

The background of the slide is a photograph of a modern building's interior. On the left, there is a dark, textured wall. To the right, large glass windows offer a view of a city street with trees and other buildings. The floor is made of light-colored tiles. Several people are walking through the space, their figures slightly blurred, suggesting movement. A semi-transparent dark horizontal band is overlaid across the middle of the image, serving as a backdrop for the text.

Agilysys...

INVESTOR PRESENTATION

September 2020

Forward-looking Statements & Non-GAAP Financial Information

TECHNOLOGY | INNOVATION | SOLUTIONS

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.

Agilysys Overview



End to End Software Solutions Provider



Exclusively Hospitality



Provide Mission Critical Solutions



Products With Global Reach



\$152.2M

Total
Revenue

55%

Recurring Revenue as a % of
Total Revenue

37%

Subscription Revenue as a
% of Recurring Revenue

20%

Subscription Revenue
Growth Rate

Note: All data is as of the trailing twelve months ended June 30, 2020.

What Sets Agilysys Apart

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Pure Hospitality

Hospitality is all We Do Because our Business is 100% Focused on this Industry



End to End Comprehensive Solutions

Agilysys has the Broadest Software Offerings with the Deepest Functionality in the Market



Obsessively Customer Centric

We are Obsessive About Putting our Customers at the Center of Everything We Do



Go To Market Strategy

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OBSESSIVELY CUSTOMER CENTRIC

IN EVERY MARKET WE SERVE

ENGINEERING DRIVEN COMPANY

>95%
Customer
Retention
Annually

~5% Pre-COVID
Increase in YOY
International
Bookings

R&D Team
Strength**
Jan 2017 – 230
Mar 2019 – 500
Sep 2020 – 750

**Note: All data is as of the trailing twelve months ended June 30, 2020.
**R&D strength numbers represent approximate headcount.*

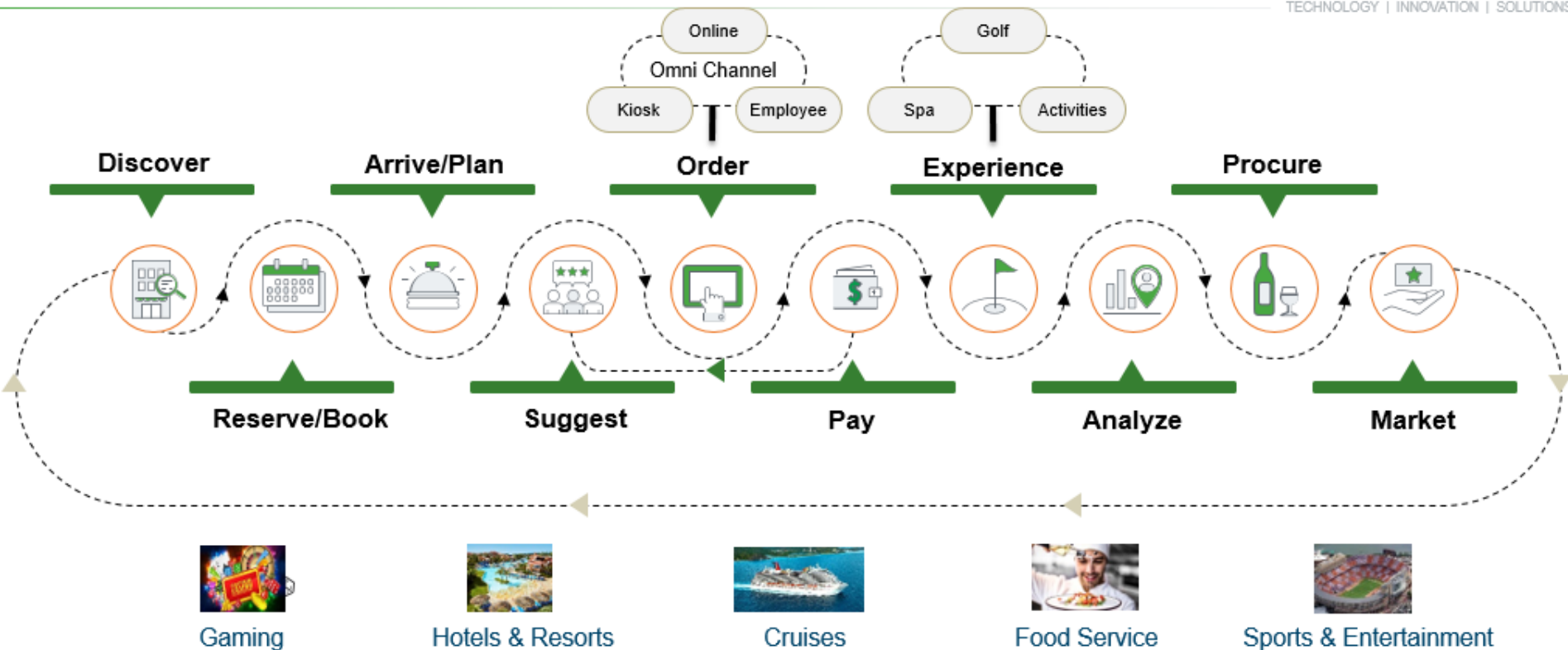
Strategic Product Vision



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

Enabling The Guest Journey

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Delivering a Comprehensive Suite of Solutions

An Omni-Channel F&B Product Strategy

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Current Solutions
Interface With



PMS Ecosystem – Contactless Journey

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Current Solutions
Interface With

Marketing Analytics & CRM

Search & Discovery

Booking

Arrival

Loyalty & Rewards

Golf

Activities

Concierge

Maintenance

Back of House

Housekeeping

Spa

Visual One®

rGuest Stay

LMS®

Reviews &
Reputation
Management

Payment

Agilysys...

We Serve Leading Hospitality Brands

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We Provide Industry Leading Hospitality Solutions

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Allocation of Total Revenue

Food and Beverage Solutions

~64k end points at 06/30/20
+16% since 06/30/19

11%
of Revenue

INVENTORY & PROCUREMENT

POINT-OF-SALE



Lodging Solutions

~275k rooms at 06/30/20
+1% since 06/30/19

26%
of Revenue

PROPERTY MANAGEMENT



2%
of Revenue

DOCUMENT MANAGEMENT

Region

91%
of Revenue

North America

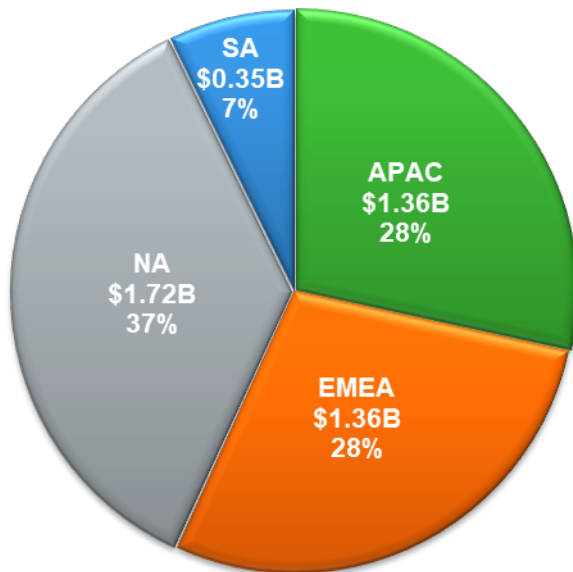
9%
of Revenue

APAC Plus EMEA

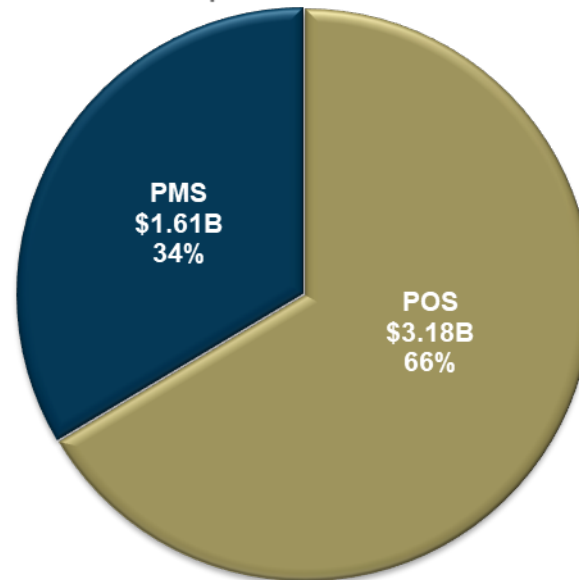
Hospitality Market

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ARR Market Opportunity
\$4.8 Billion



ARR Product Opportunity
\$4.8 Billion



Agilysys ARR ~ \$84.1M*

*Trailing twelve months ended June 30, 2020.

Achievements Under New Management Team

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Revenue Growth

**COVID impact more than
37% better than
expected**

9
Quarters of Sequential
Revenue Growth Pre-
COVID

**New sales at 60% of pre-
COVID amounts**

Continuing to Improve

8.6%
Q1 FY21 SaaS Revenue
Growth

6%
YOY Increase in Adjusted
EBITDA

**Cash Flow Positive in
FY21**

Focus on Profitability

\$3.4M
Near record Q1 FY21
Adjusted EBITDA

2%
Increase in Operating
Cash YOY Q1 FY21

\$74.6M
Cash as of Q1 FY21

Expand Product Capabilities

Tripled
R&D Team Strength

Fully Captive IDC

10
New Software Modules

India Development Center

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- Currently Expanding Capacity To:
 - 100,000 Square Feet
 - 1,000 Employee Capacity
- Approximately 95% of Current Employees are Technical Staff
- Team is experienced with the products and are familiar with everything Agilysys

A modern office interior with large windows and people walking. The scene is captured in a low-angle shot, showing the lower legs and feet of several people in motion. The floor is made of large, light-colored tiles. The windows on the right side of the frame offer a view of a city street with trees and buildings. The overall atmosphere is professional and dynamic.

Agilysys...

FINANCIAL OVERVIEW

Evolving Business, Evolving P&L

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Financial Metrics and Valuation*

Share Price (09/16/20)	\$26.23
Diluted Shares Outstanding	23.4M
Diluted Market Capitalization	\$613.9M
Cash (as of 06/30/20)	\$74.6M
Debt (as of 06/30/20)	\$14.5M
Enterprise Value	\$553.8M

Revenue	\$152.2M
Gross Profit	\$79.5M
Adjusted EBITDA^	\$13.2M
Earnings per Share	(\$1.41)
EV/Revenue	3.6x
EV/Gross Profit	7.0x

Business Metrics (as of 06/30/20)

Direct POS End Points Managed	~64k
<i>Y/Y Growth</i>	16%
Direct Hotel Rooms Managed	~275k
<i>Y/Y Growth</i>	1%
Recurring Revenue*	55%
<i>As % of Total Revenue</i>	
Subscription Revenue*	37%
<i>As % of Recurring Revenue</i>	
Services Revenue*	19%
<i>As % of Total Revenue</i>	
Subscription Revenue Growth Y/Y*	20%
rGuest as % of Total Revenue*	10%
New Customer Count*	59

^Non-GAAP measure, see reconciliation on slide 26.

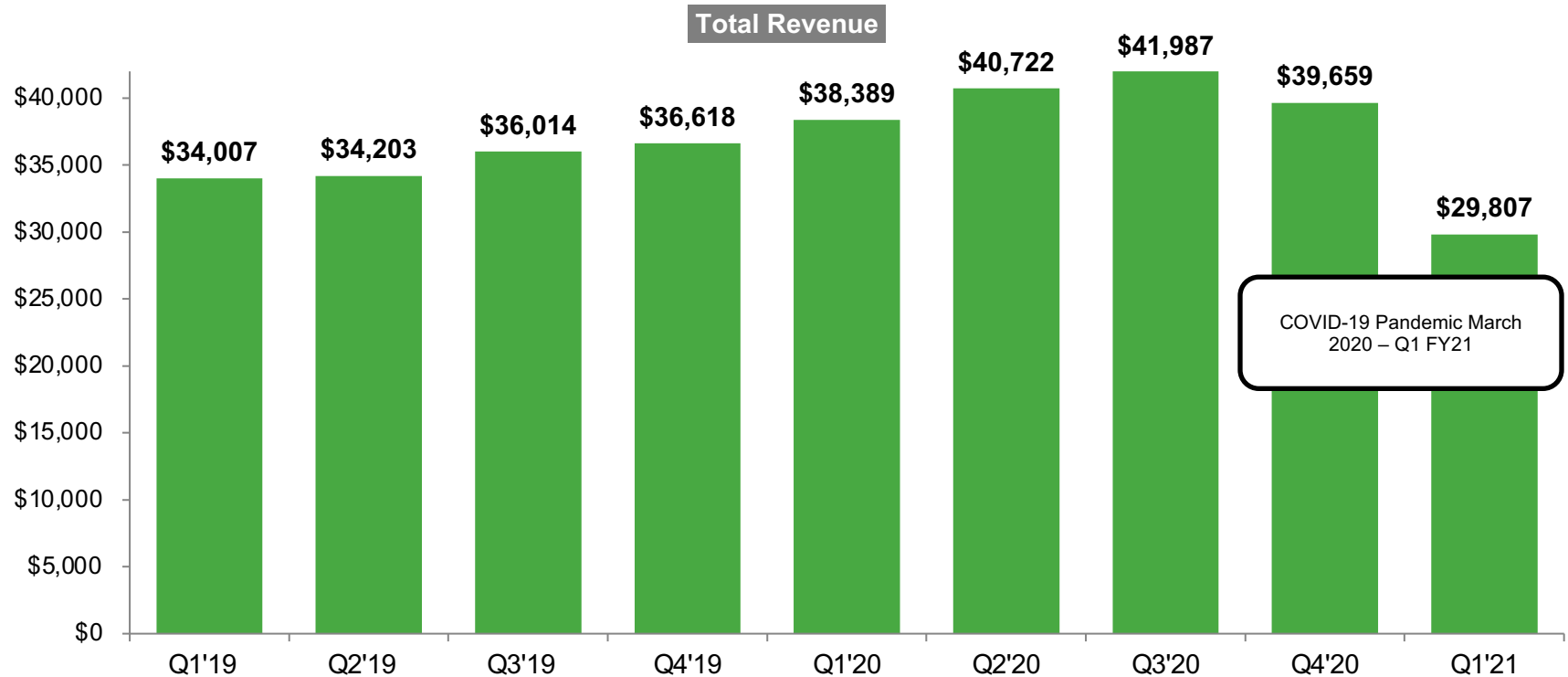
*Trailing twelve months ended June 30, 2020.

Strong Balance Sheet

Consolidated Balance Sheet (<i>in thousands</i>)		
	March 31, 2020	June 30, 2020
Cash, Cash Equivalents and Marketable Securities	\$46,653	\$74,604
Other Current Assets	46,755	42,338
Long-Term Assets	61,154	59,161
Total Assets	\$154,562	\$176,103
Current Liabilities	\$69,423	\$56,054
Other Liabilities	13,382	48,699
Total Liabilities	82,805	104,753
Shareholders' Equity	71,757	71,350
Total Liabilities and Shareholders' Equity	\$154,562	\$176,103

Revenue - Quarterly

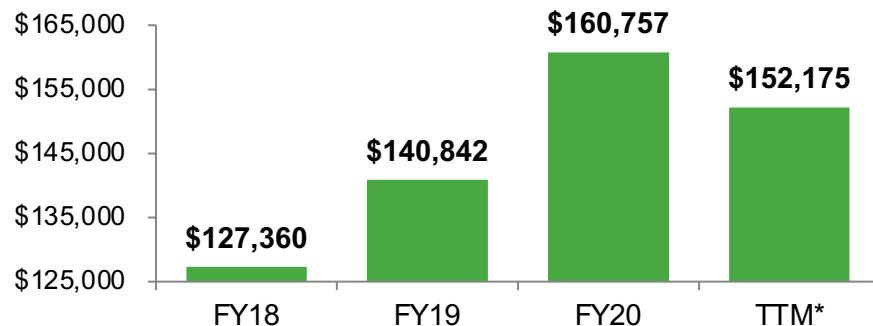
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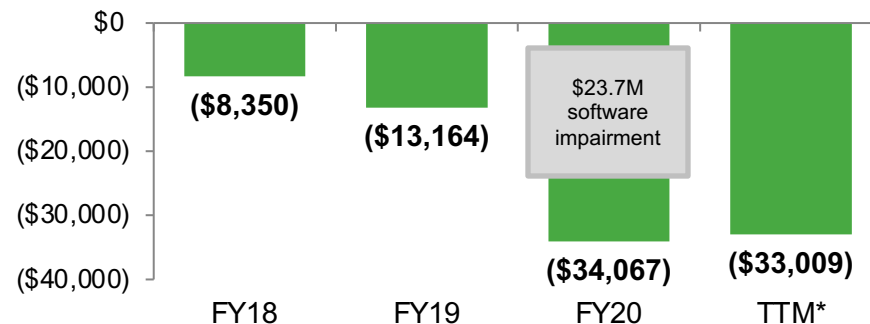
Historical Financial Results

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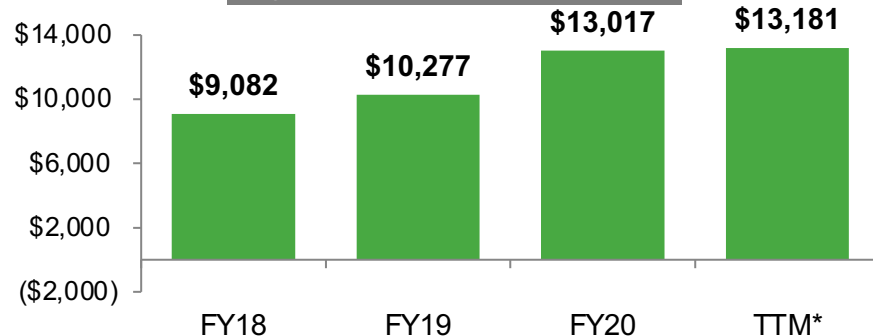
Revenue - GAAP



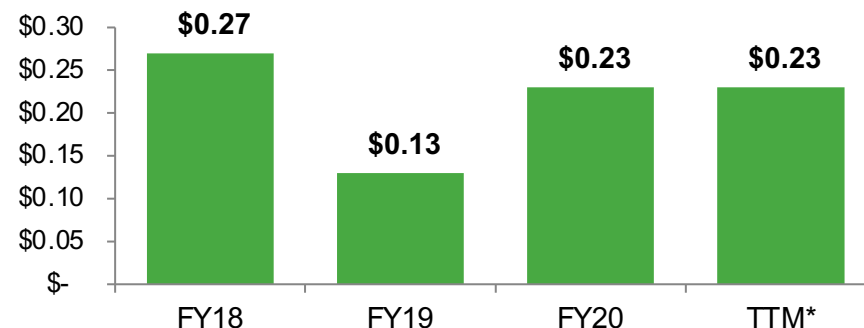
Net Loss - GAAP



Adjusted EBITDA – Non-GAAP^



Adjusted Diluted Earnings per Share – Non-GAAP^



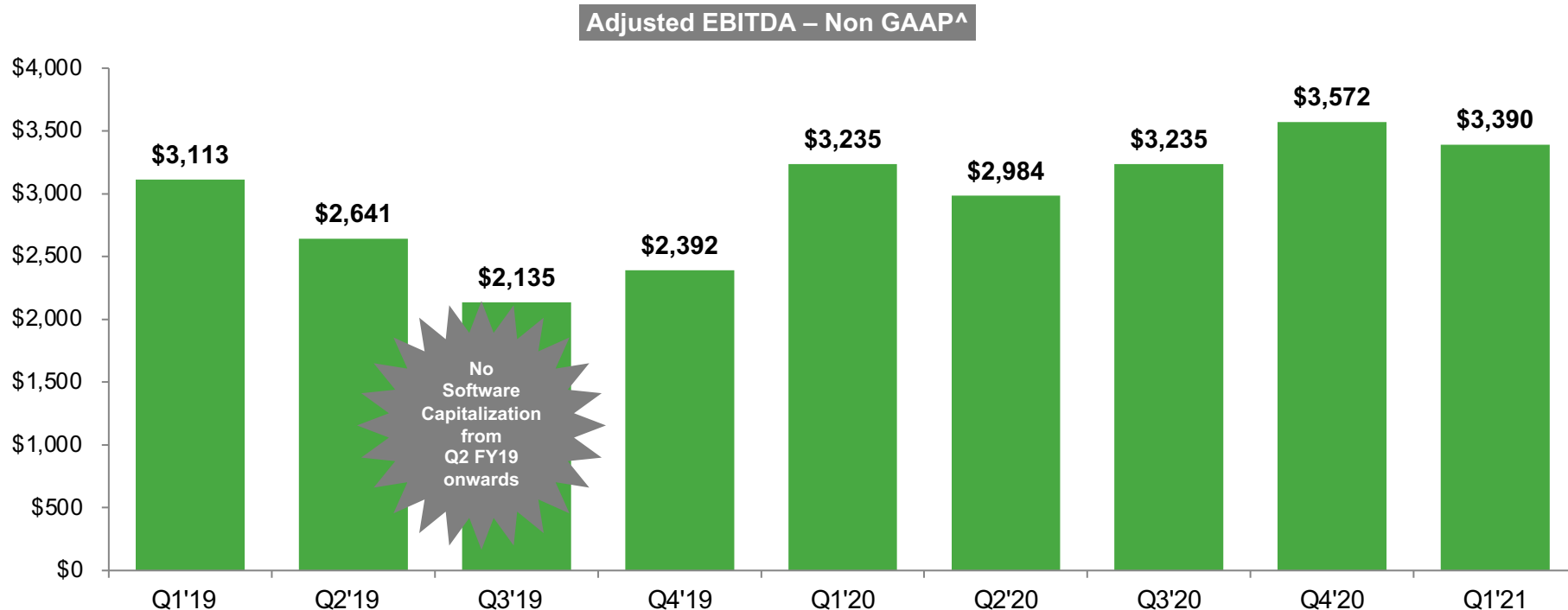
All numbers in thousands.

^ Non-GAAP measure, see reconciliation on slide 26.

*Trailing twelve months ended June 30, 2020.

Profitability Metrics - Quarterly

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- Average of \$2.5M in capitalized software development costs per quarter from Q1'17 to Q1'19.
- Fiscal Year is From 4/1-3/31

All numbers in thousands.

[^] Non-GAAP measure, see reconciliation on slide 27.

A photograph of a modern building's interior, featuring large glass windows and a tiled floor. Several people are walking through the space, their figures slightly blurred, suggesting movement. The scene is brightly lit by natural light coming through the windows, which offer a view of trees and other buildings outside. A dark horizontal band is overlaid across the middle of the image, containing the text 'Agilysys...' and 'APPENDIX'.

Agilysys...

APPENDIX

Senior Management Leading New Growth Vision

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RAMESH SRINIVASAN - President and Chief Executive Officer

Ramesh is an accomplished CEO with leadership and turnaround success across multiple industries resulting in rapid and sustainable long-term growth and significant increases in shareholder value.



Dave Wood - Chief Financial Officer

Dave is an experienced financial and strategic leader who joined Agilysys in 2011 as controller of the Hospitality Solutions Group. Dave brings with him extensive experience in financial initiatives and strategic development with software and SaaS companies.



PRABUDDHA BISWAS - Chief Technology Officer

Prabuddha brings over 30 years of successful software development and innovative technology leadership to Agilysys, where his responsibilities include leadership and oversight of the Company's technology vision.



DON DEMARINIS - Senior Vice President Sales, Americas

Don brings extensive industry experience and success at Oracle and Micros selling hospitality technology and services to global clients across markets where he led sales increases of up to 30% per annum.

Senior Management Leading New Growth Vision

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KYLE BADGER - Senior Vice President, General Counsel and Secretary

Kyle leads the global legal and human resources teams and brings over 22 years of legal experience representing public and private companies in general corporate matters.



SRIDHAR LAVETI - Vice President of Established Products and Customer Support

Sridhar leads the product engineering and management teams for established Agilysys products and oversees customer support. He brings 25+ years of technology and management leadership across multiple industries.



PRAKASH BHAT - Vice President and Managing Director (India)

Prakash brings 30+ years of experience in technology and management with an impressive track record of building new companies to create a strong market presence for established organizations in new locations.



ANDREW COX - Managing Director (Asia Pacific)

Andrew has 20+ years of experience, including significant experience with hospitality software companies, working in the Asia Pacific region bringing an extensive background in developing and executing go-to-market strategies which deliver profitable and sustainable growth.

Senior Management Leading New Growth Vision

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ROB JACKS – Chief Information Officer

Rob was promoted to CIO in December 2018 and is responsible for advancing Agilysys' internal systems and information technology processes. Rob has a reputation as a transformational executive who can deploy complex solutions with a measurable ROI.



JAMES SLATTER - Managing Director (EMEA)

Based in the UK for 16 years, James has extensive experience working in the hospitality industry, satisfying the software needs of enterprise clients, and helping US based companies expand their international footprint.



JEBA KINGSLEY - Vice President of Professional Services

Jeba was hired as Vice President of Professional Services in December 2018. Jeba has more than 20 years of experience leading revenue-generating global client services organizations.

Non-GAAP Reconciliation

AGILYSYS, INC.
RECONCILIATION OF NET LOSS TO ADJUSTED EARNINGS FROM OPERATIONS
(UNAUDITED)

	Twelve Months Ended			
	March 31			
	TTM*	2020	2019	2018
<i>(In thousands)</i>				
Net loss	\$ (33,009)	\$ (34,067)	\$ (13,164)	\$ (8,350)
Income tax expense (benefit)	184	201	221	(3,251)
Loss before taxes	(32,825)	(33,866)	(12,943)	(11,601)
Depreciation of fixed assets	3,085	2,574	2,504	2,631
Amortization of intangibles	2,324	2,541	2,567	1,879
Amortization of developed technology	9,386	12,561	12,602	10,016
Interest income	(287)	(371)	(329)	(88)
EBITDA (a)	(18,317)	(16,561)	4,401	2,837
Share-based compensation	6,149	5,205	4,376	4,688
Restructuring, severance and other charges	1,554	582	1,168	1,798
Impairments	23,740	23,740	-	-
Other non-operating (income) expense	174	176	191	(391)
Legal settlements	(119)	(125)	141	150
Adjusted EBITDA (b)	13,181	13,017	10,277	9,082
Capitalized software development costs	-	-	(2,189)	(8,918)
Adjusted EBITDA less capitalized software development costs (c)	13,181	13,017	8,088	164
Capital expenditures	(3,092)	(3,420)	(3,318)	(6,140)
Adjusted Earnings from Operations (d)	\$ 10,089	\$ 9,597	\$ 4,770	\$ (5,976)
Product development (operating expenses)	\$ 39,661	\$ 41,463	\$ 37,817	\$ 27,936
Capitalized software development costs	-	-	2,189	8,918
Product development plus capitalized software development costs (e)	\$ 39,661	\$ 41,463	\$ 40,006	\$ 36,854

(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) restructuring, severance, and other charges, iii) asset write-offs and other fair value adjustments, iv) share-based compensation, and v) other non-operating (income) expense

(c) Adjusted EBITDA less capitalized software development costs, a non-GAAP financial measure, is defined as Adjusted EBITDA, less capitalized software development costs

(d) Adjusted Earnings from Operations, a non-GAAP financial measure, is defined as Adjusted EBITDA less capitalized software development costs, less capital expenditures

(e) Product development plus capitalized software development costs, a non-GAAP financial measure, is defined as total product development expense plus capitalized software development costs

Non-GAAP Reconciliation

RECONCILIATION OF NET LOSS TO ADJUSTED EARNINGS FROM OPERATIONS (UNAUDITED)

(In thousands)	Three Months Ended							
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018
Net loss	\$ (517)	\$ (26,992)	\$ (2,582)	\$ (2,918)	\$ (1,575)	\$ (3,589)	\$ (4,048)	\$ (3,791)
Income tax expense (benefit)	8	40	95	41	25	35	182	53
Loss before taxes	(509)	(26,952)	(2,487)	(2,877)	(1,550)	(3,554)	(3,866)	(3,738)
Depreciation of fixed assets	723	801	854	707	213	571	651	676
Amortization of intangibles	461	641	608	614	678	675	675	674
Amortization of developed technology	-	3,129	3,129	3,128	3,175	3,245	3,347	3,347
Interest income	(20)	(88)	(67)	(112)	(79)	(102)	(80)	(94)
EBITDA (a)	655	(22,469)	2,037	1,460	2,437	835	727	865
Share-based compensation	1,426	2,049	1,329	1,345	482	1,420	1,282	1,265
Restructuring, severance and other charges	1,203	150	11	190	231	222	58	448
Impairments	-	23,740	-	-	-	-	-	-
Other non-operating (income) expense	106	102	(142)	108	85	(100)	68	28
Legal settlements	-	-	-	(119)	-	15	-	35
Adjusted EBITDA (b)	3,390	3,572	3,235	2,984	3,235	2,392	2,135	2,641
Capitalized software development costs	-	-	-	-	-	-	-	(57)
Adjusted EBITDA less capitalized software development costs (c)	3,390	3,572	3,235	2,984	3,235	2,392	2,135	2,584
Capital expenditures	(243)	(411)	(1,069)	(1,369)	(571)	(1,708)	(277)	(589)
Adjusted Earnings from Operations (d)	\$ 3,147	\$ 3,161	\$ 2,166	\$ 1,615	\$ 2,664	\$ 684	\$ 1,858	\$ 1,995
Product development (operating expenses)	\$ 8,266	\$ 9,332	\$ 11,285	\$ 10,778	\$ 10,064	\$ 10,525	\$ 10,059	\$ 10,151
Capitalized software development costs	-	-	-	-	-	-	-	57
Product development plus capitalized software development costs (e)	\$ 8,266	\$ 9,332	\$ 11,285	\$ 10,778	\$ 10,064	\$ 10,525	\$ 10,059	\$ 10,208

(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) restructuring, severance, and other charges, iii) asset write-offs and other fair value adjustments, iv) share-based compensation, and v) other non-operating (income) expense

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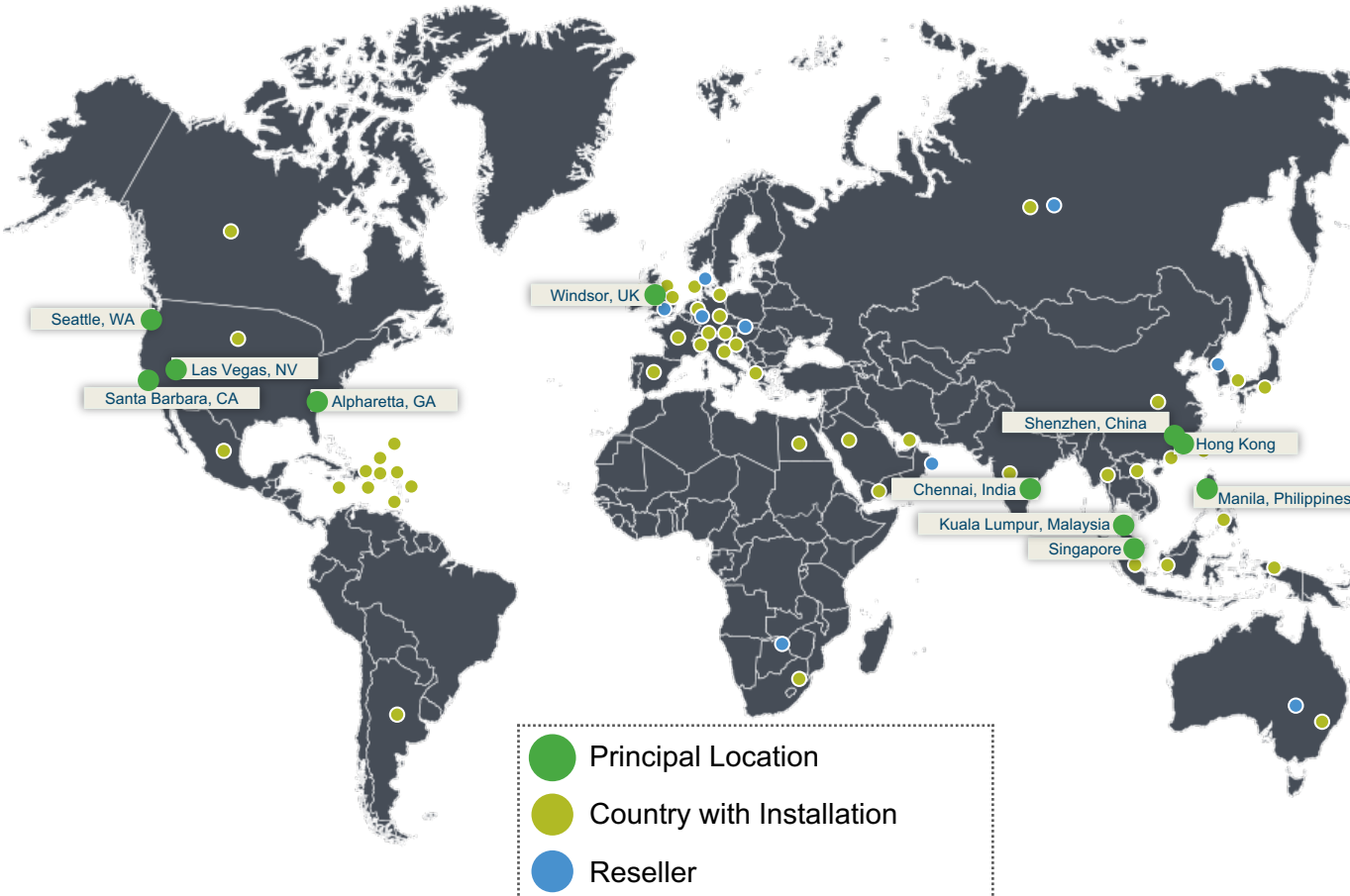
(e) Product development plus capitalized software development costs, a non-GAAP financial measure, is defined as total product development expense plus capitalized software development costs

Cash Flow

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	TTM*	FY20	FY19	FY18
Operating activities				
Loss from continuing operations	\$ (33,009)	\$ (34,067)	\$ (13,164)	\$ (8,350)
Non cash adjustments, restructuring, legal settlements	44,233	46,260	22,219	16,586
Changes in assets & liabilities	(3,665)	(1,618)	(1,814)	(1,362)
Net cash provided by operating activities	7,559	10,575	7,241	6,874
Investing activities				
Capital expenditures	(3,092)	(3,420)	(3,318)	(6,140)
Capitalized developed software	-	-	(2,189)	(8,918)
Investments	(27)	(27)	(27)	(27)
Net cash used in investing activities	(3,119)	(3,447)	(5,534)	(15,085)
Net cash used in financing activities	33,035	(1,116)	(767)	(1,295)
Effect of exchange rate	(104)	(130)	(112)	194
Decrease in cash & cash equivalents	37,371	5,882	828	(9,312)
Cash & cash equivalents - beginning of period	37,233	40,771	39,943	49,255
Cash & cash equivalents - end of period	\$ 74,604	\$ 46,653	\$ 40,771	\$ 39,943

Agilysys Global Footprint



Agilysys Corporate Headquarters

- Alpharetta, Georgia

Agilysys US Offices

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

Agilysys EMEA Office

- United Kingdom

Agilysys APAC Offices

- Hong Kong
- Malaysia
- Philippines
- Singapore
- China

Agilysys Demonstration Centers

- Las Vegas, Nevada

India Development Center

- Chennai, India

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