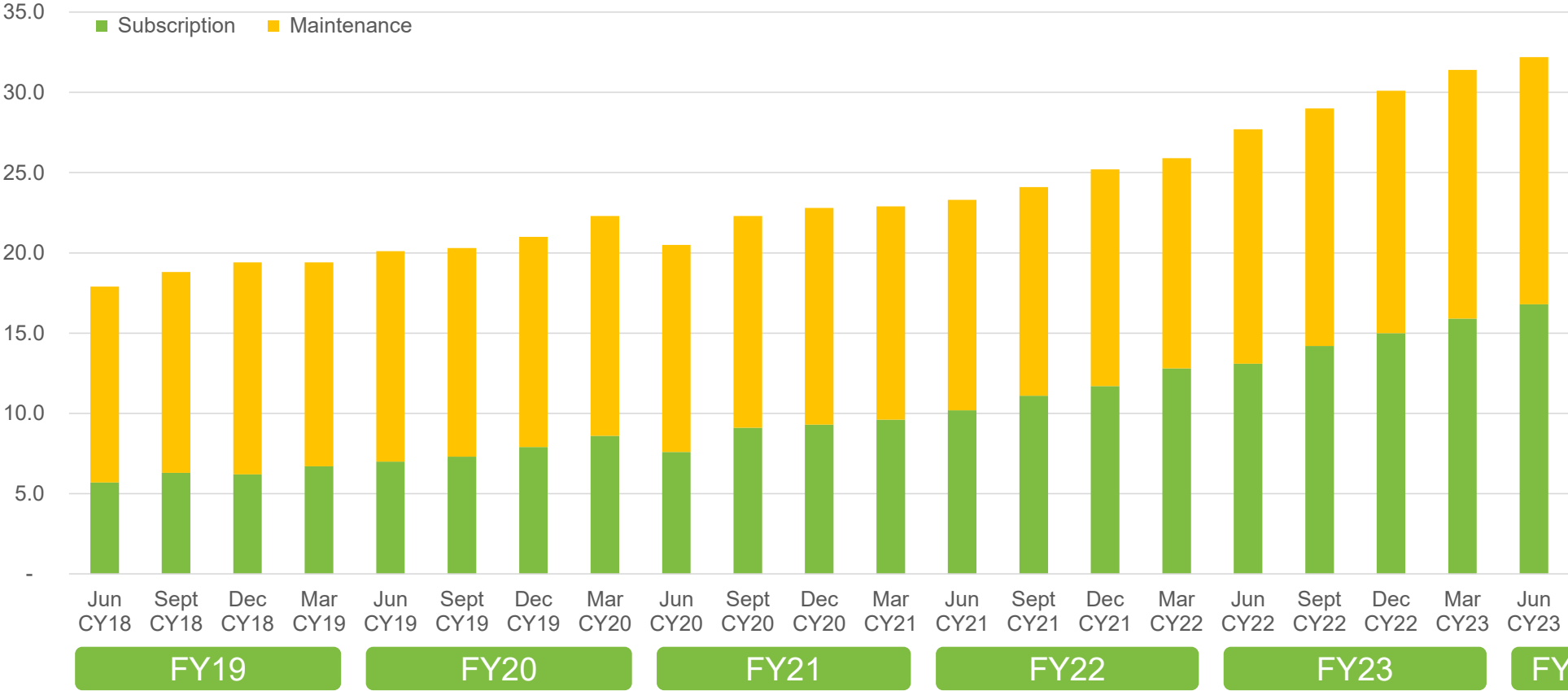
Strong Balance Sheet

Consolidated Balance Sheet <i>(in thousands)</i>		
	June 30, 2023	March 31, 2023
Cash, Cash Equivalents and Marketable Securities	\$107,093	\$112,842
Other Current Assets	42,345	41,816
Long-Term Assets	101,909	88,378
Total Assets	\$251,347	\$243,036
Current Liabilities	\$73,893	\$78,515
Other Liabilities	65,768	55,211
Total Liabilities	139,661	133,726
Shareholders' Equity	111,686	109,310
Total Liabilities and Shareholders' Equity	\$251,347	\$243,036

Revenue Growth (\$M)

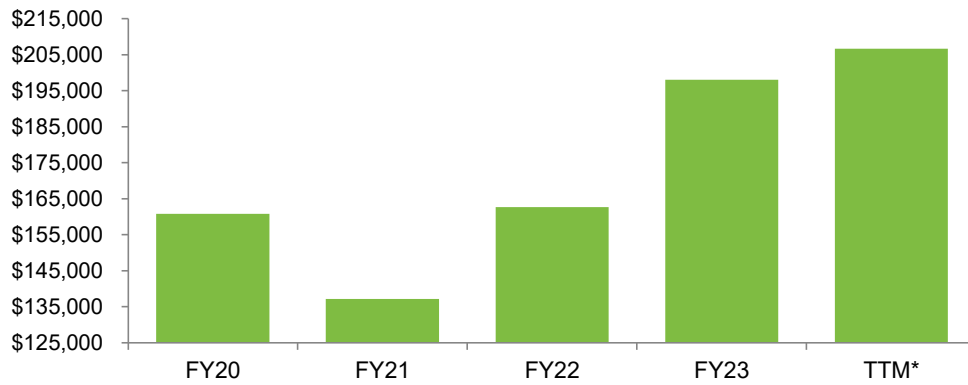


Recurring Revenue (\$M)

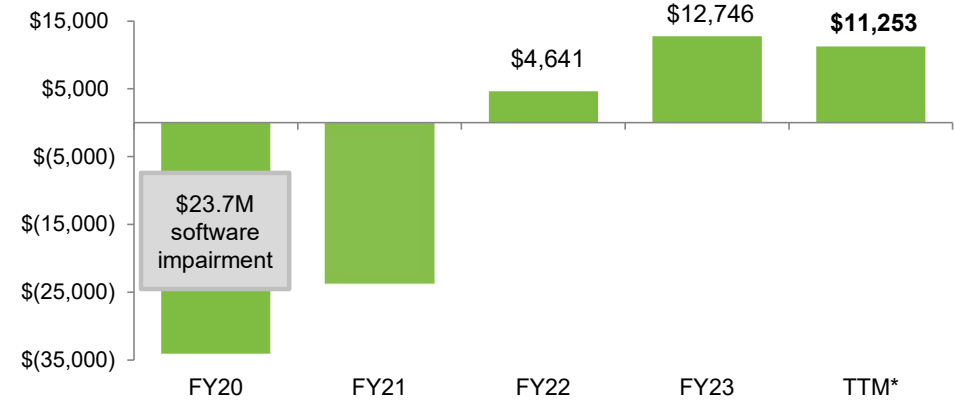


Historical Financial Results

Revenue - GAAP



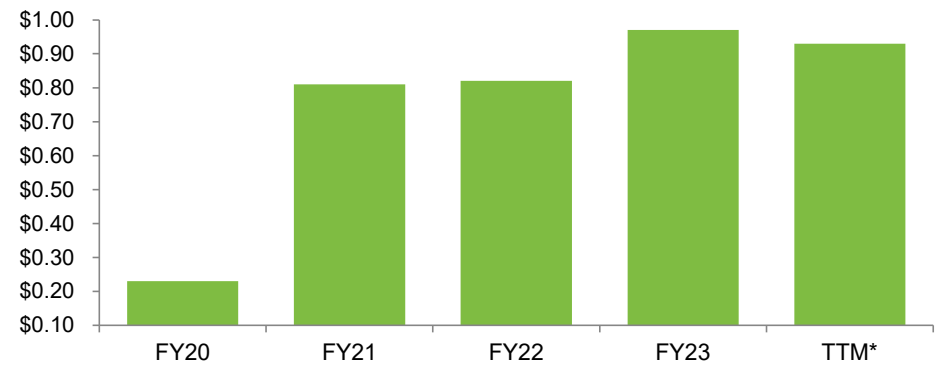
Net Income (Loss) - GAAP



Adjusted EBITDA - Non-GAAP^



Adjusted Diluted Earnings per Share - Non-GAAP^



agilysys

Hospitality Experience Cloud



FOOD & BEVERAGE ECOSYSTEM

CORE POS

- EXPERIENCE ENHANCERS**
- Mobile Food Ordering
 - Dining Reservations
 - Kiosk
 - PanOptic Self-Checkout
 - Kitchen Display
 - Digital Menus
 - Digital Menu Board

- Loyalty & Promotions
- Enterprise Analytics
- Secure EMV Payments
- QR Payment
- Stored-Value Payment
- Gift Card



HOSPITALITY & LEISURE ECOSYSTEM

CORE PMS

- EXPERIENCE ENHANCERS**
- Property-Wide Booking
 - Spa
 - Golf
 - Sales & Catering
 - Activities
 - Retail
 - Membership
 - Residence Management
 - Mobile/Kiosk Check-In/Out
 - Digital Keys

- Digital Marketing
- Loyalty and Promotions
- Service Task Optimization
- Enterprise Analytics
- Call Center
- Secure EMV Payments
- Digital Authorizations
- Gift Card
- Document Management



INVENTORY & PROCUREMENT ECOSYSTEM

CORE I&P

- EDITIONS**
- Standard
 - Enterprise
 - Professional

- MODULES**
- Barcode
 - Retail
 - Punch Out
 - Direct

Hospitality Solution Studios

Tailored to maximize **Return On Experience (ROE)** by specific venue and management model

- Airport
- Amusement Park
- Casino
- Corporate Dining
- Cruise
- Healthcare
- Higher Education
- Hotel Brand
- Independent Hotel
- Life Plan Community
- Management Company
- Resort
- Stadium
- Venue

Agilysys Omnichannel POS Solution



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,			
	2023	2022	2021	2020	
Net income (loss)	\$ 13,089	\$ 14,582	\$ 6,478	\$ (21,001)	\$ (34,067)
Income tax expense (benefit)	1,136	1,182	33	(208)	201
Income (loss) before taxes	14,225	15,764	6,511	(21,209)	(33,866)
Depreciation of fixed assets	2,219	1,769	2,210	2,832	2,574
Amortization of intangibles	1,720	1,743	1,654	1,959	2,541
Amortization of developed technology	157	159	42	-	12,561
Interest income	(3,192)	(2,192)	(47)	(87)	(371)
EBITDA (a)	15,129	17,243	10,370	(16,505)	(16,561)
Share-based compensation	13,637	12,958	14,549	40,093	5,205
Severance and other charges	980	435	1,584	2,529	582
Impairments	-	-	-	-	23,740
Other non-operating (income) expense	(235)	(697)	(145)	338	176
Legal settlements, net	352	352	969	200	(125)
Adjusted EBITDA (b)	29,863	30,291	27,327	26,655	13,017

(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)

(In thousands)	Three Months Ended																
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 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
Net income (loss)	\$ 1,548	\$ 4,075	\$ 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)
Income tax expense	352	262	678	(158)	398	(232)	24	48	193	(518)	182	121	8	40	95	41	25
Income (Loss) before taxes	1,900	4,337	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)
Depreciation of fixed assets	923	398	437	461	473	602	495	548	566	672	722	715	723	801	854	707	213
Amortization of intangibles	430	417	430	443	453	577	267	345	465	470	521	508	461	641	608	614	678
Amortization of developed technology	39	39	39	40	41	42	-	-	-	-	-	-	-	-	-	-	-
Interest income	(1,101)	(1,006)	(704)	(379)	(100)	(8)	(6)	(13)	(21)	(24)	(18)	(26)	(20)	(88)	(67)	(112)	(79)
EBITDA (a)	2,191	4,185	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
Share-based compensation	3,167	3,548	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
Severance and other charges	759	61	93	67	214	398	381	580	225	(233)	1,552	7	1,203	150	11	190	231
Impairments	-	-	-	-	-	-	-	-	-	-	-	-	-	23,740	-	-	-
Other non-operating expense (income)	159	102	(384)	(112)	(304)	(197)	52	103	(103)	50	95	88	106	-	(142)	108	85
Legal settlements, net	-	248	104	-	-	598	4	337	30	150	-	50	-	-	-	(119)	-
Adjusted EBITDA (b)	6,276	8,144	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

(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,			
		2023	2022	2021	2020
Net income (loss) attributable to common shareholders	\$ 11,253	\$ 12,746	\$ 4,641	\$ (23,608)	\$ (34,067)
Amortization of intangibles	1,720	1,743	1,654	1,959	2,541
Amortization of developed technology	157	159	42	-	12,561
Share-based compensation	13,637	12,958	14,549	40,093	5,205
Impairments	-	-	-	-	-
Series A convertible preferred stock issuance costs	-	-	-	1,031	-
Severance and other charges	980	435	1,584	2,529	582
Legal settlements, net	352	352	969	200	(125)
Income tax adjustments	(3,625)	(3,274)	(2,594)	(2,710)	(4,904)
Adjusted net income (loss) (a)	24,474	25,119	20,846	19,494	(18,207)
Basic weighted average shares outstanding	24,936	24,694	24,357	23,458	23,233
Diluted weighted average shares outstanding	26,177	25,929	25,483	24,016	23,821
Adjusted basic earnings per share (b)	0.98	1.02	0.86	0.83	(0.78)
Adjusted diluted earning per share (b)	0.93	0.97	0.82	0.81	(0.76)

(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 FY23	31-Mar FY22	31-Mar FY21	31-Mar FY20
Operating activities					
Net income(loss) from operations	\$ 13,089	\$ 14,582	\$ 6,478	\$ (21,001)	\$ (34,067)
Non cash adjustments, restructuring, legal settlements	17,448	16,355	17,683	43,969	46,260
Changes in assets & liabilities	3,845	3,526	4,314	5,439	(1,618)
Net cash provided by operating activities	34,382	34,463	28,475	28,407	10,575
Investing activities					
Capital expenditures	(10,205)	(7,238)	(1,197)	(1,389)	(3,420)
Cash paid for business combinations, net of cash acquired	395	395	(24,455)	-	-
Capitalized developed software	-	-	-	-	-
Investments	(22)	(27)	(27)	(2)	(27)
Net cash used in investing activities	(9,832)	(6,870)	(25,679)	(1,391)	(3,447)
Net cash provided by (used in) financing activities	(12,057)	(11,094)	(4,901)	25,316	(1,116)
Effect of exchange rate	(299)	(628)	(104)	195	(130)
Increase (decrease) in cash & cash equivalents	12,194	15,871	(2,209)	52,527	5,882
Cash & cash equivalents - beginning of period	94,897	96,971	99,180	46,653	40,771
Cash & cash equivalents - end of period	<u>\$ 107,091</u>	<u>\$ 112,842</u>	<u>\$ 96,971</u>	<u>\$ 99,180</u>	<u>\$ 46,653</u>

CONTACT

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