



AI-First Supply Chain Planning

American Software
NASDAQ:AMSWA

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Investment Highlights



AI-First Supply Chain Solutions Provider



Successful Transition to a SaaS Model



Accelerating Growth and Margin Expansion Potential



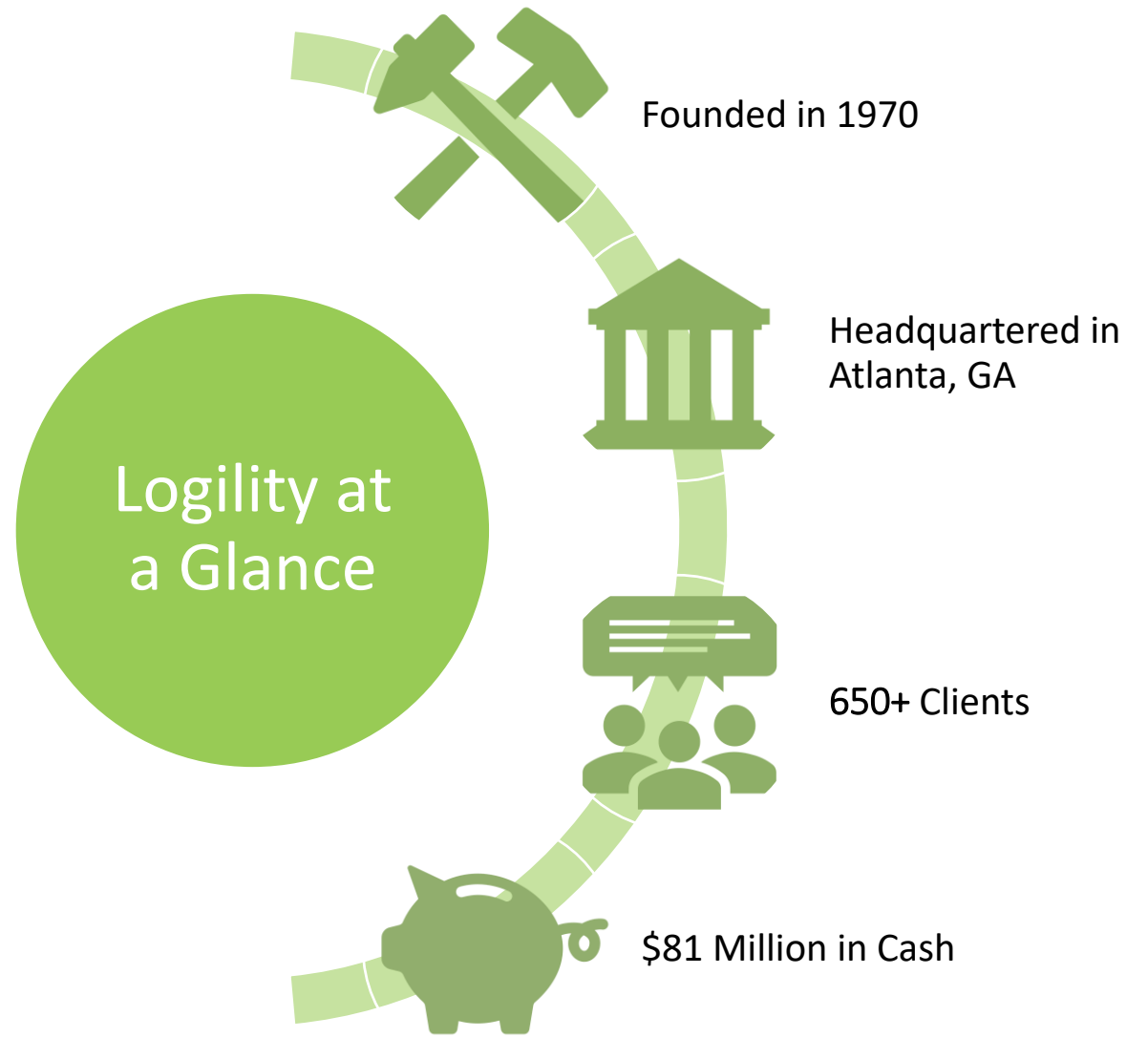
Strong Financial Position



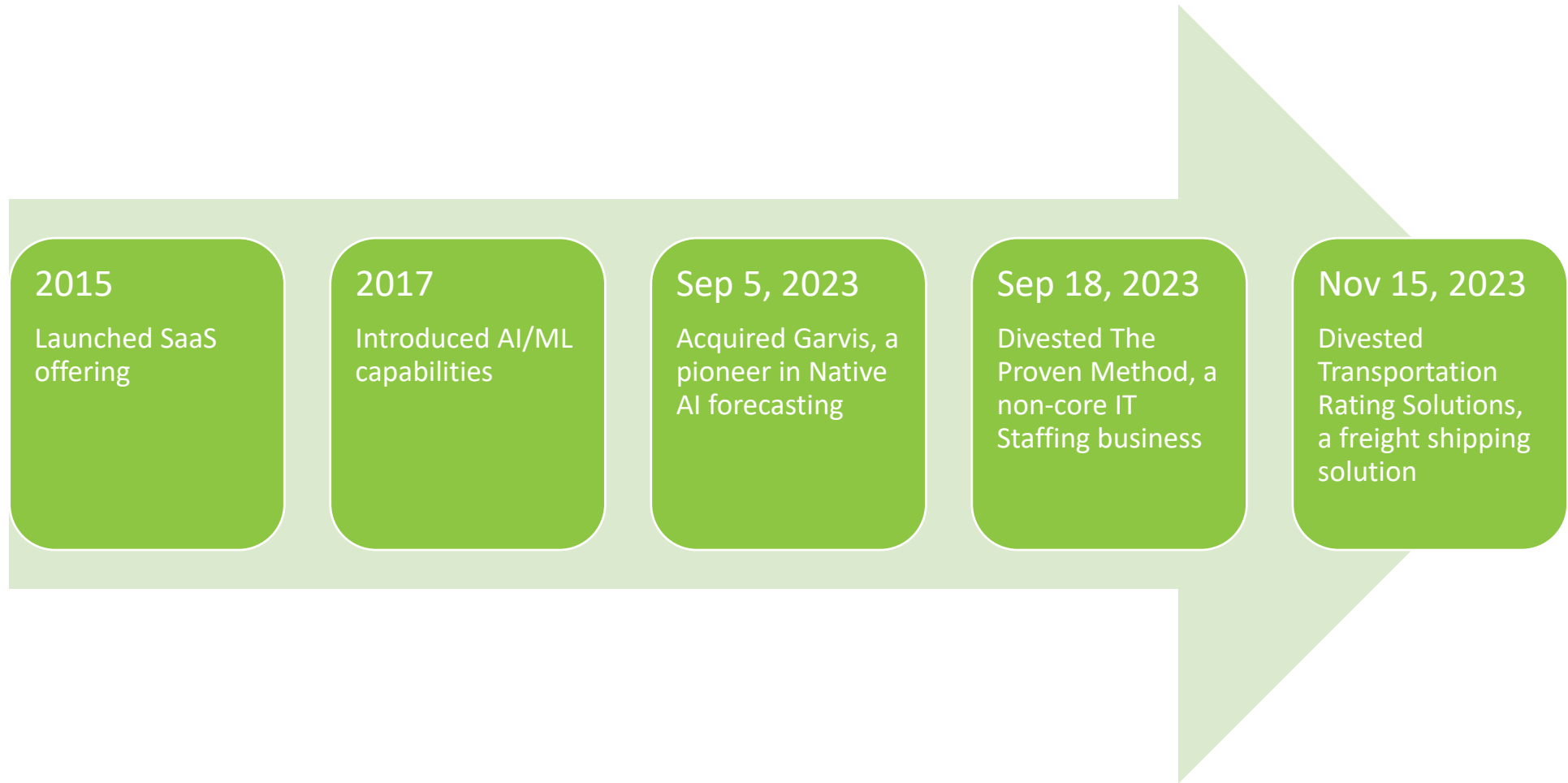
Returning Capital to Shareholders

American Software

Global Provider of AI-First
Supply Chain Solutions



Singular Focus on AI-First Supply Chain Software



AI Across the Logility Platform



The use of AI in supply chain planning will increase 4x over the next three years.



[→ Learn More](#)

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Gartner.

2024 Gartner Magic Quadrant for Supply Chain Planning Solutions

“Logility is a Leader in this Magic Quadrant. Its SCP capabilities are delivered via its Logility Digital Supply Chain Platform, which supports E2E enterprise and multienterprise planning, including network design, S&OP, demand planning, inventory optimization and production scheduling.”

“Logility has an above-average vision for AI as well as speed and scalability compared to other vendors in this Magic Quadrant, supporting graph technologies, GenAI and other AI/ML techniques. This is coupled with a vision to move toward continuous planning that is supported through distributed processing, multithreading and a cloud-agnostic approach for delivery of its solution.”

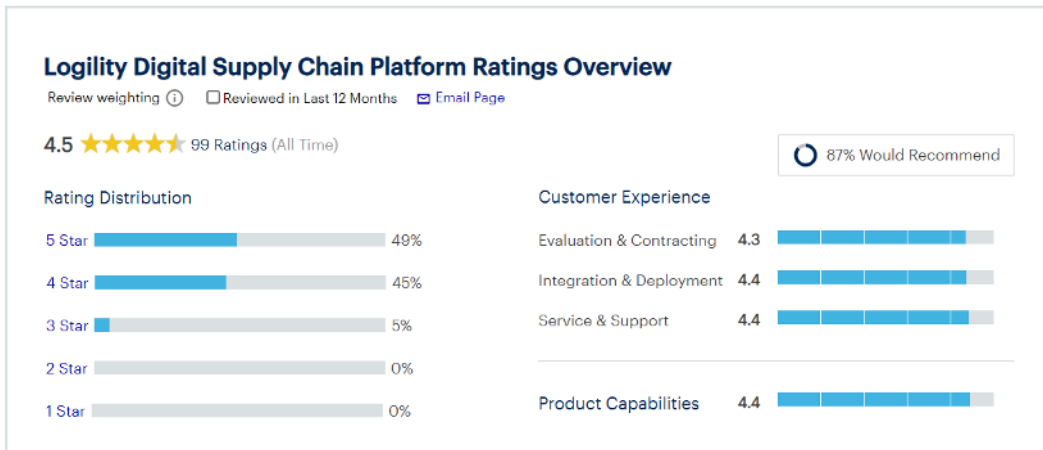
Figure 1: Magic Quadrant for Supply Chain Planning Solutions



Source: Gartner (April 2024)

Gartner

Gartner Peer Insights Customers' Choice for Supply Chain Platforms



“
 Strong Planning System That Helps Distributor Manage Large and Complex Item Set”
 – Supply Chain Executive of Mid-Sized Enterprise

“
 Flexible and Comprehensive Solution of Modules to address Enterprise Planning Needs”
 – IT Leader in the Consumer Goods Industry

“
 Logility is a great partner who is willing to grow with you for the long term”
 – Supply Chain Leader in Large Manufacturing Company

“
 Logility's Digital Supply Chain Platform is both broad and deep”
 – Supply Chain Leader in Large Manufacturing Company

Demand AI+: First Native AI Forecasting Offering in Market

Logility acquired Garvis, a pioneer in Native AI forecasting, in September 2023

- Includes Generative AI (ChatGPT) conversational interface
- 70+ installations in consumer goods, chemicals, manufacturing, and pharmaceutical industries around the globe
- Built for the cloud, deployable anywhere



CORNING



NEUHAUS
BELGIUM • 1857



MegaFood®

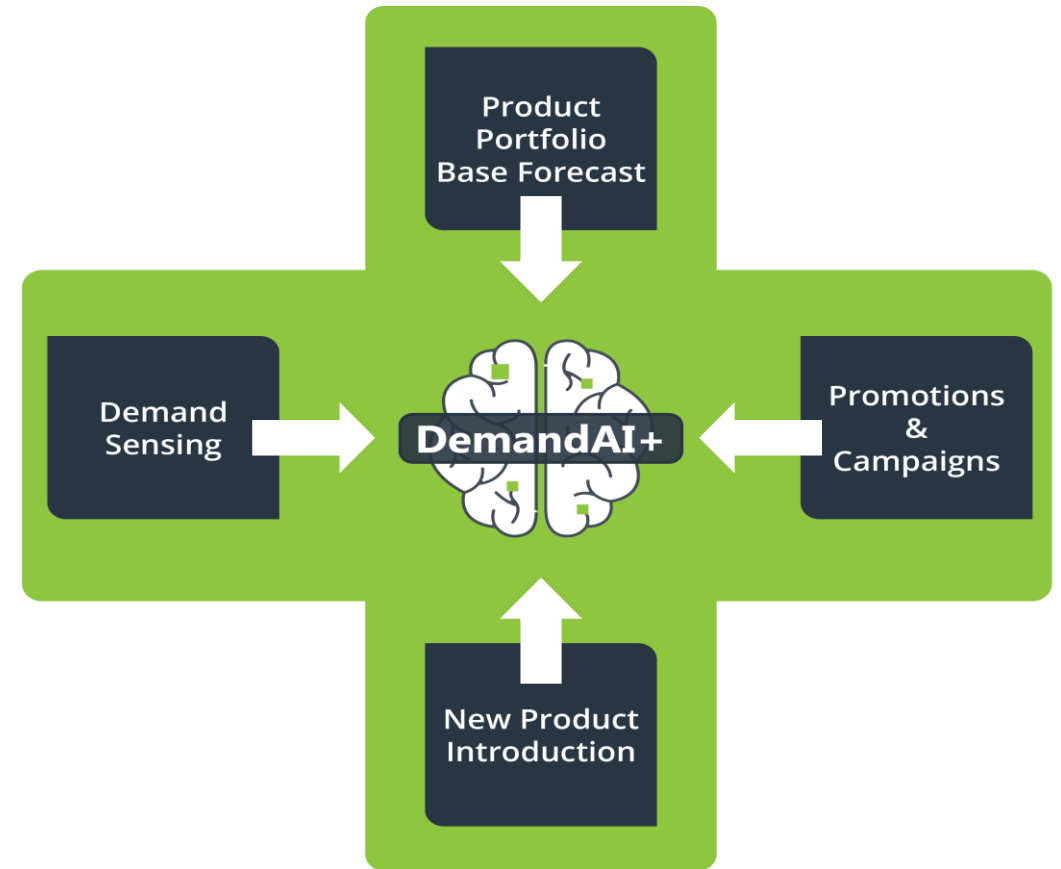
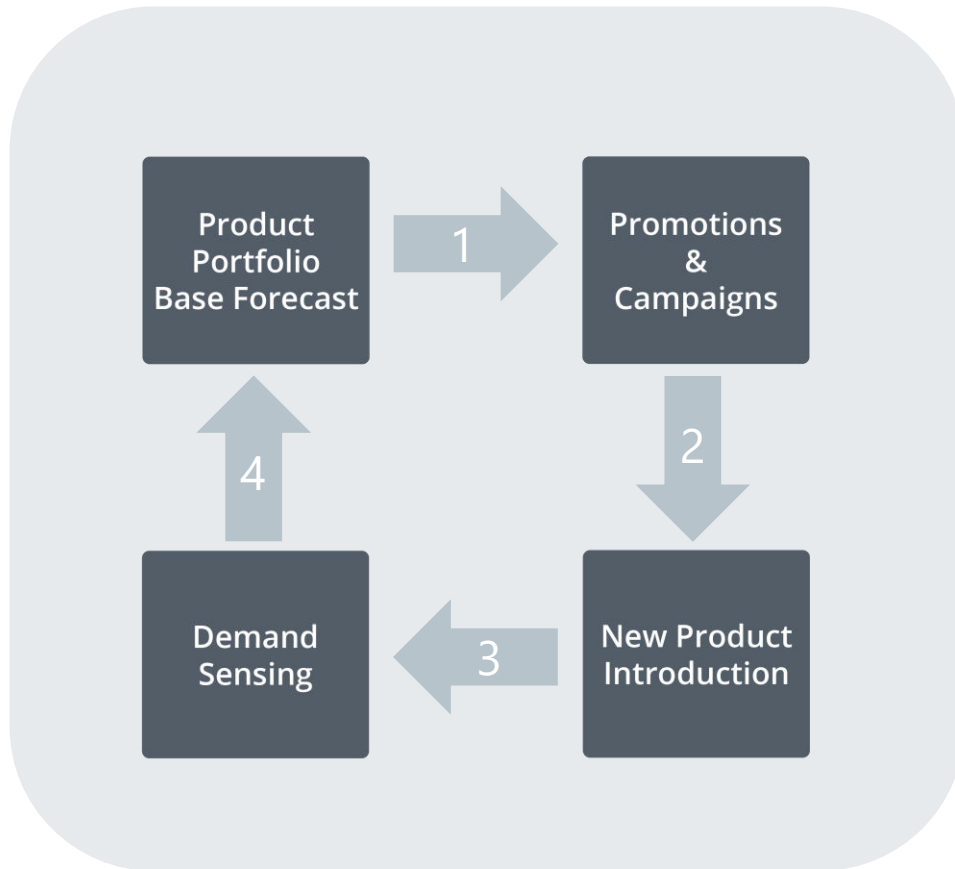
SERAX



Conventional Forecasting vs. DemandAI+

From a lengthy, sequential Demand Planning cycle that can't keep up with market changes...

...to simultaneous AI-first demand planning, demand sensing, and causal forecasting with Generative AI in a single solution



AI+ Insights Creates Significant Value for Clients



Improves forecast accuracy by 20-30%
enabling clients to increase margins while lowering inventory



Jacobs Douwe Egberts

The world's leading pure-play coffee and tea company, headquartered in The Netherlands

Before

- The company was lagging behind competitors in the market in forecast accuracy
- They had a lengthy S&OP processes that did not contribute to accuracy
- A study showed that their demand planners spent too much time on putting out fires instead of forecasting and IBP
- They have a complex distribution network and are heavily promotions driven (80% of total volume)

Advanced AI and Demand Sensing

- 32% error reduction in the short-term forecast
- 70% reduction in working hours to create the plan
- Improved planning and timing of promotions
- Better capacity allocation, less overtime and increased input
- Ran with hours and days of supply vs. days and weeks of supply
- Repurposed food service inventory

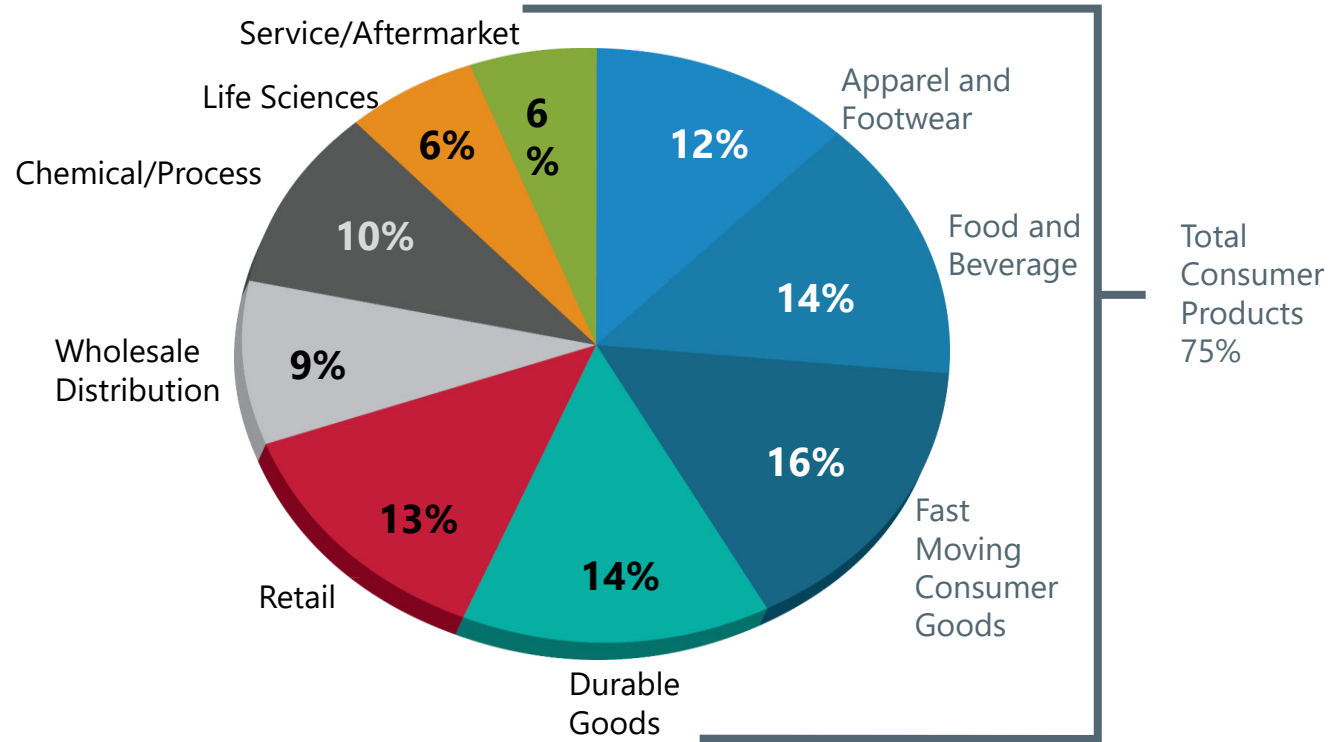


Tinneke Kok,
Global IBP Manager

Blue Chip Client Base Spanning Over 80 Countries

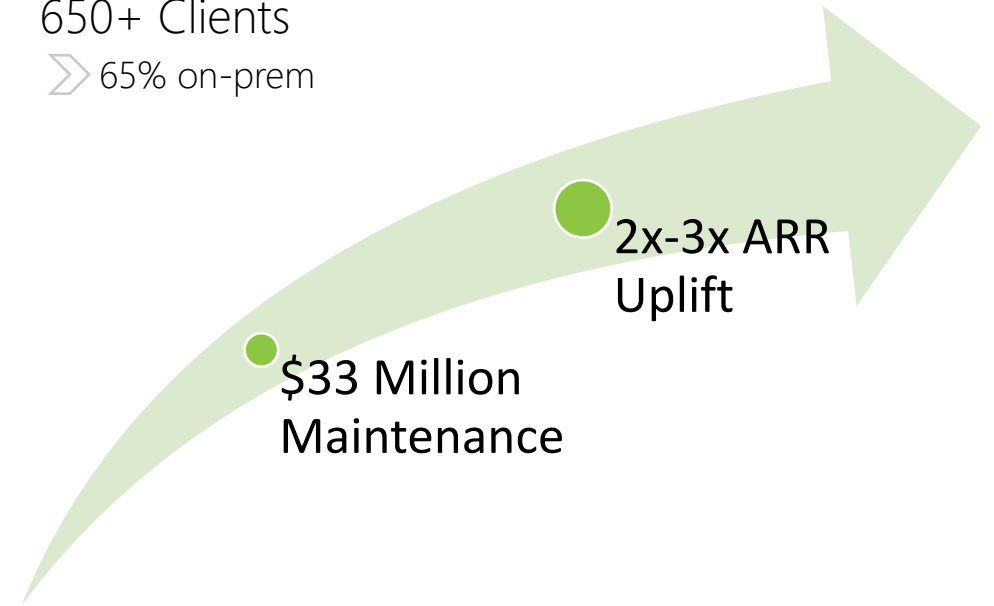
Apparel & Accessories		Fast Moving Consumer Goods	
Consumer Durables		Food & Beverage	
Aftermarket / Service Parts		Packaging & Materials	
Wholesale Distribution		Plastics & Specialty Chemicals	
Consumable Life Sciences		Industrial Manufacturing	
Durable Life Sciences		Process Chemicals	

Cloud Conversion Opportunity



650+ Clients
➤ 65% on-prem

Total Consumer Products
75%



Sustainability Mission

Creating sustainable supply chains that improve peoples lives and the world we live in.



Economic

- Accelerating and improving decision making
- More effective deployment of inventory
- Efficient utilization of assets
- Higher fulfillment and customer satisfaction



Environmental

- Reduced energy consumption and carbon footprint
- Improvements in effluent & waste
- Traceability & recovery of products
- Higher recyclable content
- Efficient use of raw materials
- Higher utilization of return and restore



Social

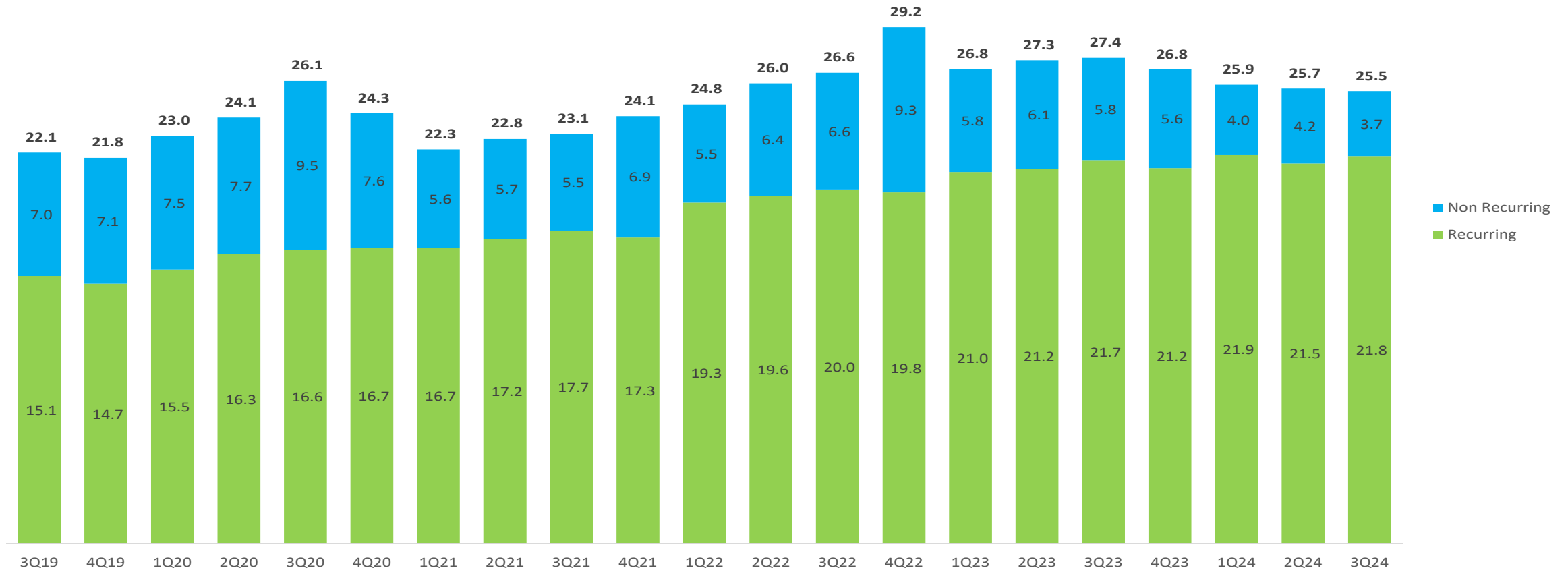
- Ensuring adherence to proper labor, safety & security standards
- Upholding the standards of fair trade and social equality
- Enriching lives across the globe through better delivery & availability of products
- Automating the routine & mundane tasks and freeing supply chain communities for more rewarding roles

Financial Summary

AMERICAN SOFTWARE
NASDAQ: AMSWA

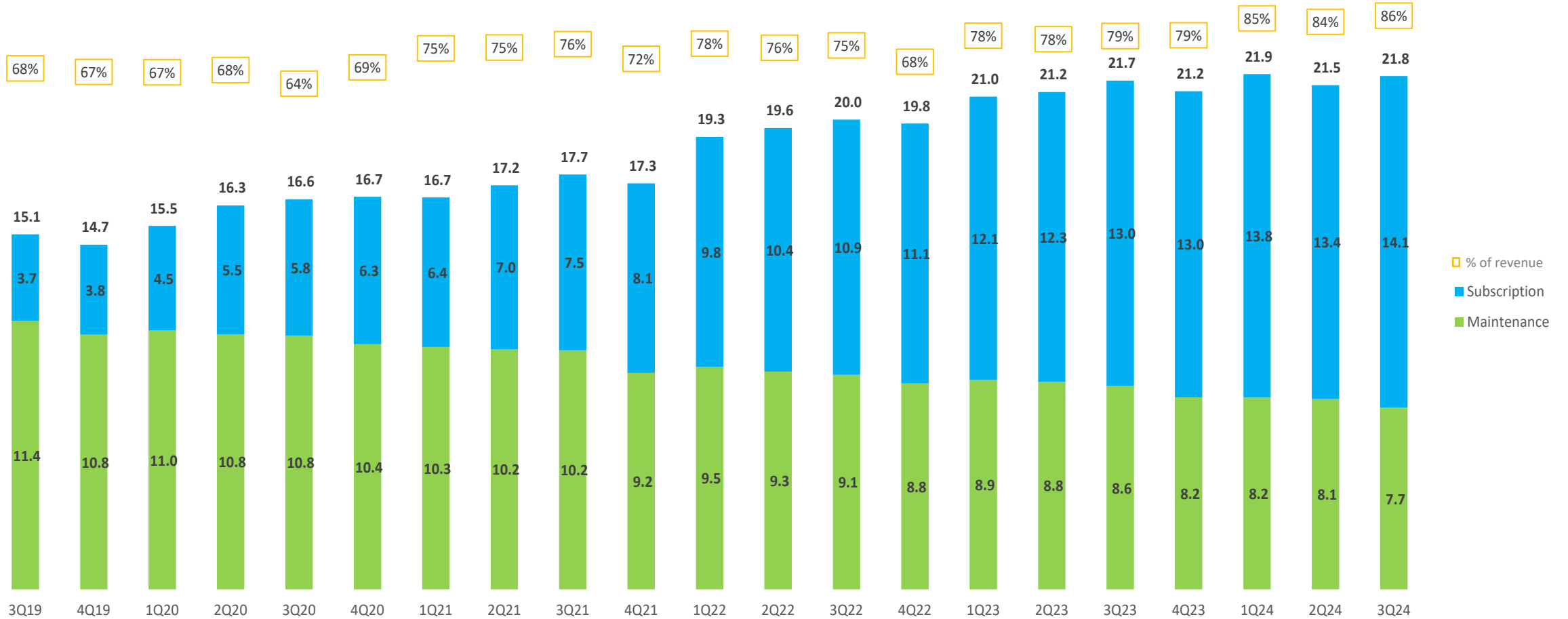
Rising Mix of Recurring Revenue

Quarterly Revenue in \$MMs



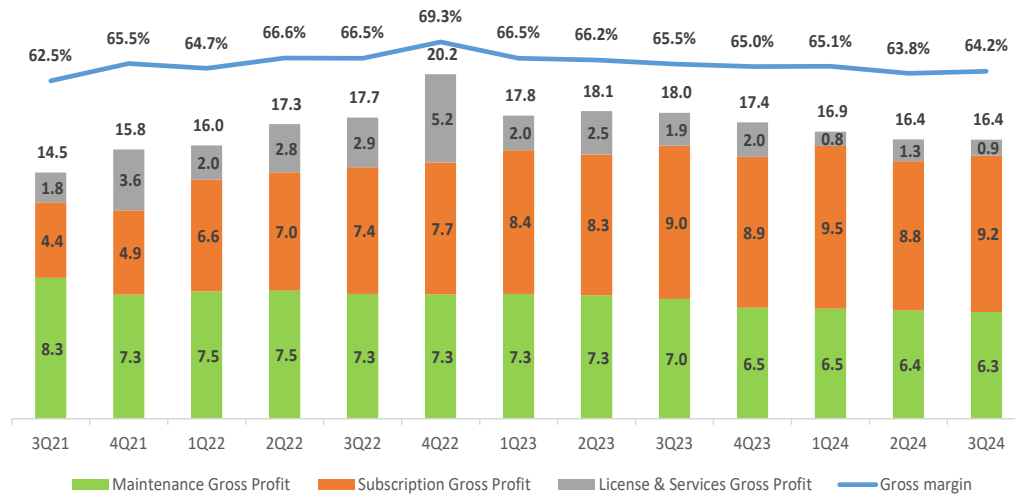
Growing Subscription Revenue Stream

Subscription & Maintenance Revenue in \$MMs

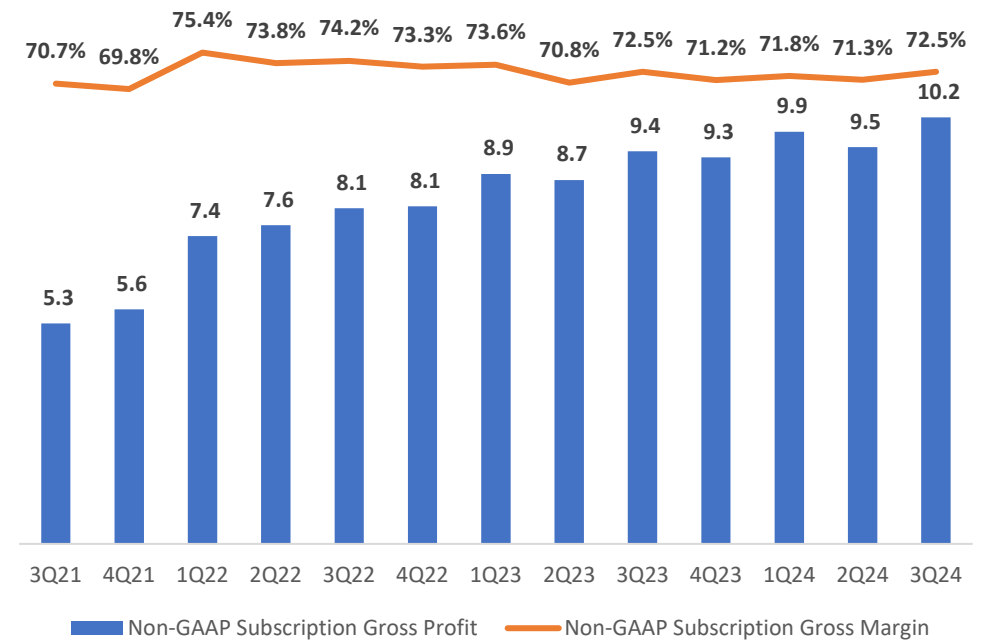


Gross Margin Expansion Anticipated

Gross Profit in \$MMs



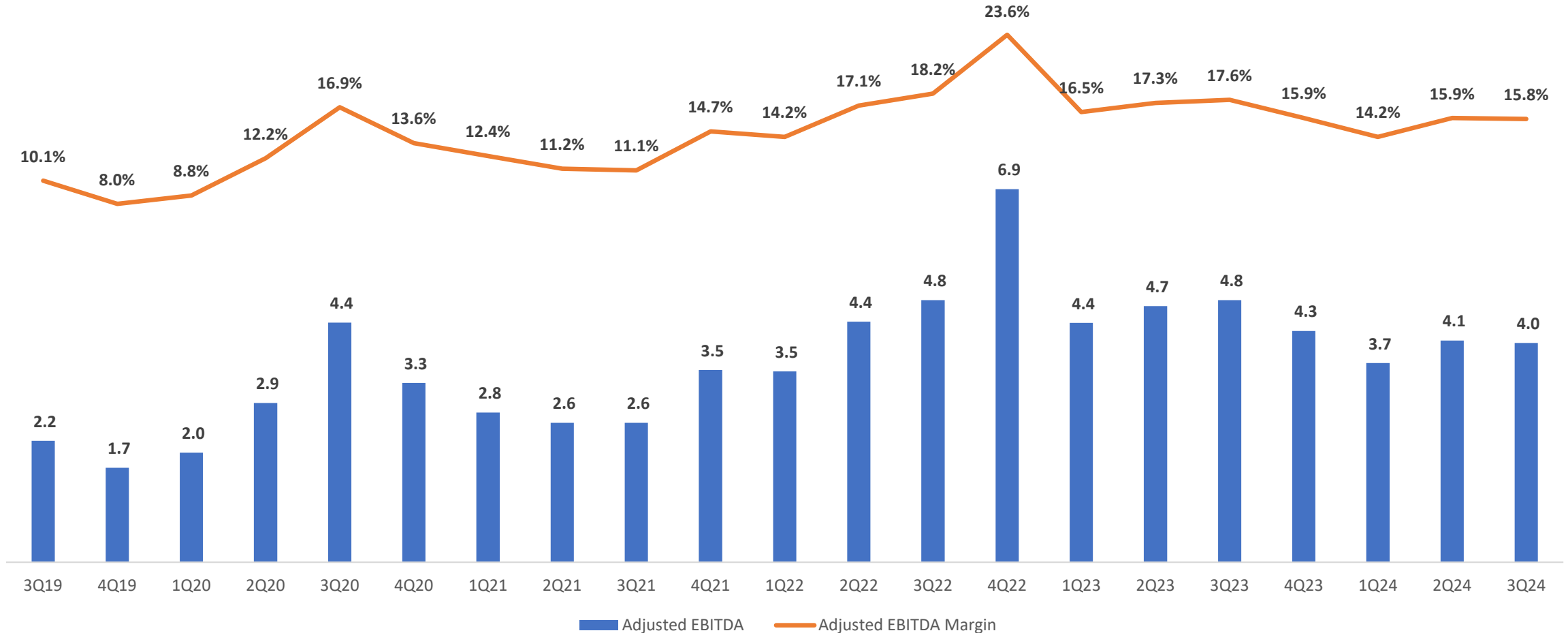
Non-GAAP Subscription Gross Margin*



*Non-GAAP subscription gross profit and gross margin excludes amortization of capitalized software

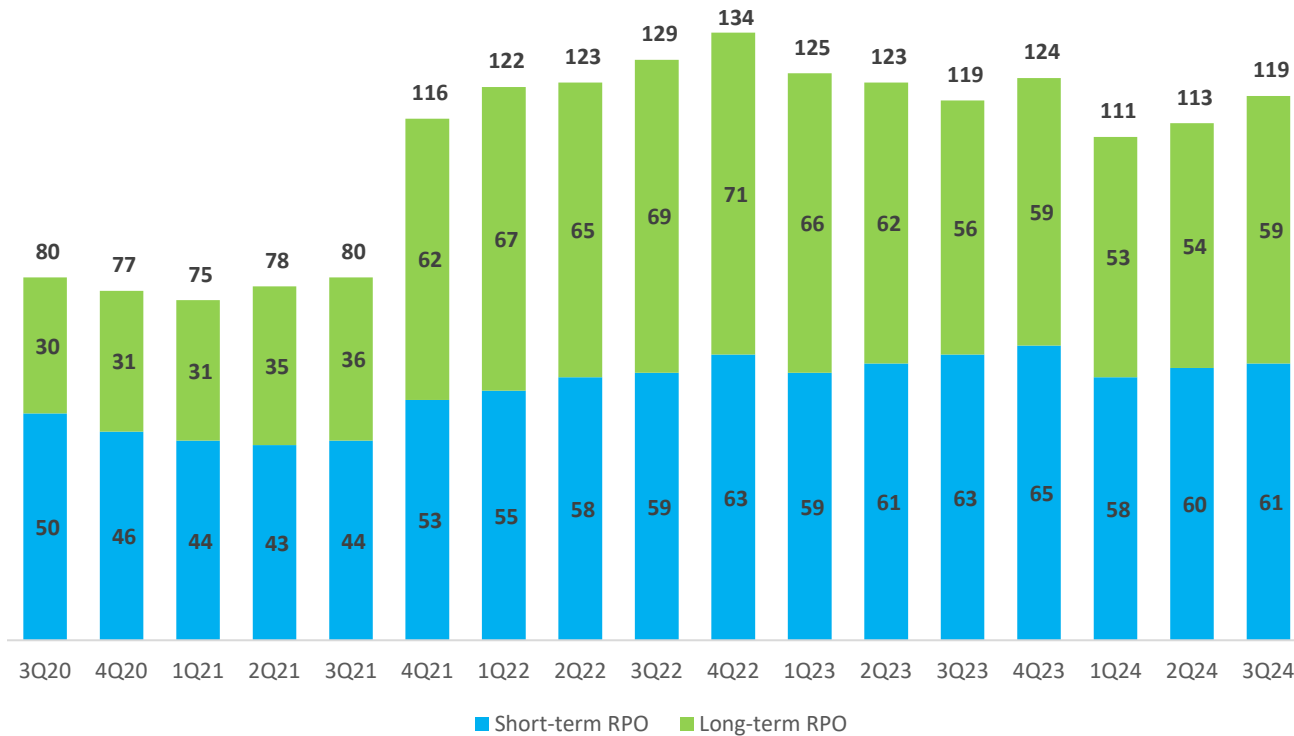
Sustained Profitability Throughout Cloud Transition

Adjusted EBITDA in \$MMs (excludes Stock Option Expense)



Visibility Provided by Robust Backlog

Remaining Performance Obligation (RPO) in \$MMs



FY 2024 Guidance

Total revenues of \$100.0-\$104.0 million

- Including total recurring revenues of \$85.0-\$88.0 million

Adjusted EBITDA of \$14.5-\$16.0 million

Current Valuation Metrics

AMSWA Stock Price at 05/21/24	\$	10.63
Market Capitalization (Fully Diluted)	\$	354,377
Enterprise Value (Fully Diluted)	\$	276,068
Cash and Investments per share at 1/31/24:	\$	2.35
Current Dividend Yield:		4.14%
Price/ Sales (TTM)		3.41
Price/ Book (TTM)		2.68
Enterprise Value/Revenue 1/31/24 (ttm):		2.66
Enterprise Value/ EBITDA 1/31/24(ttm):		26.62