



# 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

2 OBSESSIVELY CUSTOMER-CENTRIC

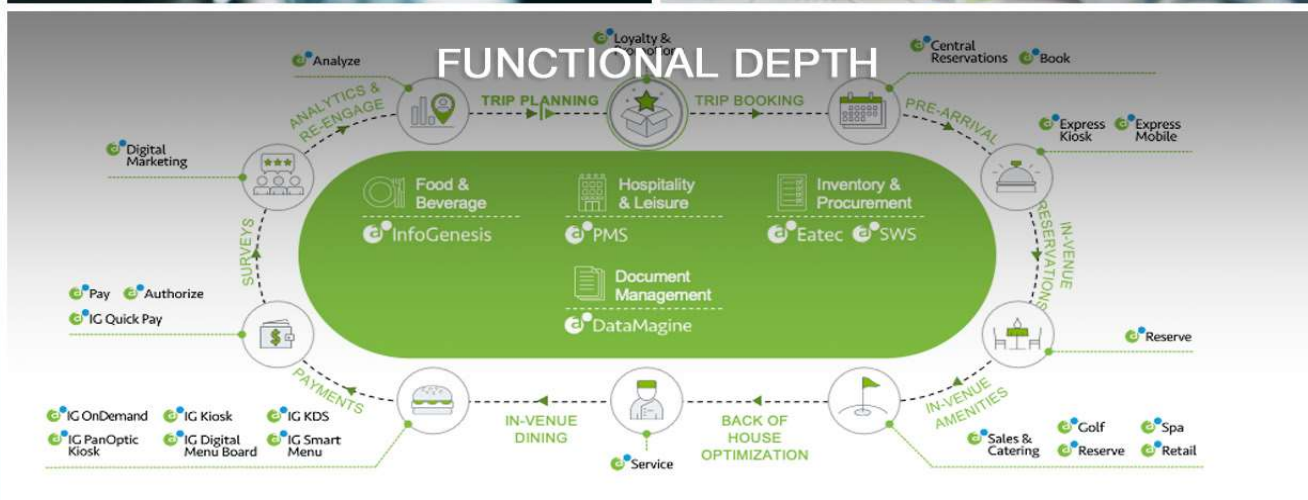
3 CORE PRODUCT FOCUS & INNOVATION DRIVEN

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

5 END-TO-END COMPREHENSIVE SOLUTION OFFERINGS



# 100% Hospitality Focused - Why It Matters



# Obsessively Customer-Centric - Why It Matters

ROADMAP INFLUENCE



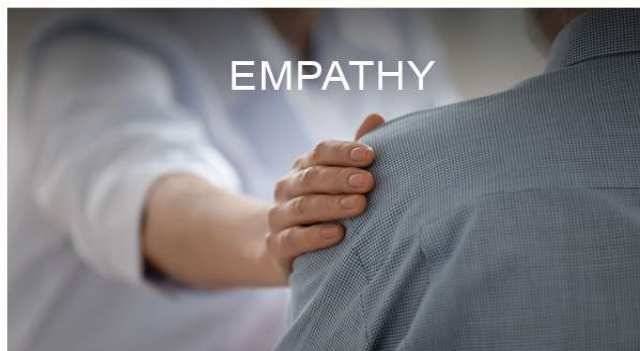
BENEFITS BOTH



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

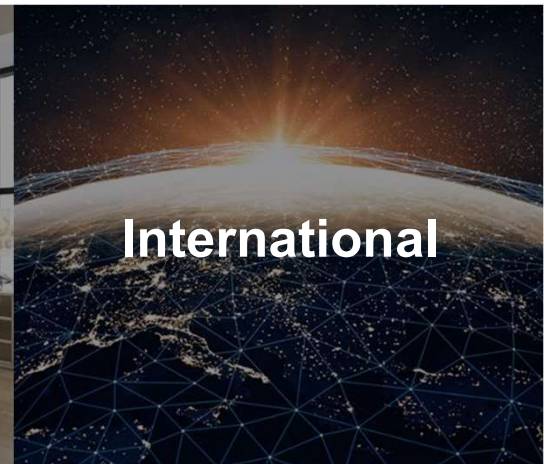
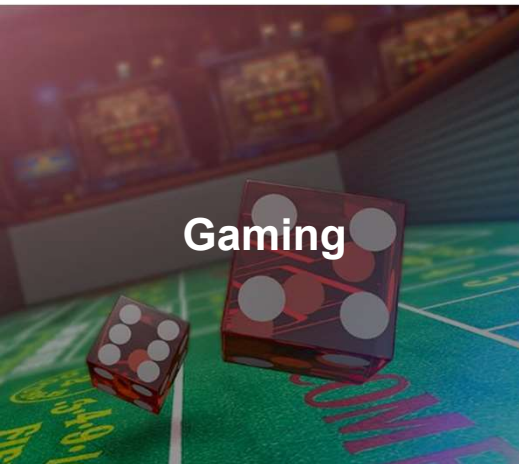




# End-To-End Comprehensive Solution Offerings - Why It Matters



# Global Customers



STATION CASINOS

CASINO ARIZONA  
TALKING STICK RESORT

CAESARS  
ENTERTAINMENT

agilysys High Return Hospitality™

COMPASS  
GROUP

MOREY'S  
Piers  
AND  
WATER PARKS

UNIVERSITY OF  
HOUSTON

UT Southwestern  
Medical Center

HERSHEY  
ENTERTAINMENT & RESORTS

PINEHURST

Kalahari  
RESORTS &  
CONVENTIONS

Royal  
Caribbean  
Group

CARNIVAL UK

INSPIRE  
ENTERTAINMENT RESORT

serco

Hilton



# Agilysys Revenue Overview

**\$206.6M**

Total  
Revenue\*

**59%**

Recurring Revenue  
as a % of Total  
Revenue\*

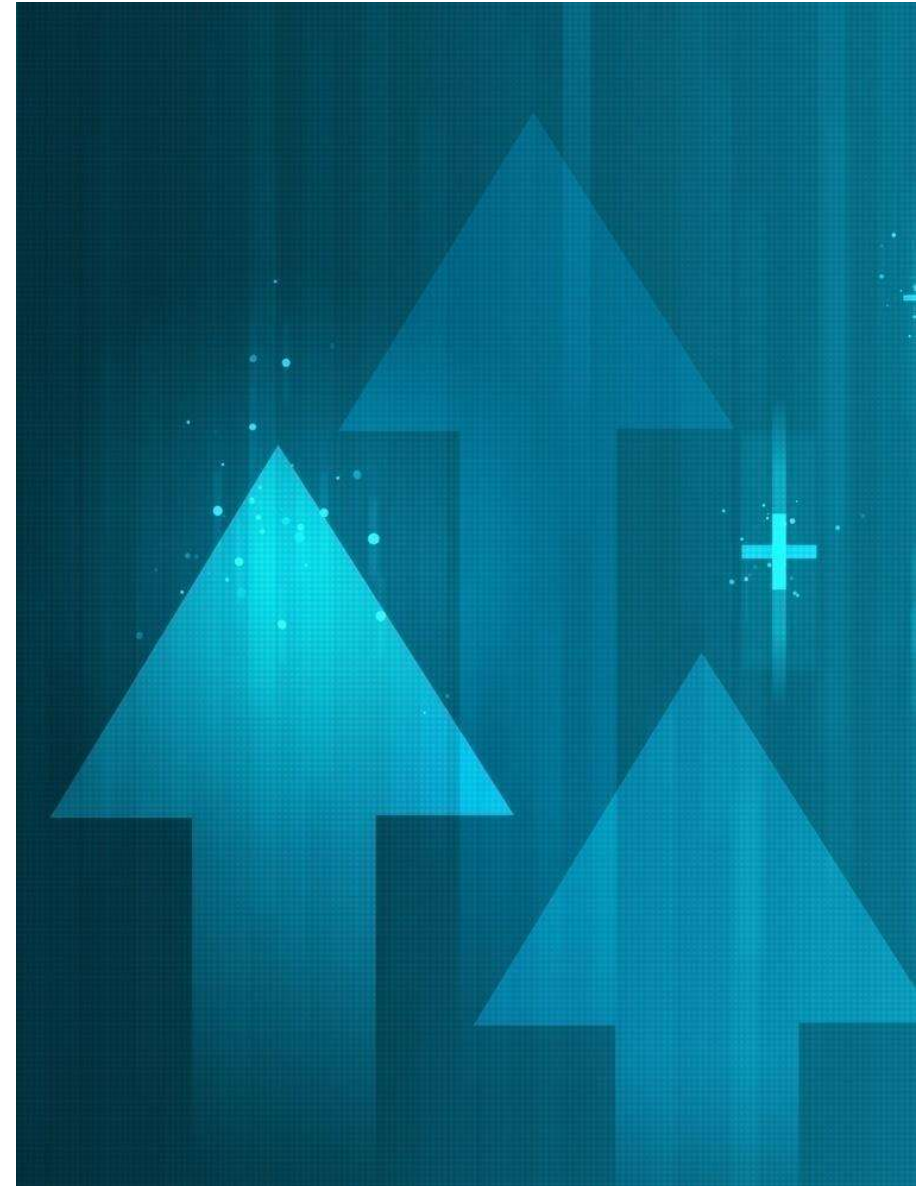
**50%**

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

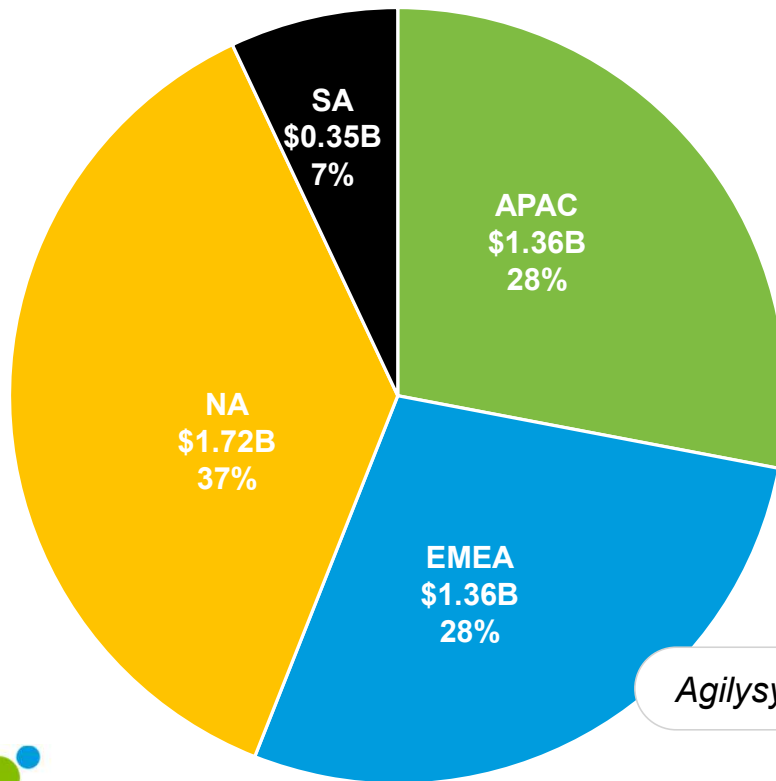
## Allocation of Revenue



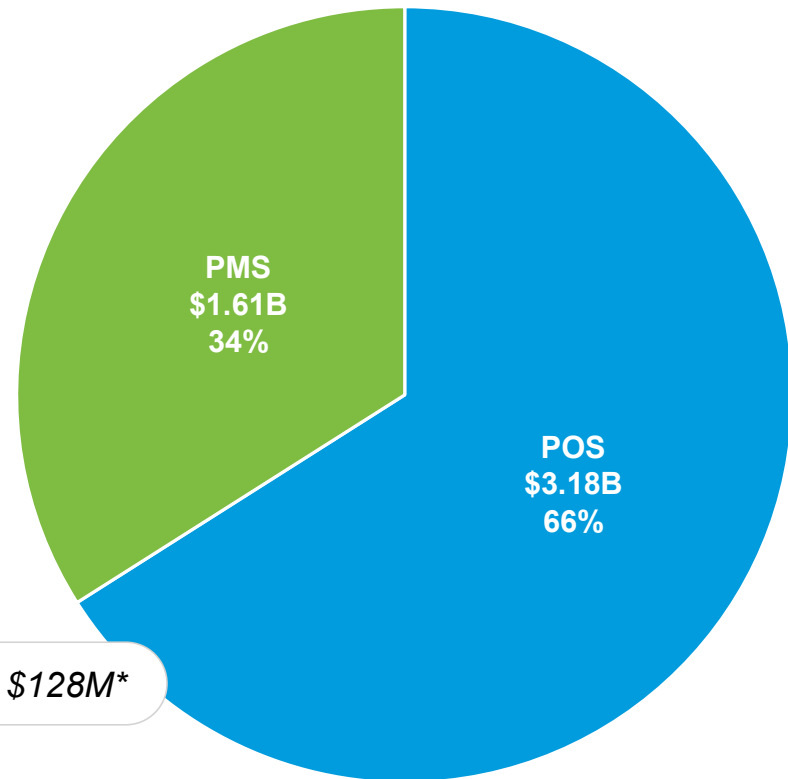
Note: Revenue contribution figures represent percentage for the trailing twelve months ended June 30, 2023 and include an allocation of total revenue (excluding services) amounts to our 4 core product groupings and payment software related revenue.

# Total Addressable Market

ARR Market Opportunity  
\$4.8 Billion

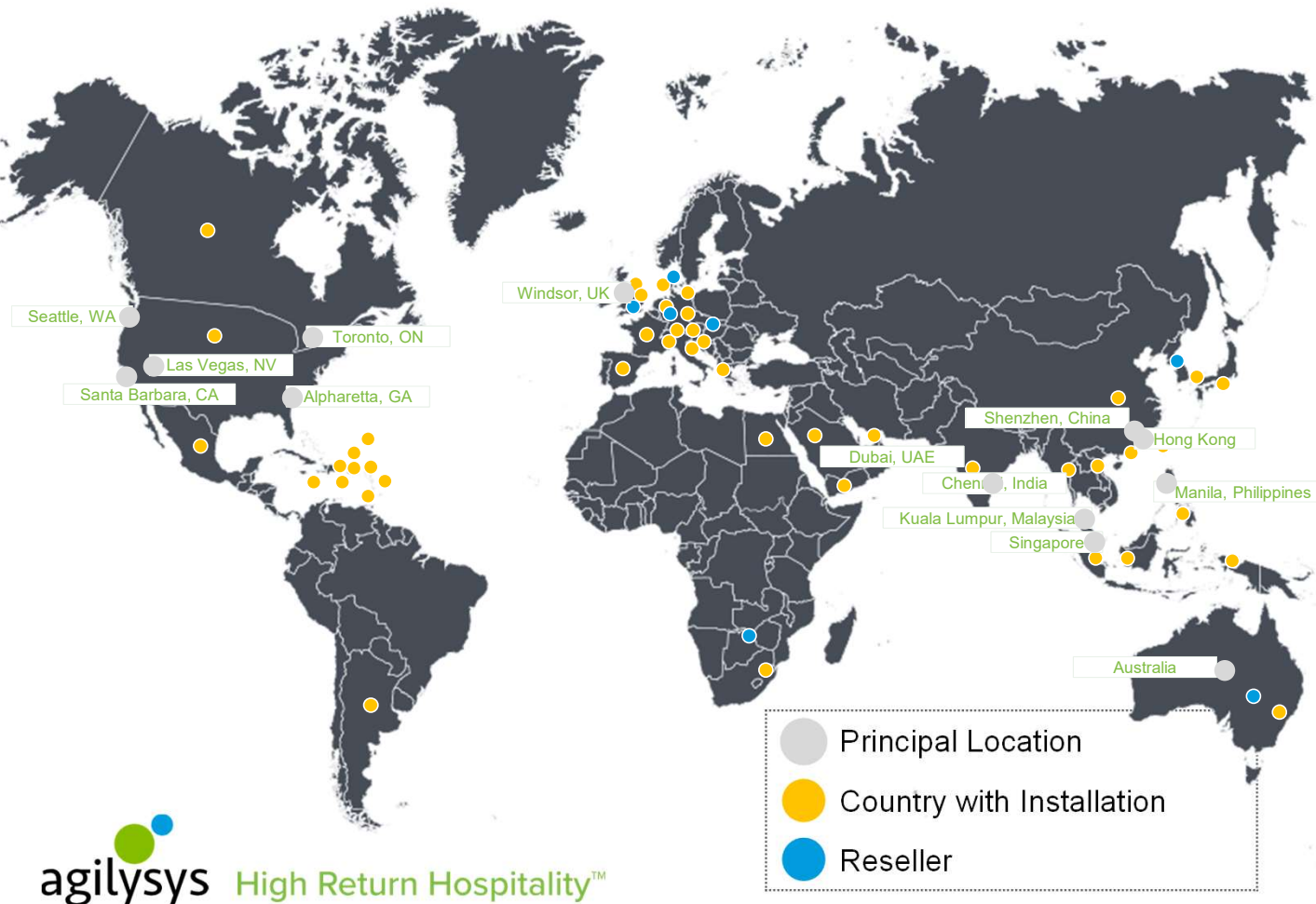


ARR Product Opportunity  
\$4.8 Billion



Agilysys ARR ~ \$128M\*

# 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

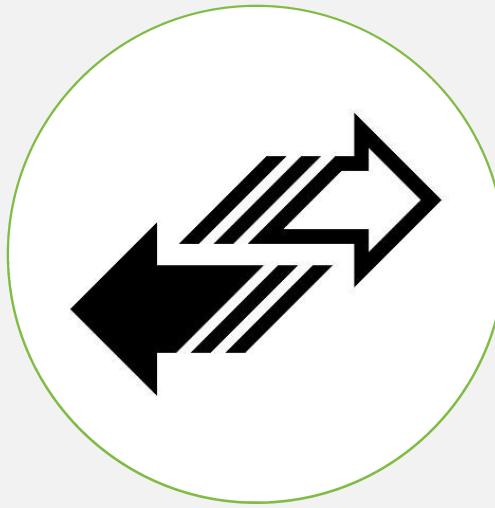


# Solution Strategy Themes



## 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

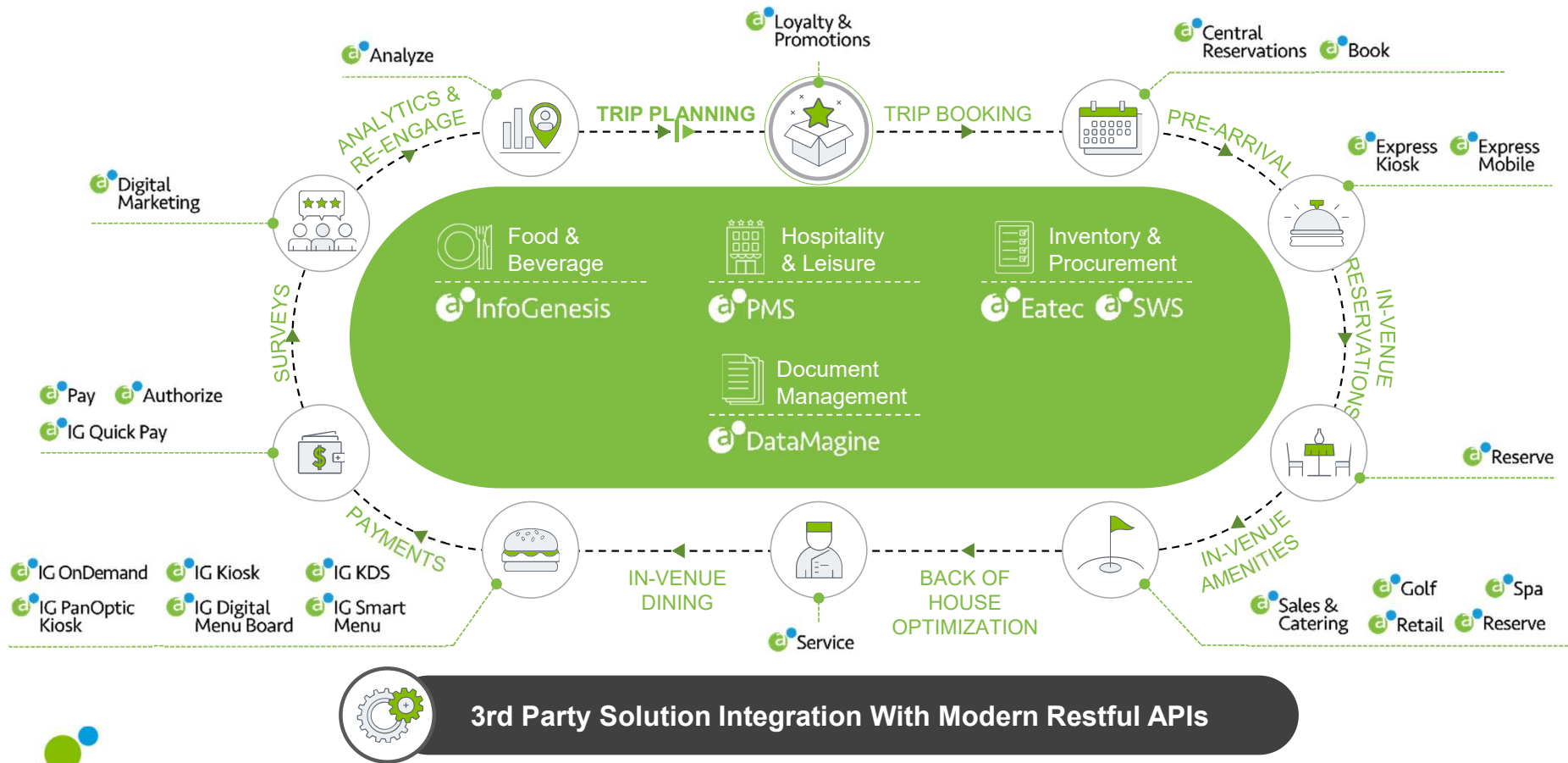
Solutions adapt from staff-facing to guest-facing. Dual purpose mitigates staff shortage challenges and elevates technology investment impact



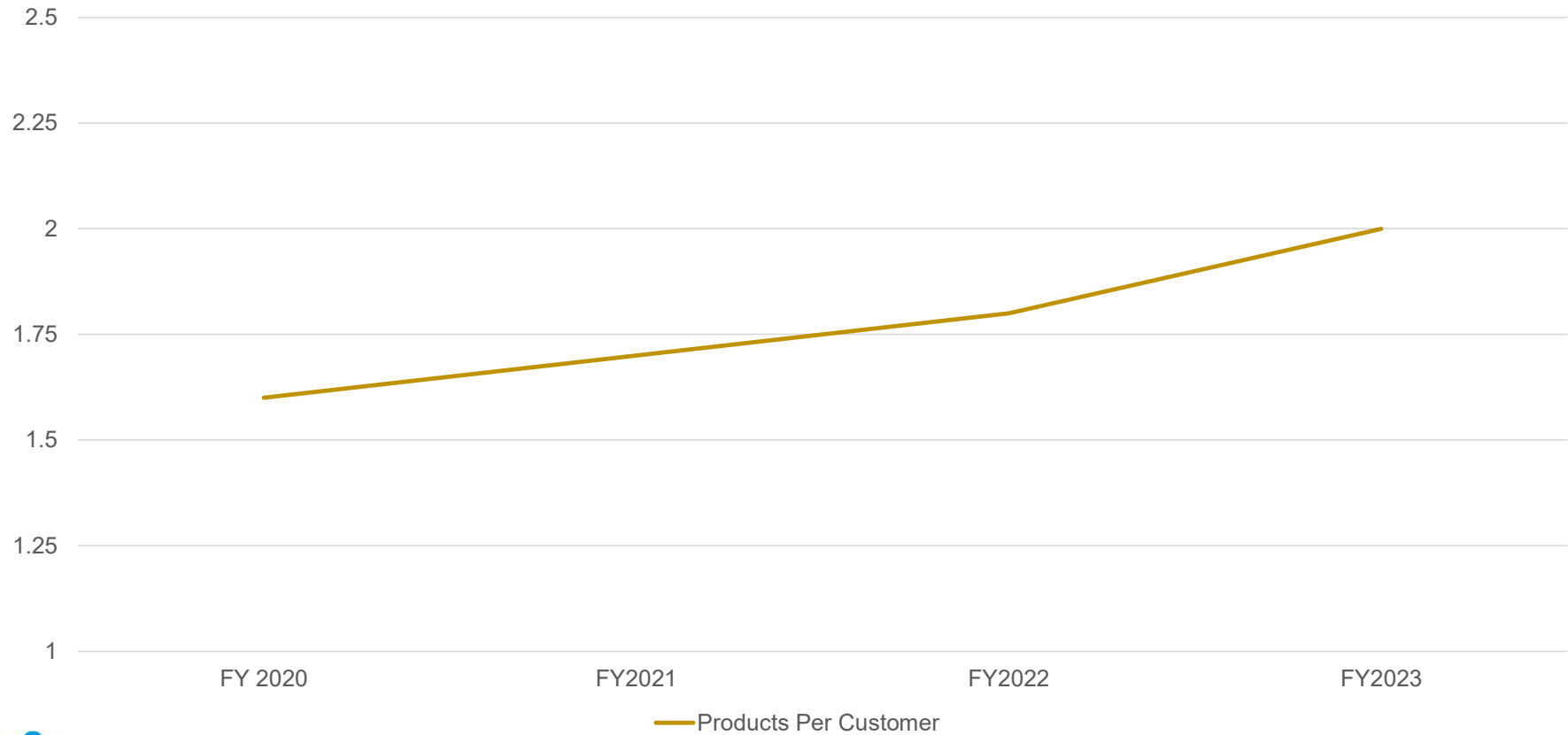
## Future-Forward Fluidity

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

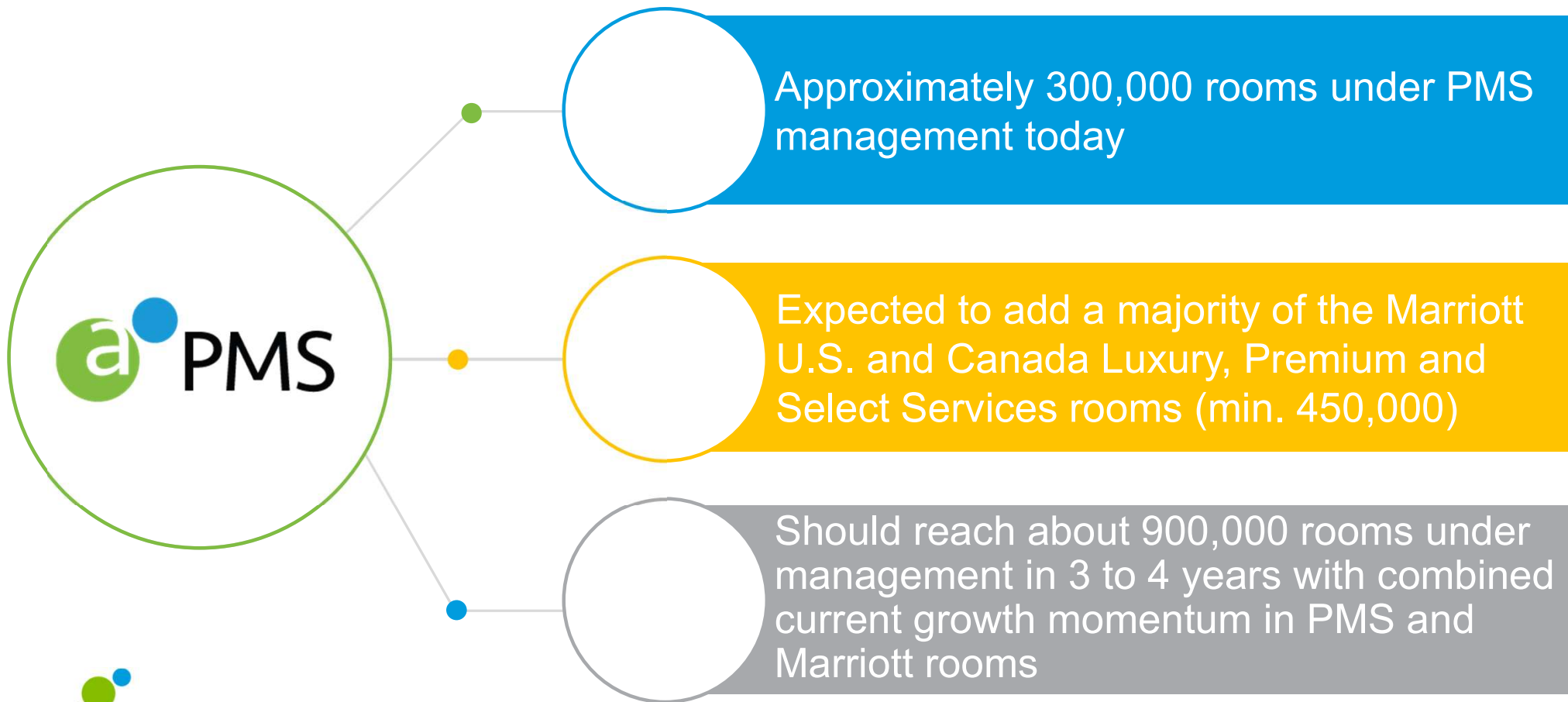


## Existing Customer Greenspace - Average Products FY Exit Rate





## 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)

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

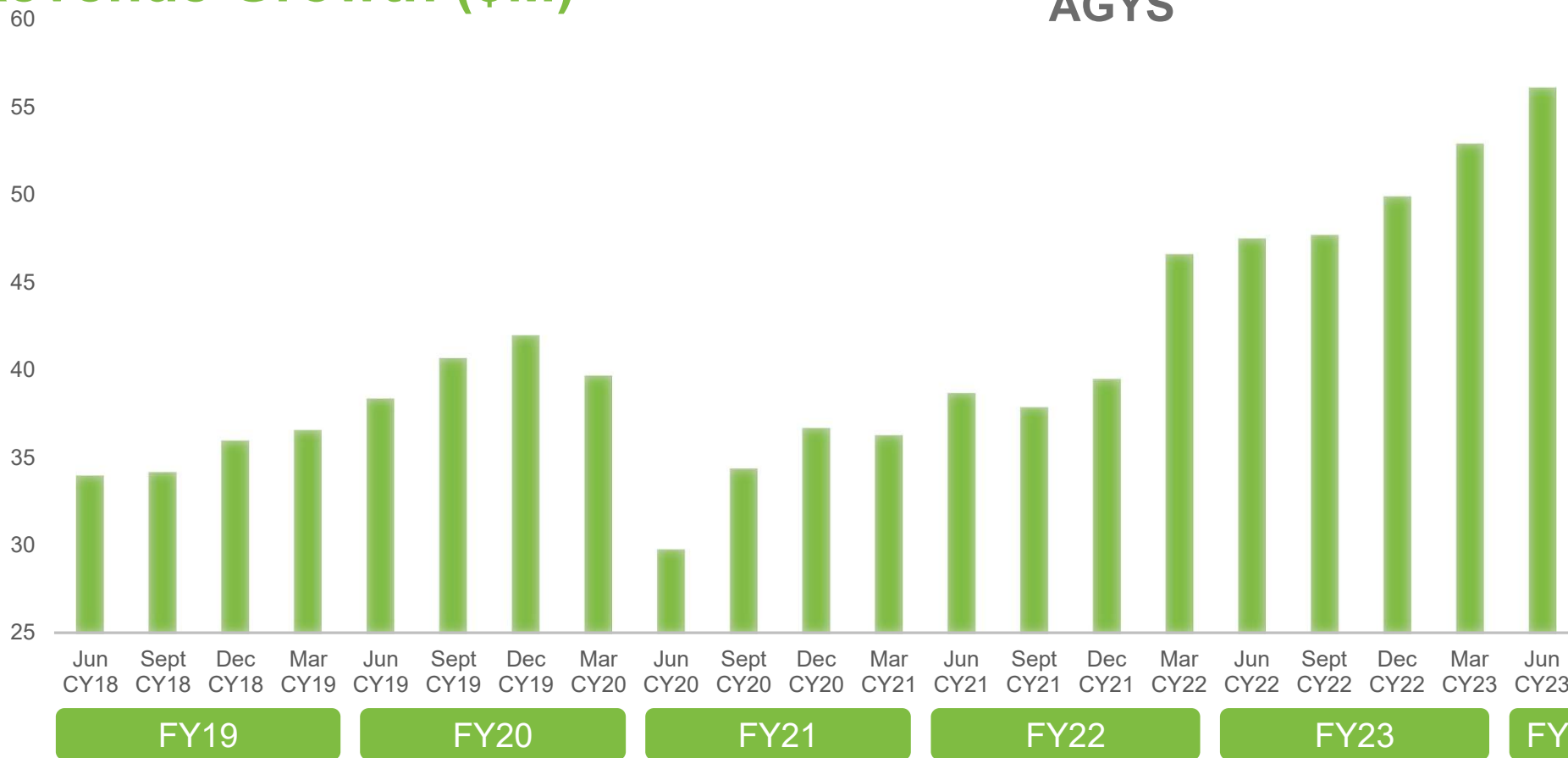
## Financial Metrics and Valuation\*

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

## Strong Balance Sheet

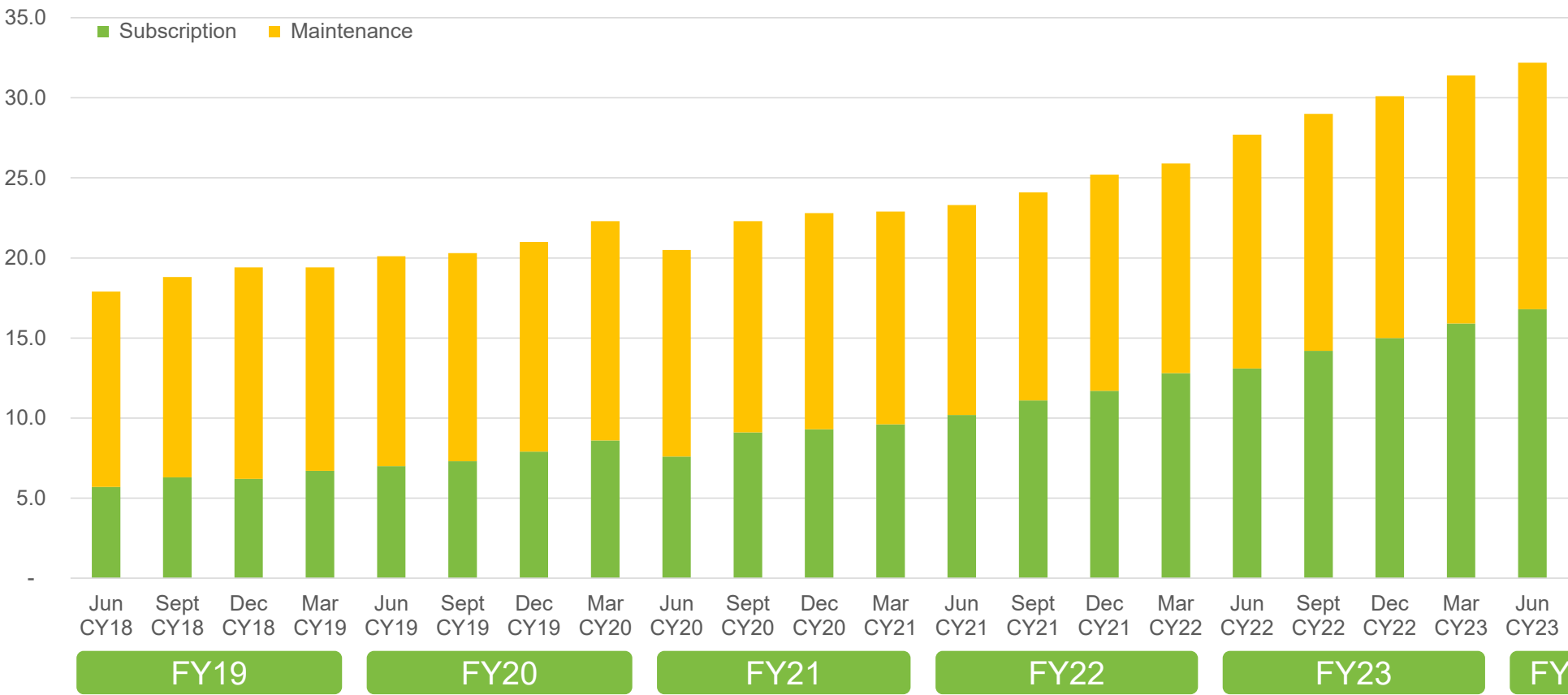
Consolidated Balance Sheet ( <i>in thousands</i> )		
	June 30, 2023	March 31, 2023
Cash, Cash Equivalents and Marketable Securities	\$107,093	\$112,842
Other Current Assets	42,345	41,816
Long-Term Assets	101,909	88,378
<b>Total Assets</b>	<b>\$251,347</b>	<b>\$243,036</b>
Current Liabilities	\$73,893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

# Revenue Growth (\$M)



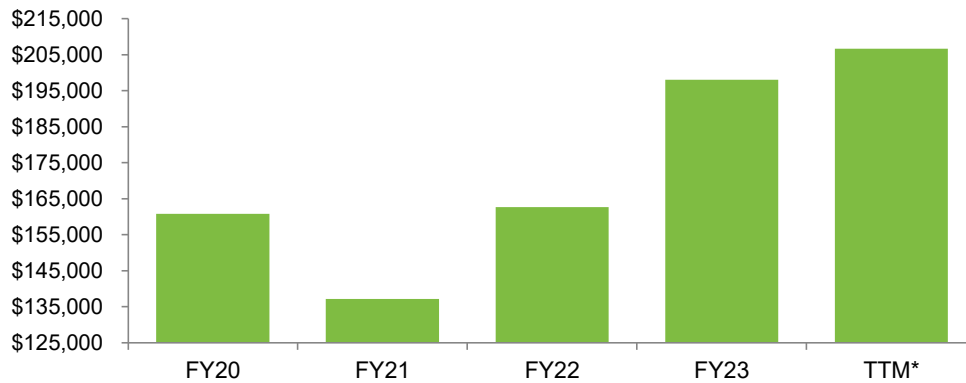


# Recurring Revenue (\$M)

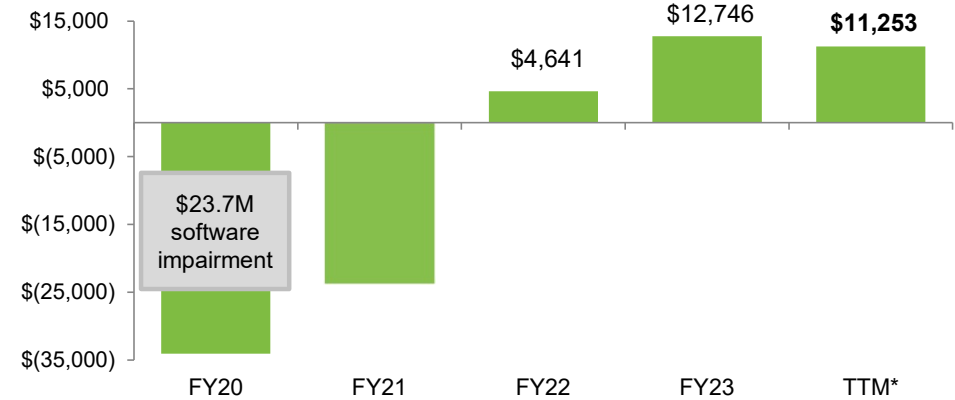


# Historical Financial Results

Revenue - GAAP



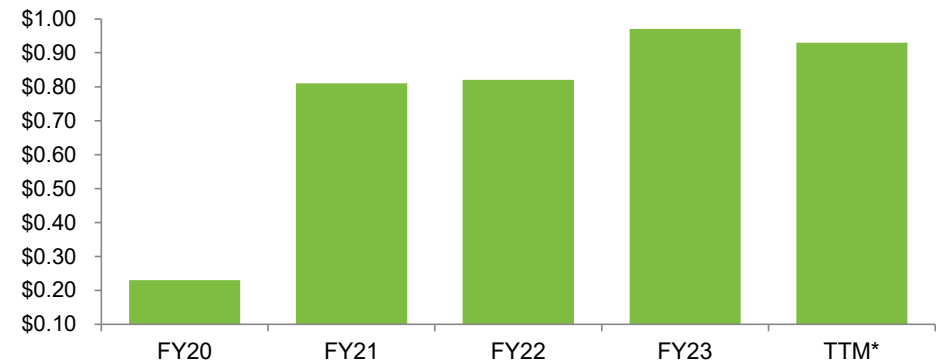
Net Income (Loss) - GAAP



Adjusted EBITDA – Non-GAAP^



Adjusted Diluted Earnings per Share – Non-GAAP^





# APPENDIX



# agilysys

## Hospitality Experience Cloud



### FOOD & BEVERAGE ECOSYSTEM

#### CORE POS

##### EXPERIENCE

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

##### ENHANCERS

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

### HOSPITALITY & LEISURE ECOSYSTEM

#### CORE PMS

##### EXPERIENCE

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

##### ENHANCERS

- 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

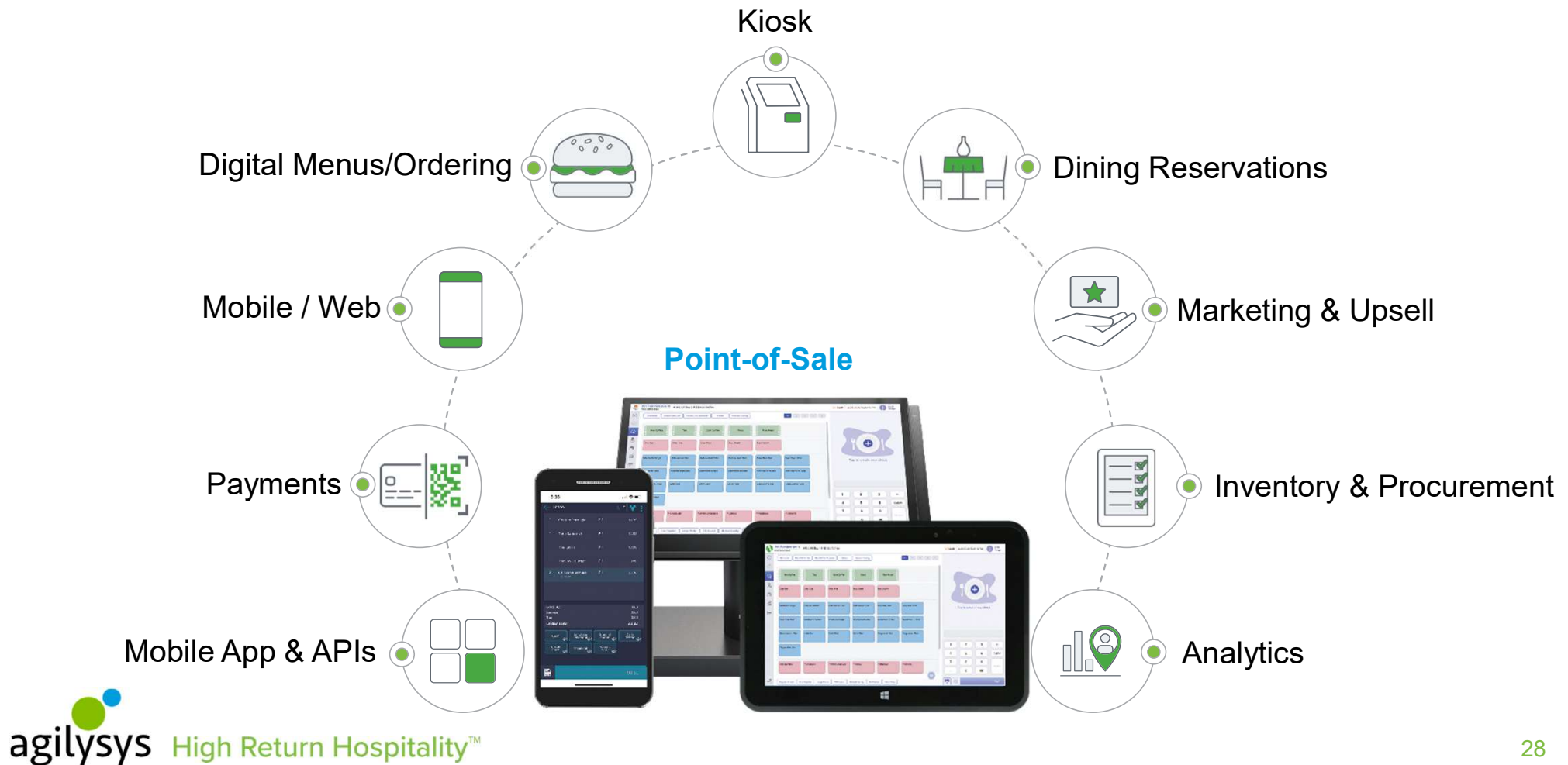
## Hospitality Solution Studios

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)

(In thousands)	TTM*	Twelve Months Ended			
		March 31,			
		2023	2022	2021	2020
<b>Net income (loss)</b>	<b>\$ 13,089</b>	<b>\$ 14,582</b>	<b>\$ 6,478</b>	<b>\$ (21,001)</b>	<b>\$ (34,067)</b>
Income tax expense (benefit)	1,136	1,182	33	(208)	201
<b>Income (loss) before taxes</b>	<b>14,225</b>	<b>15,764</b>	<b>6,511</b>	<b>(21,209)</b>	<b>(33,866)</b>
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)
<b>EBITDA (a)</b>	<b>15,129</b>	<b>17,243</b>	<b>10,370</b>	<b>(16,505)</b>	<b>(16,561)</b>
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)
<b>Adjusted EBITDA (b)</b>	<b>29,863</b>	<b>30,291</b>	<b>27,327</b>	<b>26,655</b>	<b>13,017</b>

(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

(In thousands)

	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
<b>Net income (loss)</b>	\$ 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
<b>Income (Loss) before taxes</b>	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	-	-	-	-	-	-	-	3,129	3,129	3,128	3,175
Interest income	(1,101)	(1,006)	(704)	(379)	(100)	(8)	(6)	(13)	(21)	(24)	(18)	(26)	(20)	(88)	(67)	(112)	(79)
<b>EBITDA (a)</b>	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	102	(142)	108	85
Legal settlements, net	-	248	104	-	-	598	4	337	30	150	-	50	-	-	-	(119)	-
<b>Adjusted EBITDA (b)</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)**

(In thousands)	Twelve Months Ended				
	TTM*	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
<b>Operating activities</b>					
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)
<b>Net cash provided by operating activities</b>	<b>34,382</b>	<b>34,463</b>	<b>28,475</b>	<b>28,407</b>	<b>10,575</b>
<b>Investing activities</b>					
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)
<b>Net cash used in investing activities</b>	<b>(9,832)</b>	<b>(6,870)</b>	<b>(25,679)</b>	<b>(1,391)</b>	<b>(3,447)</b>
<b>Net cash provided by (used in) financing activities</b>	<b>(12,057)</b>	<b>(11,094)</b>	<b>(4,901)</b>	<b>25,316</b>	<b>(1,116)</b>
<b>Effect of exchange rate</b>	<b>(299)</b>	<b>(628)</b>	<b>(104)</b>	<b>195</b>	<b>(130)</b>
<b>Increase (decrease) in cash &amp; cash equivalents</b>	<b>12,194</b>	<b>15,871</b>	<b>(2,209)</b>	<b>52,527</b>	<b>5,882</b>
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>



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