



Agilysys...

INVESTOR PRESENTATION

January 2021

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.

The Business We Are In

TECHNOLOGY INNOVATION SOLUTIONS



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

Agilysys Overview



End to End Software Solutions Provider



Exclusively Hospitality



Provide Mission Critical Solutions



Products With Global Reach



\$145.8M

Total
Revenue

59%

Recurring Revenue as a % of
Total Revenue

39%

Subscription Revenue as a
% of Recurring Revenue

23%

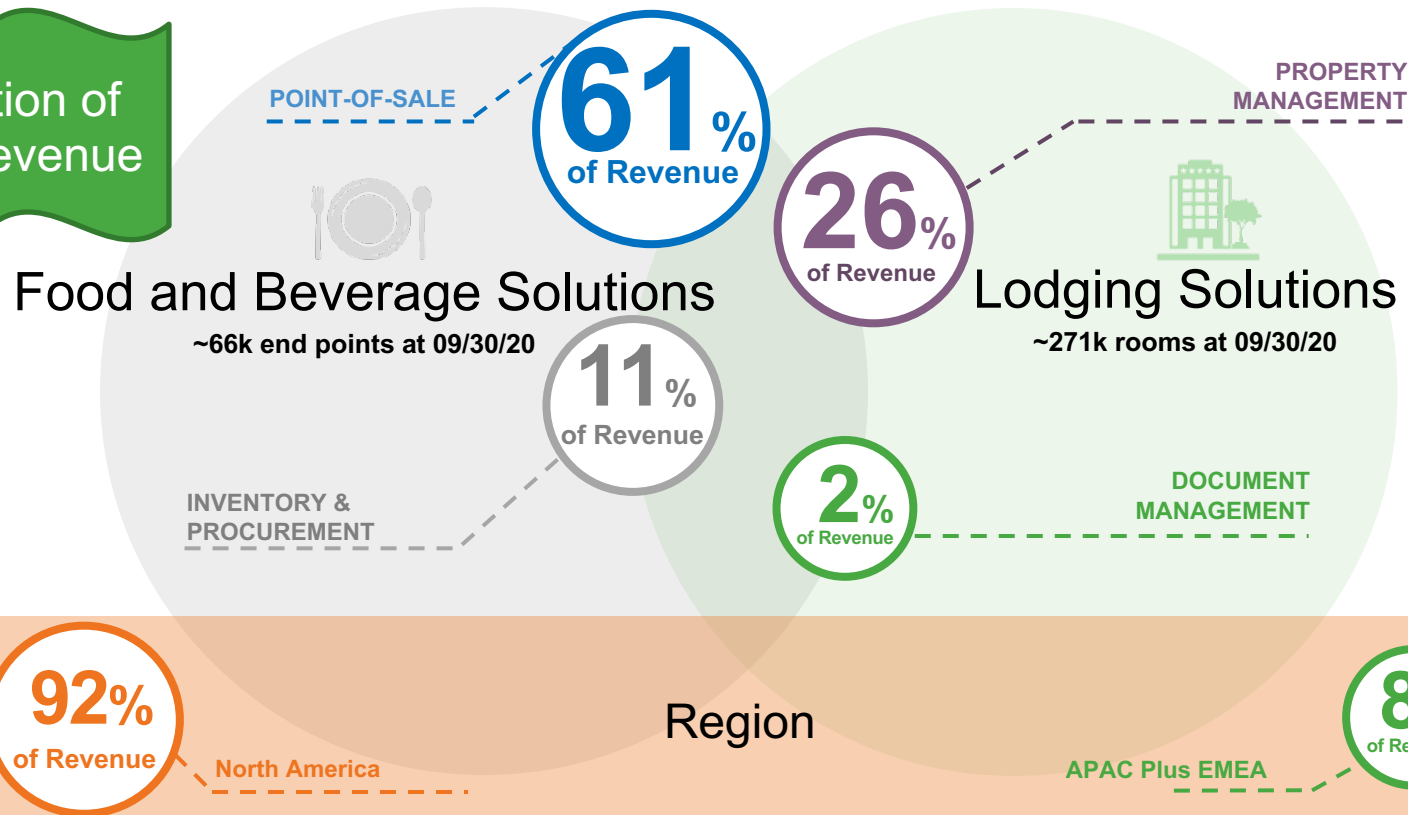
Subscription Revenue
Growth Rate

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

We Provide Industry Leading Hospitality Solutions

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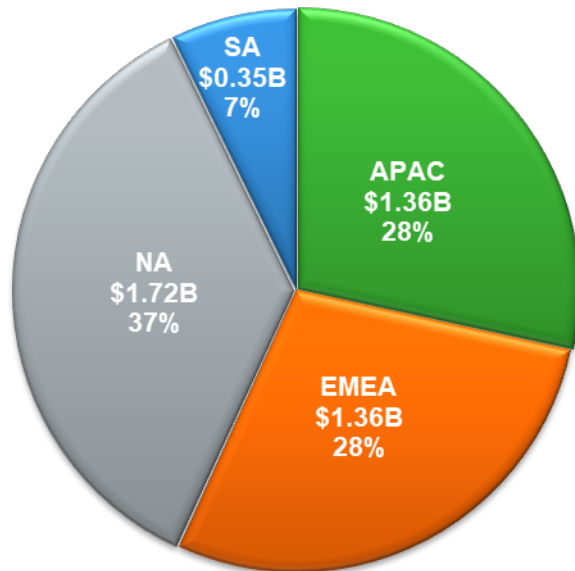
Allocation of Total Revenue



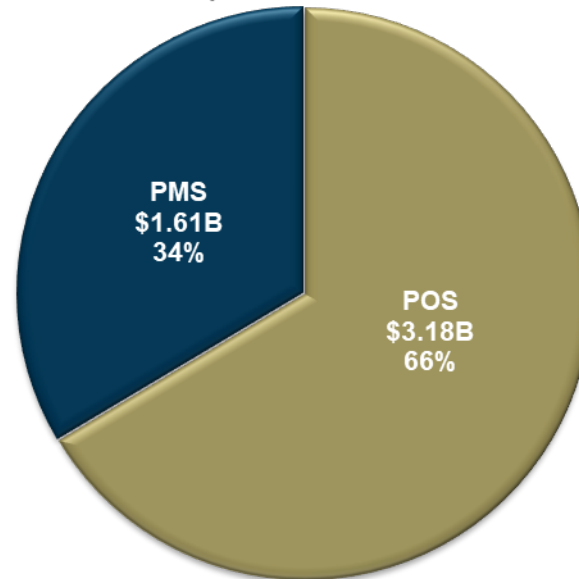
Hospitality Market

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ARR Market Opportunity
\$4.8 Billion



ARR Product Opportunity
\$4.8 Billion



Agilysys ARR ~ \$86.1M*

**Trailing twelve months ended September 30, 2020.*

Agilysys - Defining Strategy Highlights

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100% HOSPITALITY FOCUSED

MODERN CLOUD-NATIVE & ON-PREMISE OPTIONS

END-TO-END COMPREHENSIVE SOLUTION OFFERINGS

OBSESSIVELY CUSTOMER-CENTRIC

ENGINEERING/PRODUCT DRIVEN

>95%
Customer
Retention
Annually

R&D Team
Strength**
Jan 2017 – 230
Mar 2019 – 500
Dec 2020 – 800

23% Increase
in YOY
Subscription
Revenue

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

**R&D strength numbers represent approximate headcount.

India Development Center

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- Current R&D Strength = 800+
- Approximately 95% of Current Employees Are Technical & Engineering Expertise
- Average Tenure = > 1.8 Years
- Currently Expanding Capacity To:
 - 100,000 Square Feet
 - 1,000 Employee Capacity
- All Agilysys Employees are Fully Engaged With Our Products

Recent Achievements Under Management Team

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Revenue Growth

**Recurring Revenue
Return to Pre-COVID
Record Levels**

9
Quarters of Sequential
Revenue Growth Pre-
COVID

**New Sales at 60%+ of
Pre-COVID Amounts**

Continuing to Improve

23.9%
Q2 FY21 SaaS Revenue
Growth

188%
YOY Increase in Adjusted
EBITDA

**Cash Flow Positive
Since FY19**

Focus on Profitability

\$8.6M
Q2 FY21 Adjusted
EBITDA

9%
Organic Increase in Cash
YTD Since FY20

\$85.7M
Cash as of Q2 FY21

Expand Product Capabilities

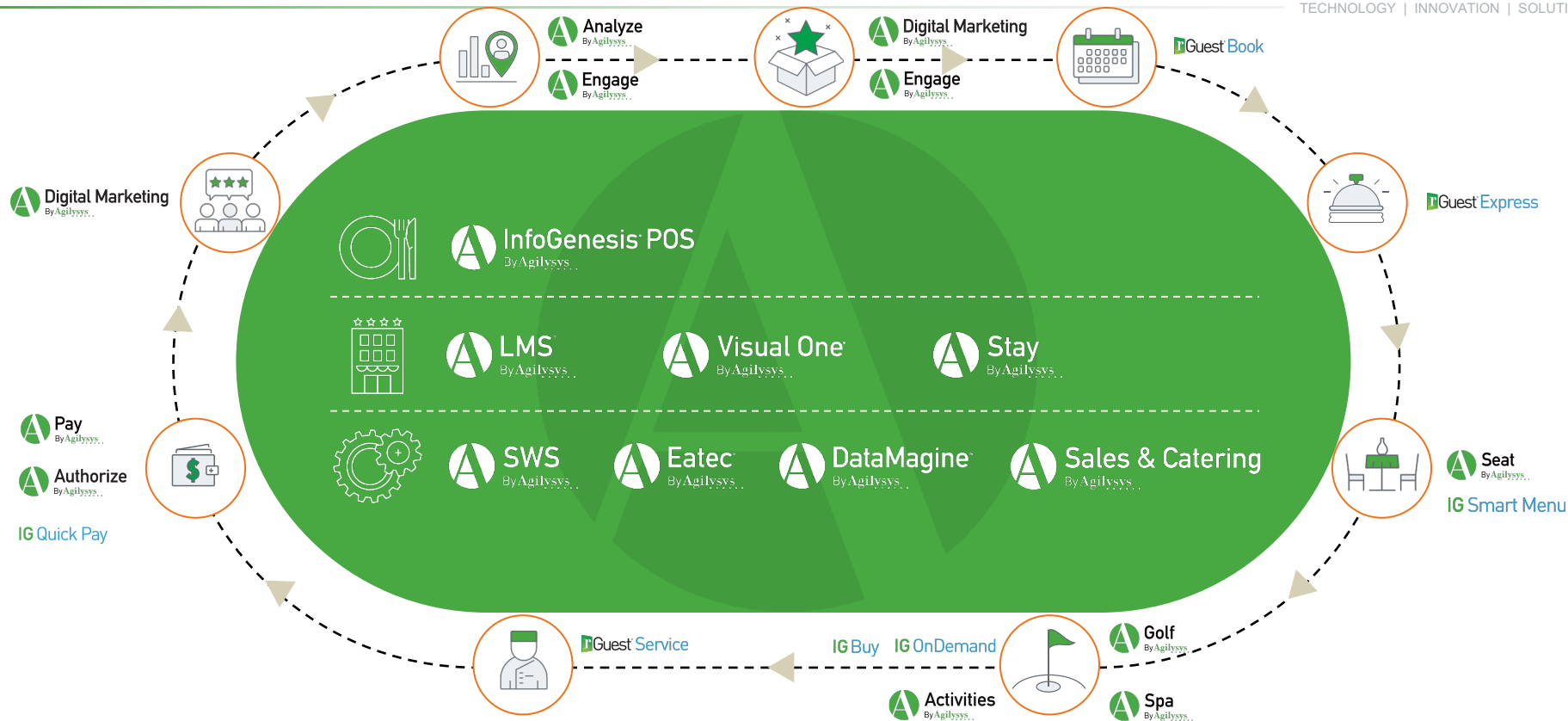
Tripled
R&D Team Strength

**Fully Captive India
Development Center**

14
New Software Modules

Agilysys Hospitality Product Suite

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Global Gaming Business

G2E 2020 Gaming & Technology Awards

rGuest Service

Gold Award

Best Productivity-Enhancement Technology

Agilysys rGuest Service

(Cloud-Native, On-Premise Capable)

Only Non-Gaming Hospitality Vendor To
Win Award



We Serve Leading Hospitality Brands

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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 other buildings. The lighting is bright and natural, coming from the windows. A dark horizontal band across the middle of the image contains the text.

Agilysys...

FINANCIAL OVERVIEW

Evolving Business, Evolving P&L

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Financial Metrics and Valuation*

Share Price (1/12/21)	\$40.55
Diluted Shares Outstanding	23.4M
Diluted Market Capitalization	\$949.8M
Cash (as of 09/30/20)	\$85.7M
Debt (as of 09/30/20)	\$14.6M
Enterprise Value	\$878.7M

Revenue	\$145.8M
Gross Profit	\$82.4M
Adjusted EBITDA^	\$18.8M
Earnings per Share	(\$1.11)
EV/Revenue	6.0x
EV/Gross Profit	10.7x

Business Metrics (as of 09/30/20)

Direct POS End Points Managed	~66k
<i>Y/Y Growth</i>	17%
Direct Hotel Rooms Managed	~271k
<i>Y/Y Growth</i>	-1%
Recurring Revenue*	59%
<i>As % of Total Revenue</i>	
Subscription Revenue*	39%
<i>As % of Recurring Revenue</i>	
Services Revenue*	18%
<i>As % of Total Revenue</i>	
Subscription Revenue Growth Y/Y*	22%
New Customer Count*	55

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

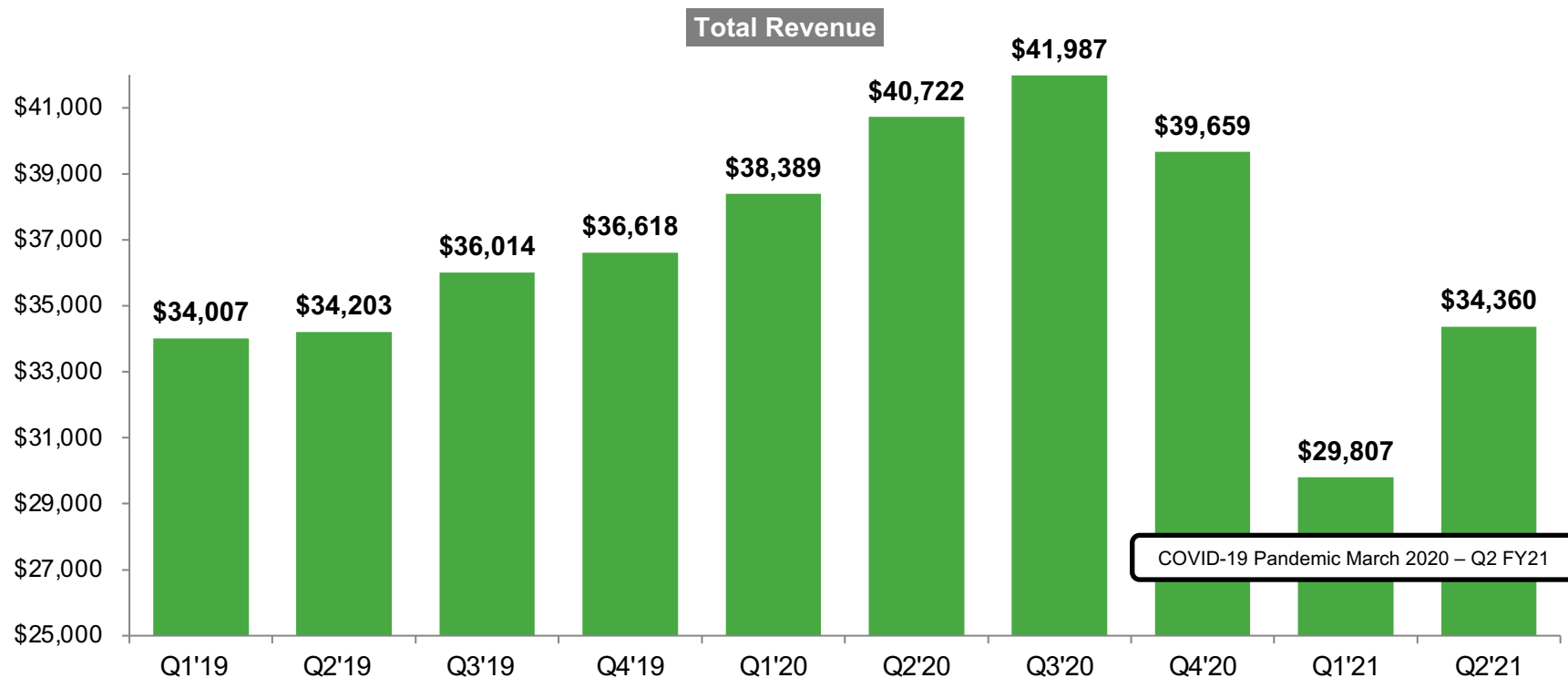
*Trailing twelve months ended September 30, 2020.

Strong Balance Sheet

Consolidated Balance Sheet (<i>in thousands</i>)		
	March 31, 2020	September 30, 2020
Cash, Cash Equivalents and Marketable Securities	\$46,653	\$85,706
Other Current Assets	46,755	29,838
Long-Term Assets	61,154	58,170
Total Assets	\$154,562	\$173,714
Current Liabilities	\$69,423	\$45,777
Other Liabilities	13,382	50,013
Total Liabilities	82,805	95,790
Shareholders' Equity	71,757	77,924
Total Liabilities and Shareholders' Equity	\$154,562	\$173,714

Revenue - Quarterly

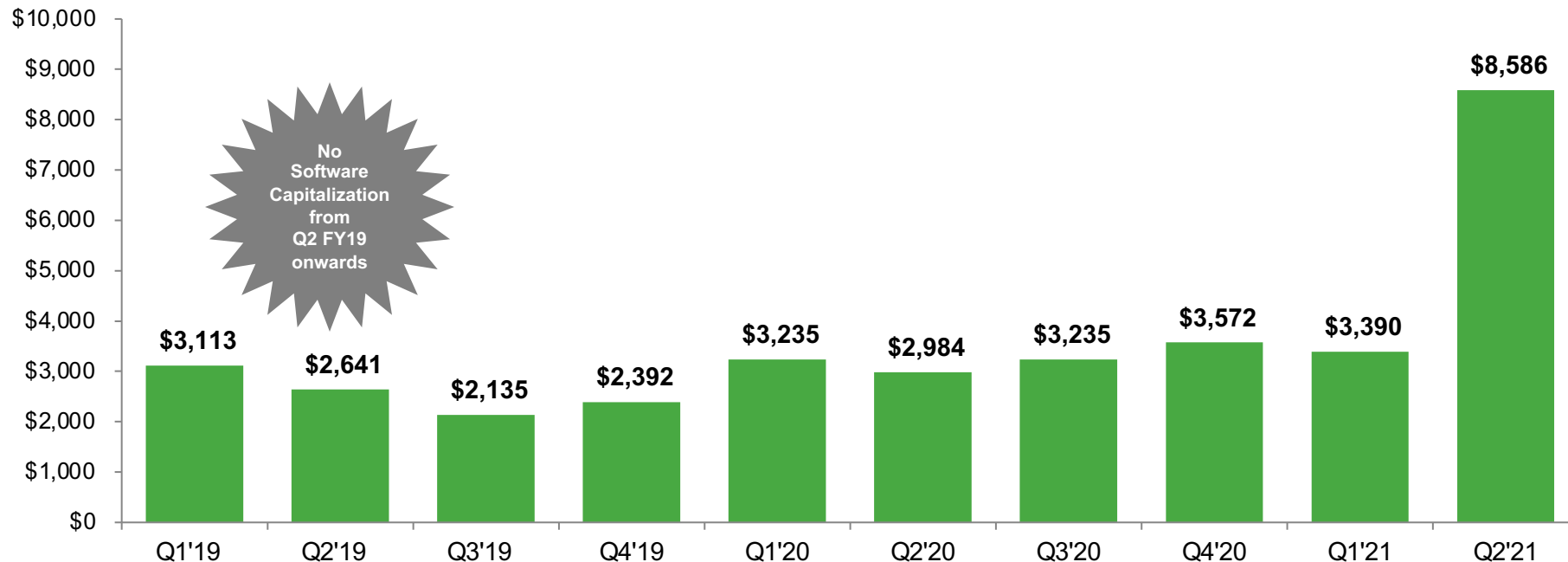
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Profitability Metrics - Quarterly

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Adjusted EBITDA – Non GAAP^



- Q2'21 included inorganic COVID related temporary cost savings, including employee compensation changes and reduction of workforce
- Average of \$2.5M in capitalized software development costs per quarter from Q1'17 to Q1'19.

All numbers in thousands.

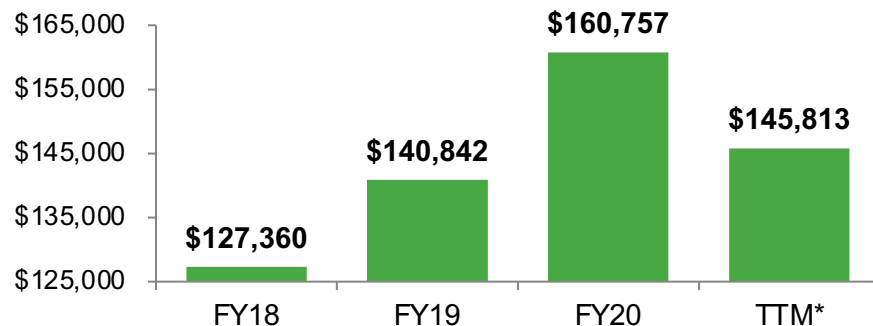
Fiscal Year is from 4/1-3/31

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

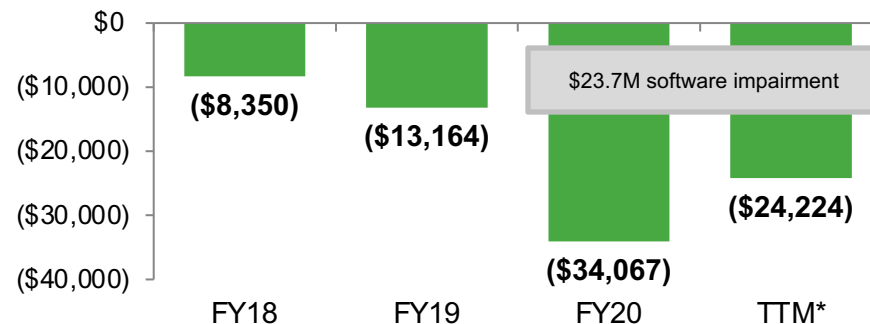
Historical Financial Results

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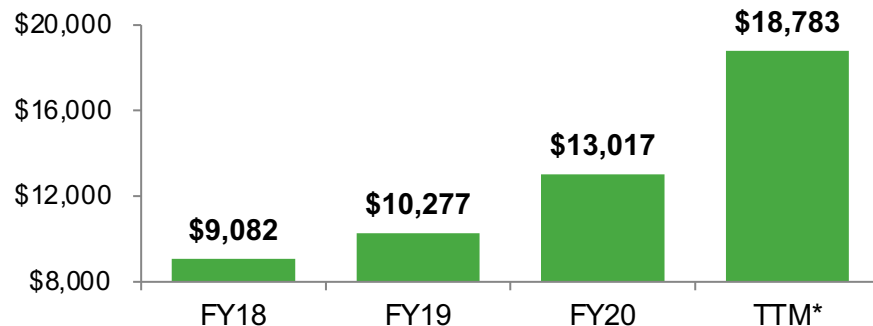
Revenue - GAAP



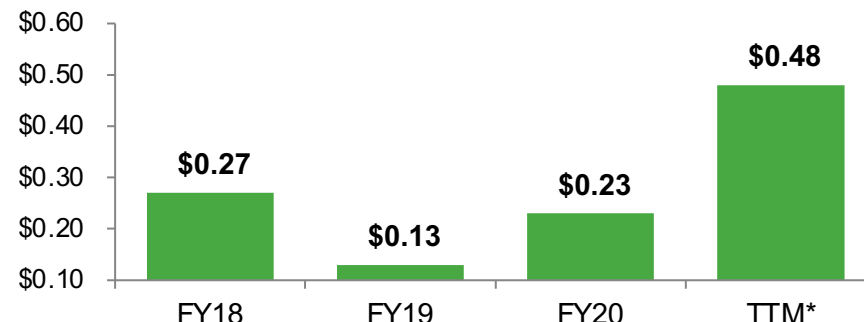
Net Loss - GAAP



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 September 30, 2020.

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 across the middle of the image contains the text.

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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.

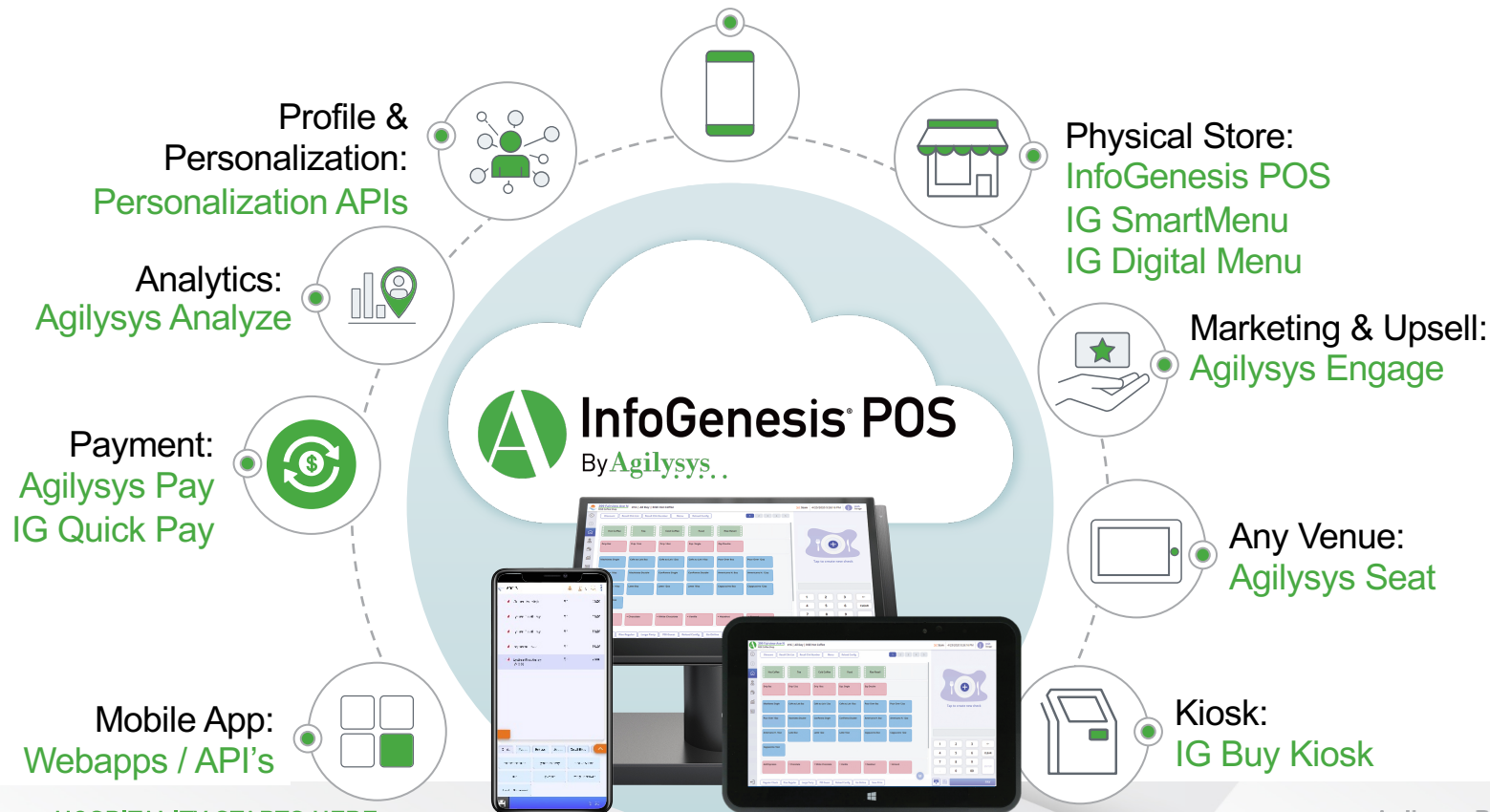


JEBA KINGSLEY - Vice President of Professional Services

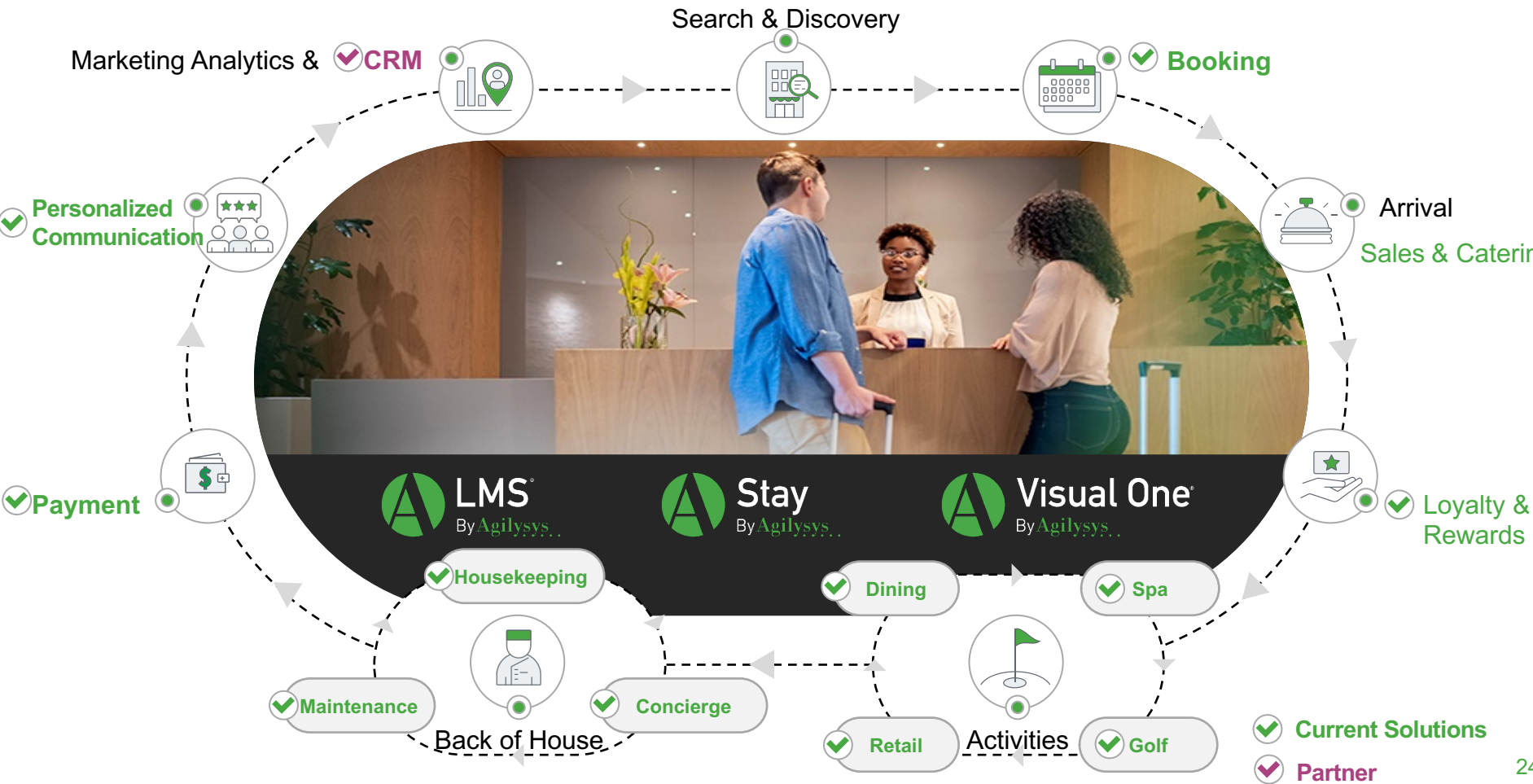
Jeba was hired as Vice President of Professional Services in December 2018. Jeba has more than 20 years of experience leading revenue-generating global client services organizations.

Agilysys Omnichannel POS Solution

Mobile / Web: IG OnDemand



Agilysys Lodging Ecosystem



Non-GAAP Reconciliation

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

	Twelve Months Ended			
	March 31			
	TTM*	2020	2019	2018
<i>(In thousands)</i>				
Net loss	\$ (24,224)	\$ (34,067)	\$ (13,164)	\$ (8,350)
Income tax expense (benefit)	264	201	221	(3,251)
Loss before taxes	(23,960)	(33,866)	(12,943)	(11,601)
Depreciation of fixed assets	3,093	2,574	2,504	2,631
Amortization of intangibles	2,218	2,541	2,567	1,879
Amortization of developed technology	6,258	12,561	12,602	10,016
Interest income	(201)	(371)	(329)	(88)
EBITDA (a)	(12,592)	(16,561)	4,401	2,837
Share-based compensation	6,060	5,205	4,376	4,688
Restructuring, severance and other charges	1,371	582	1,168	1,798
Impairments	23,740	23,740	-	-
Other non-operating (income) expense	154	176	191	(391)
Legal settlements	50	(125)	141	150
Adjusted EBITDA (b)	18,783	13,017	10,277	9,082

(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

Non-GAAP Reconciliation

TECHNOLOGY | INNOVATION | SOLUTIONS

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

<i>(In thousands)</i>	Three Months Ended							
	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Net income (loss)	\$ 5,867	\$ (517)	\$ (26,992)	\$ (2,582)	\$ (2,918)	\$ (1,575)	\$ (3,589)	\$ (4,048)
Income tax expense	121	8	40	95	41	25	35	182
Income (Loss) before taxes	5,988	(509)	(26,952)	(2,487)	(2,877)	(1,550)	(3,554)	(3,866)
Depreciation of fixed assets	715	723	801	854	707	213	571	651
Amortization of intangibles	508	461	641	608	614	678	675	675
Amortization of developed technology	-	-	3,129	3,129	3,128	3,175	3,245	3,347
Interest income	(26)	(20)	(88)	(67)	(112)	(79)	(102)	(80)
EBITDA (a)	7,185	655	(22,469)	2,037	1,460	2,437	835	727
Share-based compensation	1,256	1,426	2,049	1,329	1,345	482	1,420	1,282
Restructuring, severance and other charges	7	1,203	150	11	190	231	222	58
Impairments	-	-	23,740	-	-	-	-	-
Other non-operating expense (income)	88	106	102	(142)	108	85	(100)	68
Legal settlements, net	50	-	-	-	(119)	-	15	-
Adjusted EBITDA (b)	8,586	3,390	3,572	3,235	2,984	3,235	2,392	2,135

(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

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 March 31			
	TTM ^a	2020	2019	2018
Net loss available to common shareholders	\$ (25,913)	\$ (34,067)	\$ (13,164)	\$ (8,350)
Amortization of intangibles	2,218	2,541	2,567	1,879
Amortization of developed technology	6,258	12,561	12,602	10,016
Share-based compensation	6,060	5,205	4,376	4,688
Impairments	23,740	23,740	-	-
Series A convertible preferred stock issuance costs	1,031	-	-	-
Restructuring, severance and other charges	1,371	582	1,168	1,798
Legal settlements, net	50	(125)	141	150
Income tax adjustments	(3,510)	(4,904)	(4,720)	(4,005)
Adjusted net income (a)	11,305	5,533	2,970	6,176
Basic weighted average shares outstanding	23,224	23,233	23,037	22,801
Diluted weighted average shares outstanding	23,757	23,821	23,462	23,226
Adjusted basic earnings per share (b)	0.49	0.24	0.13	0.27
Adjusted diluted earning per share (b)	0.48	0.23	0.13	0.27

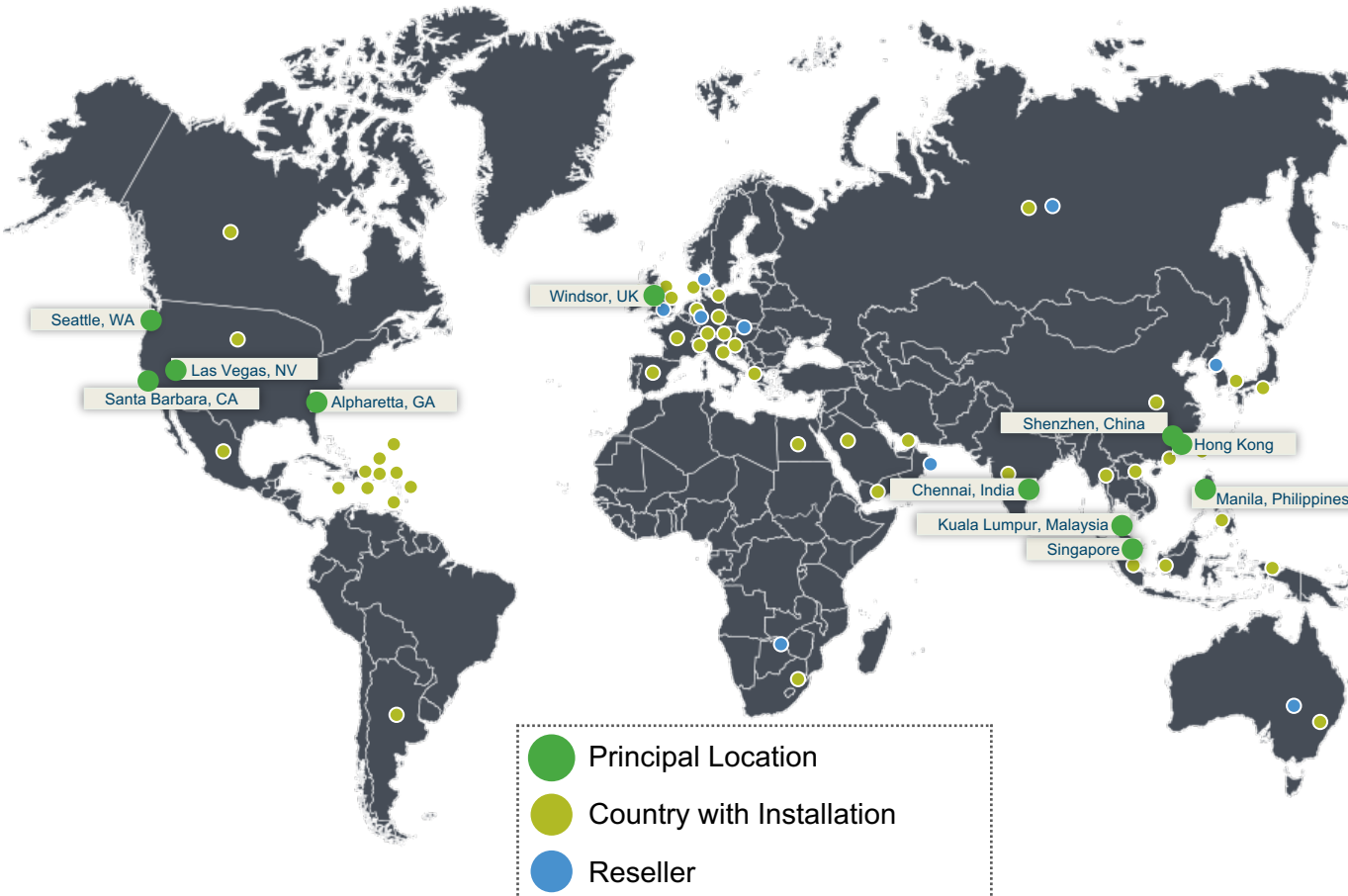
(a) Adjusted net income, a non-GAAP financial measure is defined as net income (loss) attributable to common shareholders before amortization expense (including amortization of developed technology), share-based compensation, and one-time charges including restructuring, severance and other charges, impairments and legal settlements, less the related income tax effect of these adjustments, as applicable, at a 24% tax rate, the Company's current combined federal and state income statutory tax rate. No income tax effect applies to one-time charges when a valuation

(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*	FY20	FY19	FY18
Operating activities				
Loss from operations	\$ (24,224)	\$ (34,067)	\$ (13,164)	\$ (8,350)
Non cash adjustments, restructuring, legal settlements	40,909	46,260	22,219	16,586
Changes in assets & liabilities	(702)	(1,618)	(1,814)	(1,362)
Net cash provided by operating activities	15,983	10,575	7,241	6,874
Investing activities				
Capital expenditures	(1,951)	(3,420)	(3,318)	(6,140)
Capitalized developed software	-	-	(2,189)	(8,918)
Investments	(27)	(27)	(27)	(27)
Net cash used in investing activities	(1,978)	(3,447)	(5,534)	(15,085)
Net cash provided by (used in) financing activities	32,748	(1,116)	(767)	(1,295)
Effect of exchange rate	38	(130)	(112)	194
Increase (decrease) in cash & cash equivalents	46,791	5,882	828	(9,312)
Cash & cash equivalents - beginning of period	38,915	40,771	39,943	49,255
Cash & cash equivalents - end of period	\$ 85,706	\$ 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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