UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 23, 2024

Commission File Number 0-25346

ACI WORLDWIDE, INC.
(Exact name of registrant as specified in its charter)

Delaware	**47-0772104**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
6060 Coventry Drive Elkhorn, Nebraska	**68022**
(Address of Principal Executive Offices)	**(Zip Code)**

(402) 390-7600
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.005 par value	**ACIW**	**Nasdaq Global Select Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement.

On February 26, 2024, ACI Worldwide, Inc. (the “Company”) entered into a Refinance Amendment (the “Amendment”) to the Second Amended and Restated Credit Agreement, dated as of April 5, 2019 (as amended, restated, supplemented or otherwise modified from time to time, including by the Amendment, the “Credit Agreement”) among the Company, the subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto, Bank of America, N.A., as administrative agent and a lender, BofA Securities, Inc., PNC Capital Markets LLC, Wells Fargo Securities, LLC, and TD Securities (USA) LLC, as Joint Lead Arrangers and Joint Bookrunners, and the other financial institutions party thereto.

The Amendment (i) provides a senior secured term loan facility (the “Term Loan Facility”) in an aggregate principal amount of $500 million, (ii) provides a senior secured revolving credit facility (the “Revolving Loan Facility” and together with the Term Loan Facility, the “Credit Facilities”) of up to $600 million, and (iii) extends the maturity date of the Facilities to February 26, 2029 (the “Maturity Date”), provided that if any of the Company’s 5.750% Senior Notes due 2026 are outstanding on the date that is 91 days before the maturity thereof (the “Springing Maturity Date”), and the Company does not have sufficient liquidity as of such date, the Maturity Date will be the Springing Maturity Date. The Revolving Loan Facility includes a $35 million sublimit for the issuance of standby letters of credit and a $20 million sublimit for swingline loans. Amounts repaid under the Revolving Facility may be reborrowed.

Borrowings under the Credit Facilities bear interest at a rate equal to, at borrower’s option, either (A) a base rate determined by reference to the highest of (1) the rate of interest per annum publicly announced by Bank of America as its prime rate, (2) the federal funds effective rate plus 0.5%, (3) term SOFR plus 1%, and (4) 1% or (B) term SOFR for applicable interest period relevant to such borrowing, in each case plus an applicable margin. The applicable margin for borrowings under the Credit Facilities is, based on the calculation of the applicable consolidated total leverage ratio, between 0.5% to 1.5% with respect to base rate borrowings and between 1.5% and 2.5% with respect to term SOFR rate borrowings. The Company is also required to pay customary fees under the Credit Facility.

The Company’s subsidiaries, ACI Worldwide Corp. and ACI Payments, Inc. are co-borrowers under the Credit Agreement. The obligations of the borrowers under the Credit Facilities and the obligations of the Company and its subsidiaries under certain hedging arrangements and cash management arrangements entered into with lenders under the Credit Facilities (or affiliates thereof) are jointly and severally guaranteed by the Company and all of its existing and future material domestic subsidiaries, subject to certain exclusions. The obligations of the borrowers in respect of the Credit Facilities are secured by first-priority security interests in substantially all assets of the borrowers, including 100% of the capital stock of each domestic subsidiary of the borrower and 65% of the voting capital stock of each foreign subsidiary that is directly owned by a borrower, in each case subject to certain exclusions set forth in the Credit Agreement.

The Credit Agreement contains customary negative covenants that, among other things, restrict the Company’s ability to incur additional indebtedness, grant additional liens, and make certain acquisitions, investments, asset dispositions, and restricted payments. In addition, the Credit Agreement contains financial covenants that require the Company to maintain, as of the end of any fiscal quarter, (i) a consolidated total net leverage ratio of less than or equal to 4.25 to 1.00, (ii) a consolidated senior secured net leverage ratio of less than or equal to 3.75 to 1.00, and (iii) a minimum consolidated interest coverage ratio of greater than or equal to 3.00 to 1.00, in each case subject to certain exclusions as set forth in the Credit Agreement.

The Credit Agreement also contains certain customary affirmative covenants and events of default. If an event of default, as specified in the Credit Agreement, shall occur and be continuing, the Company may be required to repay all amounts outstanding under the Credit Facilities.

Item 2.02. Results of Operation and Financial Condition.

On February 29, 2024, the Company issued a press release announcing its financial results for the three months and year ended December 31, 2023. A copy of this press release is attached hereto as Exhibit 99.1. Following the publication of the earnings release, the Company hosted an earnings call in which its financial results were discussed. The investor presentation materials used for the call are attached as Exhibit 99.2.

The foregoing information (including Exhibits 99.1 and 99.2) is being furnished under “Item 2.02 – Results of Operations and Financial Condition” and “Item 7.01 – Regulation FD Disclosure.” Such information (including Exhibits 99.1 and 99.2) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

The filing of this report and the furnishing of this information pursuant to Items 2.02 and 7.01 do not mean that such information is material or that disclosure of such information is required.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(d) Election of Directors

On February 23, 2024, Katrinka McCallum and Juan Benitez joined the Company's Board of Directors (the "Board") as independent directors. A press release announcing the new directors is filed as Exhibit 99.3 to this report.

Ms. McCallum and Mr. Benitez will serve until the 2024 Annual Meeting of Stockholders and thereafter until their respective successors are duly elected and qualified. Each of Ms. McCallum and Mr. Benitez will participate in the Company's standard non-employee director compensation arrangements.

Ms. McCallum was Vice President of Customer and Product Experience at Red Hat, a leading provider of enterprise open-source solutions, which was acquired by IBM in 2019. She joined Red Hat in 2007 as VP of Investor Relations and served in a variety of Vice President positions within the Products & Technologies organization during her tenure there. During her career, that spans more than two decades in enterprise software, Ms. McCallum led business units, sales and marketing organizations as well as engineering and operations teams. Ms. McCallum serves on the board of Rimini Street, Inc., where she is Chair of the compensation committee and a member of its audit committee, and Intrusion, Inc., where she is Chair of the audit committee and a member of the nominating and governance committee. In addition, she has served on other corporate boards including Micromuse, Inc.

Mr. Benitez most recently served as the President of GoFundMe. Mr. Benitez has 25 years of experience in technology, product, and business leadership. Prior to GoFundMe, Mr. Benitez served as the General Manager of Braintree, a global payments company that was acquired by PayPal in 2013. Before serving as General Manager, Mr. Benitez led product and engineering as Braintree's CTO. Prior to Braintree, Mr. Benitez spent nine years in various capacities at Yahoo!, including VP of Engineering in Yahoo!'s Advertising Products Group and VP of Search Advertising.

For a director to be considered independent, the Board must determine that the director does not have any direct or indirect material relationship with the Company. The Board has established guidelines to assist it in determining director independence which conform to the independence requirements in the NASDAQ Global Select Market listing standards. In accordance with these guidelines, the Board has determined that each of Ms. McCallum and Mr. Benitez are independent. Neither Ms. McCallum nor Mr. Benitez is a party to any transaction, or series of transactions, required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Item 7.01. Regulation FD Disclosure.

See "Item 2.02 – Results of Operation and Financial Condition" above.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1	Press Release dated February 29, 2024
99.2	Investor presentation materials dated February 29, 2024
99.3	Press Release dated February 29, 2024
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ACI WORLDWIDE, INC.
(Registrant)

Date: February 29, 2024

By: /s/ DENNIS P. BYRNES
Dennis P. Byrnes
Executive Vice President and General Counsel

Exhibit 99.1

ACI Worldwide, Inc. Reports Financial Results for the Quarter and Full Year Ended December 31, 2023

Q4 2023 HIGHLIGHTS

- ***Total revenue of $477 million grew 5%[1]***
- ***Total recurring revenue grew 7%[1]***
- ***Net income of $123 million grew 36%***
- ***Total EBITDA of $210 million grew 8%***
- ***Cash flow from operating activities of $86 million grew 107%***
- ***Repurchased 1 million shares for $28 million***
- ***Expect 7-9% revenue growth in 2024***

Omaha, NE — February 29, 2024 — ACI Worldwide (NASDAQ: ACIW), a global leader in mission-critical, real-time payments software, announced financial results today for the quarter and full year ended December 31, 2023.

"2023 was another year of progress for ACI, with steady revenue growth and improving margins," said Thomas Warsop, president and CEO of ACI Worldwide. "In the Bank segment, we saw particular strength in our real-time payments and anti-fraud product lines, and our Bank recurring revenue continues to accelerate, which positions us very well for 2024 and beyond. Our Biller business is also performing well as we benefit from new customer onboarding and interchange improvement efforts put in place last year."

"We are also pleased to welcome two new members to our already-strong board of directors: Katrinka McCallum, who spent many years at SaaS software company Red Hat; and Juan Benitez, the former President of GoFundMe and GM of Braintree Payments," Warsop added. "Katrinka and Juan will provide great support as we expand our SaaS businesses and use of artificial intelligence, things both of them have overseen before. Looking forward, our pipeline is strong, and we are focused and optimistic about our growth acceleration."

FINANCIAL SUMMARY

In Q4 2023, revenue was $477 million, up 5% from Q4 2022. Recurring revenue of $275 million in Q4 was up 7% from Q4 2022[1]. Net income was $123 million versus $90 million in Q4 2022. Adjusted EBITDA in Q4 2023 was $210 million, up 8% from Q4 2022. Cash flow from operating activities in Q4 2023 was $86 million, up 107% compared to Q4 2022.

- Bank segment revenue increased 3% in Q4 2023, while Bank segment recurring revenue, consisting of maintenance and SaaS revenue, grew 8%, and Bank segment adjusted EBITDA grew 1% versus Q4 2022[1].
- Merchant segment revenue improved throughout the year, as expected, growing 4% in Q4 2023[1]. Merchant segment adjusted EBITDA increased 2% versus Q4 2022[1].

- Biller segment revenue increased 9% in Q4 2023. Biller segment adjusted EBITDA increased 60% versus Q4 2022, driven by new customer onboarding and progress with our interchange improvement program.

Full-year 2023 total revenue was $1.45 billion, up 5% from 2022 adjusted for FX and the divestiture[1]. Recurring revenue of $1.1 billion in 2023 was up 8% from 2022[1]. Net income was $122 million in 2023. After adjusting for the gain on the divestiture of our Corporate Online Banking business, this was a 7% increase from 2022. Total adjusted EBITDA in 2023 was $395 million compared to $373 million in 2022, up 10%[1]. Cash flow from operating activities in 2023 was $169 million, up 18% compared to 2022.

ACI ended 2023 with $164 million in cash on hand and a debt balance of $1 billion, which represents a net debt leverage ratio of 2.2x, down from 2.4x last quarter. For 2023, the company repurchased approximately 1 million shares for $28 million in capital and repurchased an additional 2 million shares for $62 million in capital year-to-date in 2024. The company has $110 million remaining available on the share repurchase authorization.

2024 GUIDANCE

For the full year of 2024, we expect revenue growth to be in the 7% to 9% range on a constant currency basis, or in the range of $1.547 billion to $1.576 billion. We expect adjusted EBITDA to be in the range of $418 million to $428 million with net adjusted EBITDA margin expansion. For Q1 2024, we expect revenue to be between $300 million and $310 million and adjusted EBITDA of $25 million to $30 million. This excludes one-time costs to implement certain efficiency strategies.

[1] Adjusted for foreign currency fluctuations and the divestiture of Corporate Online Banking in September 2022

CONFERENCE CALL TO DISCUSS FINANCIAL RESULTS

Today, management will host a conference call at 8:30 a.m. ET to discuss these results. Interested persons may access a real-time audio broadcast of the teleconference at http://investor.aciworldwide.com/ or use the following number for dial-in participation: toll-free 1 (800) 715-9871 and conference code 3153574.

About ACI Worldwide

ACI Worldwide is a global leader in mission-critical, real-time payments software. Our proven, secure and scalable software solutions enable leading corporations, fintechs, and financial disruptors to process and manage digital payments, power omni-commerce payments, present and process bill payments, and manage fraud and risk. We combine our global footprint with a local presence to drive the real-time digital transformation of payments and commerce.

For more information contact:

Investor Relations
John Kraft
SVP, Head of Strategy and Finance
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To supplement our financial results presented on a GAAP basis, we use the non-GAAP measures indicated in the tables, which exclude significant transaction-related expenses, as well as other significant non-cash expenses such as depreciation, amortization, and stock-based compensation, that we believe are helpful in understanding our past financial performance and our future results. The presentation of these non-GAAP financial measures should be considered in addition to our GAAP results and are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. Management generally compensates for limitations in the use of non-GAAP financial measures by relying on comparable GAAP financial measures and providing investors with a reconciliation of non-GAAP financial measures only in addition to and in conjunction with results presented in accordance with GAAP.

We believe that these non-GAAP financial measures reflect an additional way to view aspects of our operations that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our business. Certain non-GAAP measures include:

- Adjusted EBITDA: net income (loss) plus income tax expense (benefit), net interest income (expense), net other income (expense), depreciation, amortization and stock-based compensation, as well as significant transaction-related expenses. Adjusted EBITDA should be considered in addition to, rather than as a substitute for, net income (loss).

- Net Adjusted EBITDA Margin: Adjusted EBITDA divided by revenue net of pass-through interchange revenue. Net Adjusted EBITDA Margin should be considered in addition to, rather than as a substitute for, net income (loss).

- Diluted EPS adjusted for non-cash and significant transaction related items: diluted EPS plus tax effected significant transaction related items, amortization of acquired intangibles and software, and non-cash stock-based compensation. Diluted EPS adjusted for non-cash and significant transaction related items should be considered in addition to, rather than as a substitute for, diluted EPS.

- Recurring Revenue: revenue from software as a service and platform as a service fees and maintenance fees. Recurring revenue should be considered in addition to, rather than as a substitute for, total revenue.

- ARR: New annual recurring revenue expected to be generated from new accounts, new applications, and add-on sales bookings contracts signed in the period.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements based on current expectations that involve a number of risks and uncertainties. Generally, forward-looking statements do not relate strictly to historical or current facts and may include words or phrases such as “believes,” “will,” “expects,” “anticipates,” “intends,” and words and phrases of similar impact. The forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Forward-looking statements in this press release include, but are not limited to: (i) our positioning for 2024 and beyond, (ii) benefits from new customer onboarding and interchange improvement efforts put in place last year, (iii) new board members providing great support as we expand our SaaS businesses and use of artificial intelligence, (iv) our pipeline strength and focus and optimism about our growth acceleration, and (v) statements regarding Q1 2024 and full year 2024 revenue and adjusted EBITDA financial guidance.

All of the foregoing forward-looking statements are expressly qualified by the risk factors discussed in our filings with the Securities and Exchange Commission. Such factors include, but are not limited to, increased competition, business interruptions or failure of our information technology and communication systems, security breaches or viruses, our ability to attract and retain senior management personnel and skilled technical employees, future acquisitions, strategic partnerships and investments, divestitures and other restructuring activities, implementation and success of our strategy, impact if we convert some or all on-premise licenses from fixed-term to subscription model, anti-takeover provisions, exposure to credit or operating risks arising from certain payment funding methods, customer reluctance to switch to a new vendor, our ability to adequately defend our intellectual property, litigation, consent orders and other compliance agreements, our offshore software development activities, risks from operating internationally, including fluctuations in currency exchange rates, events in eastern Europe and the Middle East, adverse changes in the global economy, compliance of our products with applicable legislation, governmental regulations and industry standards, the complexity of our products and services and the risk that they may contain hidden defects, complex regulations applicable to our payments business, our compliance with privacy and cybersecurity regulations, exposure to unknown tax liabilities, changes in tax laws and regulations, consolidations and failures in the financial services industry, volatility in our stock price, demand for our products, failure to obtain renewals of customer contracts or to obtain such renewals on favorable terms, delay or cancellation of customer projects or inaccurate project completion estimates, impairment of our goodwill or intangible assets, the accuracy of management's backlog estimates, the cyclical nature of our revenue and earnings and the accuracy of forecasts due to the concentration of revenue-generating activity during the final weeks of each quarter, restrictions and other financial covenants in our debt agreements, our existing levels of debt, events outside of our control including natural disasters, wars, and outbreaks of disease, and revenues or revenue mix. For a detailed discussion of these risk factors, parties that are relying on the forward-looking statements should review our filings with the Securities and Exchange Commission, including our most recently filed Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q.

ACI WORLDWIDE, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(unaudited and in thousands)

	December 31,	
	2023	**2022**
ASSETS		
Current assets		
Cash and cash equivalents	$ 164,239	$ 124,981
Receivables, net of allowances	452,337	403,781
Settlement assets	723,039	540,667
Prepaid expenses	31,479	28,010
Other current assets	35,551	17,366
Total current assets	1,406,645	1,114,805
Noncurrent assets		
Accrued receivables, net	313,983	297,818
Property and equipment, net	37,856	52,499
Operating lease right-of-use assets	34,338	40,031
Software, net	108,418	129,109
Goodwill	1,226,026	1,226,026
Intangible assets, net	195,646	228,698
Deferred income taxes, net	58,499	53,738
Other noncurrent assets	63,328	67,171
TOTAL ASSETS	$ 3,444,739	$ 3,209,895
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 45,964	$ 47,997
Settlement liabilities	721,164	539,087
Employee compensation	53,892	45,289
Current portion of long-term debt	74,405	65,521
Deferred revenue	59,580	58,303
Other current liabilities	82,244	102,645
Total current liabilities	1,037,249	858,842
Noncurrent liabilities		
Deferred revenue	24,780	23,233
Long-term debt	963,599	1,024,351
Deferred income taxes, net	40,735	40,371
Operating lease liabilities	29,074	33,910
Other noncurrent liabilities	25,005	36,001
Total liabilities	2,120,442	2,016,708
Stockholders' equity		
Preferred stock	—	—
Common stock	702	702
Additional paid-in capital	712,994	702,458
Retained earnings	1,394,967	1,273,458
Treasury stock	(674,896)	(665,771)
Accumulated other comprehensive loss	(109,470)	(117,660)
Total stockholders' equity	1,324,297	1,193,187
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 3,444,739	$ 3,209,895

ACI WORLDWIDE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited and in thousands, except per share amounts)

	Three Months Ended December 31,				Years Ended December 31,			
	2023		2022		2023		2022	
Revenues								
Software as a service and platform as a service	$	223,172	$	205,800	$	849,147	$	802,880
License		178,543		179,874		321,224		348,134
Maintenance		51,632		48,902		205,068		200,045
Services		23,216		17,229		77,140		70,842
Total revenues		476,563		451,805		1,452,579		1,421,901
Operating expenses								
Cost of revenue (1)		181,689		178,699		719,211		696,071
Research and development		34,636		31,963		140,758		146,311
Selling and marketing		34,473		32,019		132,639		134,812
General and administrative		24,515		29,441		117,190		114,194
Depreciation and amortization		28,934		31,460		122,373		126,678
Total operating expenses		304,247		303,582		1,232,171		1,218,066
Operating income		172,316		148,223		220,408		203,835
Other income (expense)								
Interest expense		(19,845)		(16,179)		(78,486)		(53,193)
Interest income		3,757		3,342		14,215		12,547
Other, net		(2,107)		(2,355)		(8,510)		43,446
Total other income (expense)		(18,195)		(15,192)		(72,781)		2,800
Income before income taxes		154,121		133,031		147,627		206,635
Income tax expense		31,505		42,803		26,118		64,458
Net income	$	122,616	$	90,228	$	121,509	$	142,177
Income per common share								
Basic	$	1.13	$	0.81	$	1.12	$	1.25
Diluted	$	1.12	$	0.81	$	1.12	$	1.24
Weighted average common shares outstanding								
Basic		108,703		111,077		108,497		113,700
Diluted		109,147		111,354		108,857		114,238

(1) The cost of revenue excludes charges for depreciation but includes amortization of purchased and developed software for resale.

ACI WORLDWIDE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited and in thousands)

	Three Months Ended December 31,		Years Ended December 31,	
	2023	2022	2023	2022
Cash flows from operating activities:				
Net income	$ 122,616	$ 90,228	$ 121,509	$ 142,177
Adjustments to reconcile net income to net cash flows from operating activities:				
Depreciation	5,017	6,129	23,739	23,181
Amortization	23,918	25,330	98,634	104,147
Amortization of operating lease right-of-use assets	2,430	2,740	11,620	11,036
Amortization of deferred debt issuance costs	908	1,126	4,323	4,561
Deferred income taxes	21,122	10,662	(4,085)	1,603
Stock-based compensation expense	7,010	7,869	24,547	29,753
Gain on divestiture	—	—	—	(38,452)
Other	(247)	545	1,921	3,028
Changes in operating assets and liabilities, net of impact of divestiture:				
Receivables	(105,010)	(137,961)	(62,998)	(132,194)
Accounts payable	3,423	10,777	(3,775)	7,730
Accrued employee compensation	11,025	711	8,146	(3,161)
Deferred revenue	(1,699)	3,390	2,705	(2,977)
Other current and noncurrent assets and liabilities	(4,770)	19,869	(57,769)	(7,051)
Net cash flows from operating activities	85,743	41,415	168,517	143,381
Cash flows from investing activities:				
Purchases of property and equipment	(968)	(4,980)	(8,924)	(13,103)
Purchases of software and distribution rights	(6,282)	(8,396)	(28,853)	(26,790)
Proceeds from divestiture	—	—	—	100,139
Net cash flows from investing activities	(7,250)	(13,376)	(37,777)	60,246
Cash flows from financing activities:				
Proceeds from issuance of common stock	697	780	2,819	3,581
Proceeds from exercises of stock options	3,594	2,792	6,726	4,584
Repurchase of stock-based compensation awards for tax withholdings	(946)	(1,163)	(5,149)	(6,983)
Repurchases of common stock	(27,587)	(115,603)	(27,587)	(206,537)
Proceeds from revolving credit facility	59,000	95,000	134,000	180,000
Repayment of revolving credit facility	(64,000)	—	(115,000)	(75,000)
Repayment of term portion of credit agreement	(19,475)	(14,606)	(73,031)	(85,431)
Payments on or proceeds from other debt, net	(4,293)	(2,017)	(16,766)	(12,123)
Payments for debt issuance costs	—	—	(2,160)	—
Net increase (decrease) in settlement assets and liabilities	(10,769)	6,765	(15,404)	26,849
Net cash flows from financing activities	(63,779)	(28,052)	(111,552)	(171,060)
Effect of exchange rate fluctuations on cash	573	(1,977)	4,961	(2,037)
Net increase (decrease) in cash and cash equivalents	15,287	(1,990)	24,149	30,530
Cash and cash equivalents, including settlement deposits, beginning of period	223,534	216,662	214,672	184,142
Cash and cash equivalents, including settlement deposits, end of period	$ 238,821	$ 214,672	$ 238,821	$ 214,672
Reconciliation of cash and cash equivalents to the Consolidated Balance Sheets				
Cash and cash equivalents	$ 164,239	$ 124,981	$ 164,239	$ 124,981
Settlement deposits	74,582	89,691	74,582	89,691
Total cash and cash equivalents	$ 238,821	$ 214,672	$ 238,821	$ 214,672

Adjusted EBITDA (millions)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Years Ended December 31, 2023	Years Ended December 31, 2022
Net income	$ 122.6	$ 90.2	$ 121.5	$ 142.2
Plus:				
Income tax expense (benefit)	31.5	42.8	26.1	64.5
Net interest expense	16.1	12.8	64.3	40.6
Net other (income) expense	2.1	2.4	8.5	(43.4)
Depreciation expense	5.0	6.1	23.7	23.2
Amortization expense	23.9	25.3	98.6	104.1
Non-cash stock-based compensation expense	7.0	7.9	24.5	29.8
Adjusted EBITDA before significant transaction-related expenses	$ 208.2	$ 187.5	$ 367.2	$ 361.0
Significant transaction-related expenses:				
CEO transition	—	3.6	—	3.6
Cost reduction strategies	1.3	—	21.0	—
European datacenter migration	0.2	2.4	2.8	5.8
Other	—	0.4	4.4	3.0
Adjusted EBITDA	$ 209.7	$ 193.9	$ 395.4	$ 373.4
Revenue, net of interchange:				
Revenue	$ 476.6	$ 451.8	$ 1,452.6	$ 1,421.9
Interchange	106.1	111.2	421.1	406.6
Revenue, net of interchange	$ 370.5	$ 340.6	$ 1,031.5	$ 1,015.3
Net adjusted EBITDA Margin	57 %	57 %	38 %	37 %

Segment Information (millions)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Years Ended December 31, 2023	Years Ended December 31, 2022
Revenue				
Banks	$ 254.9	$ 247.0	$ 616.1	$ 638.6
Merchants	43.0	40.8	150.6	153.9
Billers	178.7	164.0	685.9	629.4
Total	$ 476.6	$ 451.8	$ 1,452.6	$ 1,421.9
Recurring revenue				
Banks	$ 58.2	$ 53.6	$ 229.4	$ 232.9
Merchants	37.9	37.1	138.9	140.6
Billers	178.7	164.0	685.9	629.4
Total	$ 274.8	$ 254.7	$ 1,054.2	$ 1,002.9
Segment adjusted EBITDA				
Banks	$ 188.2	$ 186.3	$ 355.5	$ 371.0
Merchants	17.5	16.8	44.3	49.0
Billers	42.2	26.4	142.3	107.4

EPS Impact of Non-cash and Significant Transaction-related Items (millions)	Three Months Ended December 31,			
	2023		2022	
	EPS Impact	$ in Millions (Net of Tax)	EPS Impact	$ in Millions (Net of Tax)
GAAP net income	$ 1.12	$ 122.6	$ 0.81	$ 90.2
Adjusted for:				
Significant transaction-related expenses	0.01	1.1	0.04	4.9
Amortization of acquisition-related intangibles	0.06	6.4	0.06	6.4
Amortization of acquisition-related software	0.03	3.5	0.04	4.5
Non-cash stock-based compensation	0.05	5.3	0.05	6.0
Total adjustments	$ 0.15	$ 16.3	$ 0.19	$ 21.8
Diluted EPS adjusted for non-cash and significant transaction-related items	$ 1.27	$ 138.9	$ 1.00	$ 112.0

EPS Impact of Non-cash and Significant Transaction-related Items (millions)	Years Ended Years Ended December 31,			
	2023		2022	
	EPS Impact	$ in Millions (Net of Tax)	EPS Impact	$ in Millions (Net of Tax)
GAAP net income	$ 1.12	$ 121.5	$ 1.24	$ 142.2
Adjusted for:				
Gain on divestiture	—	—	(0.26)	(29.2)
Significant transaction-related expenses	0.19	21.1	0.08	9.6
Amortization of acquisition-related intangibles	0.24	25.7	0.24	27.0
Amortization of acquisition-related software	0.14	15.5	0.16	18.6
Non-cash stock-based compensation	0.17	18.7	0.20	22.6
Total adjustments	$ 0.74	$ 81.0	$ 0.42	$ 48.6
Diluted EPS adjusted for non-cash and significant transaction-related items	$ 1.86	$ 202.5	$ 1.66	$ 190.8

Recurring Revenue (millions)	Three Months Ended December 31,		Years Ended December 31,	
	2023	2022	2023	2022
SaaS and PaaS fees	$ 223.2	$ 205.8	$ 849.1	$ 802.9
Maintenance fees	51.6	48.9	205.1	200.0
Recurring revenue	$ 274.8	$ 254.7	$ 1,054.2	$ 1,002.9

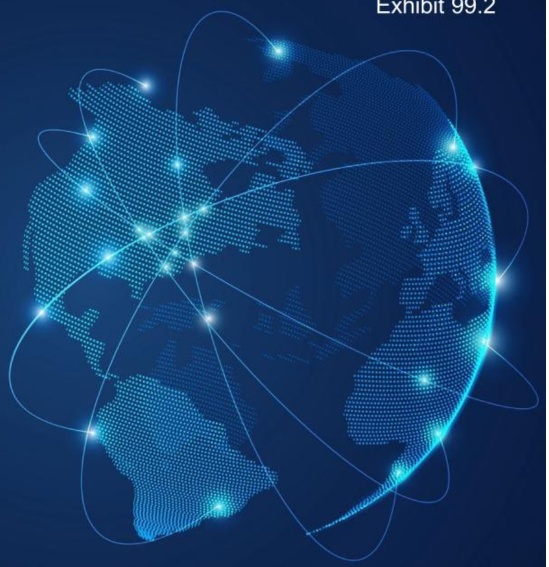
New Bookings (millions)	Three Months Ended December 31,		Years Ended December 31,	
	2023	2022	2023	2022
Annual recurring revenue (ARR) bookings	$ 28.8	$ 40.2	$ 73.5	$ 109.7
License and services bookings	106.5	91.8	239.2	204.7

Exhibit 99.2

ACI Worldwide
Real-Time Payments

Earnings Presentation

Q4 2023



February 29, 2024

ACI Worldwide
Real-Time Payments

Private Securities Litigation Reform Act of 1995 Safe Harbor for Forward-Looking Statements

This presentation contains forward-looking statements based on current expectations that involve a number of risks and uncertainties.

The forward-looking statements are made pursuant to safe harbor provisions of the **Private Securities Litigation Reform Act of 1995.**

A discussion of these **forward-looking statements and risk factors** that may affect them is set forth at the end of this presentation.

The Company assumes **no obligation to update** any forward-looking statement in this presentation, except as required by law.

ACI Delivers Mission-Critical Payment Solutions

ACI Worldwide is a global leader in mission-critical, real-time payments software.

Our proven, secure and scalable software solutions enable leading corporations, fintechs and financial disruptors to:

- Process and manage **digital payments**
- Enable **omni-commerce payments**
- Present and process **bill payments**
- Manage **fraud and risk**

We combine our global footprint with local presence to drive the **real-time digital transformation** of payments and commerce.

Q4 2023 Highlights

Consolidated Results*	Segment Results*	Balance Sheet**
Total revenue of $477M, up 5% from Q4 2022 Recurring revenue of $275, up 7% from Q4 2022 Adjusted EBITDA of $210 up 8% from Q4 2022 Cash flow from operating activities of $86 million, up 107% from Q4 2022	Banking revenue grew 3% and recurring revenue grew 8%, versus Q4 2022 Merchant revenue grew 4% versus Q4 2022 Biller revenue up 9% versus Q4 2022, driven by new customer onboarding and progress with our interchange improvement program.	$164M cash balance $1B debt Net debt ratio of 2.2x Repurchased 1 million shares for $28 million. $172 million remaining on repurchase authorization at year end.

** Adjusted for FX and Corporate Online Banking divestiture (in Banking segment September 2022)*
*** Statistics as of 12.31.2023*

Full Year 2023 Highlights

Consolidated Results*	Segment Results*	Other*
Total revenue of $1.45B, up 5% from 2022 Recurring revenue of $1.1B, up 8% from 2022 Adjusted EBITDA of $395M up 10% from 2022 Cash flow from operating activities of $169 million, up 18% from 2022	Banking revenue grew 2% and recurring revenue grew 11%, versus 2022 Merchant revenue declined 2% versus 2022 Biller revenue up 9% versus 2022, driven by new customer onboarding and progress with our interchange improvement program	Net adjusted EBITDA margin of 38% versus 37% in 2022 Repurchased 1 million shares for $28 million. $172 million remaining on repurchase authorization at year end

** Adjusted for FX and Corporate Online Banking divestiture (in Banking segment September 2022)*

Financial Guidance

	2023 Actual		2024 Guidance Range Low	2024 Guidance Range High
Revenue	1,453		1,547	1,576
Adjusted EBITDA	395		418	428

$'s in millions

- Q1 2024 revenue expected to be between $300 million and $310 million and adjusted EBITDA to be between $25 million and $35 million

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Additional Guidance Metrics

- Interest expense, net expected to approximate $60 - $65 million
- Depreciation and amortization expected to approximate $115 - $120 million
- Non-cash compensation expense expected to approximate $30 - $35 million
- Effective tax rate expected to approximate 25%
- Diluted share count expected to approximate 108 million (excluding future share buy-back activity)

Supplemental Financial Data

Recurring Revenue (millions)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Years Ended December 31, 2023	Years Ended December 31, 2022
SaaS and PaaS fees	$ 223.2	$ 205.8	$ 849.1	$ 802.9
Maintenance fees	51.6	48.9	205.1	200.0
Recurring Revenue	**$ 274.8**	**$ 254.7**	**$ 1,054.2**	**$ 1,002.9**

New Bookings (millions)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Years Ended December 31, 2023	Years Ended December 31, 2022
Annual recurring revenue (ARR) bookings	$ 28.8	$ 40.2	$ 73.5	$ 109.7
License and services bookings	106.5	91.8	239.2	204.7

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Supplemental Financial Data

Adjusted EBITDA (millions)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Years Ended December 31, 2023	Years Ended December 31, 2022
Net income (loss)	**$ 122.6**	**$ 90.2**	**$ 121.5**	**$ 142.2**
Plus:				
Income tax expense (benefit)	31.5	42.8	26.1	64.5
Net interest expense	16.1	12.8	64.3	40.6
Net other (income) expense	2.1	2.4	8.5	(43.4)
Depreciation expense	5.0	6.1	23.7	23.2
Amortization expense	23.9	25.3	98.6	104.1
Non-cash stock-based compensation expense	7.0	7.9	24.5	29.8
Adjusted EBITDA before significant transaction-related expenses	**$ 208.2**	**$ 187.5**	**$ 367.2**	**$ 361.0**
Significant transaction-related expenses:				
CEO transition	—	3.6	—	3.6
Cost reduction strategies	1.3	—	21.0	—
European datacenter migration	0.2	2.4	2.8	5.8
Other	—	0.4	4.4	3.0
Adjusted EBITDA	**$ 209.7**	**$ 193.9**	**$ 395.4**	**$ 373.4**
Revenue, net of interchange				
Revenue	$ 476.6	$ 451.8	$ 1,452.6	$ 1,421.9
Interchange	106.1	111.2	421.1	406.6
Revenue, net of interchange	**$ 370.5**	**$ 340.6**	**$ 1,031.5**	**$ 1,015.3**
Net Adjusted EBITDA Margin	**57 %**	**57 %**	**38 %**	**37 %**

Supplemental Financial Data

Segment Information (millions)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Years Ended December 31, 2023	Years Ended December 31, 2022
Revenue				
Banks	$ 254.9	$ 247.0	$ 616.1	$ 638.6
Merchants	43.0	40.8	150.6	153.9
Billers	178.7	164.0	685.9	629.4
Total Revenue	**$ 476.6**	**$ 451.8**	**$ 1,452.6**	**$ 1,421.9**
Recurring Revenue				
Banks	$ 58.2	$ 53.6	$ 229.4	$ 232.9
Merchants	37.9	37.1	138.9	140.6
Billers	178.7	164.0	685.9	629.4
Total	**$ 274.8**	**$ 254.7**	**$ 1,054.2**	**$ 1,002.9**
Segment Adjusted EBITDA				
Banks	$ 188.2	$ 186.3	$ 355.5	$ 371.0
Merchants	17.5	16.8	44.3	49.0
Billers	42.2	26.4	142.3	107.4

Supplemental Financial Data

EPS Impact of Non-cash and Significant Transaction-related Items (millions)

	Three Months Ended December 31,			
	2023		2022	
	EPS Impact	$ in Millions (Net of Tax)	EPS Impact	$ in Millions (Net of Tax)
GAAP net income (loss)	$ 1.12	$ 122.6	$ 0.81	$ 90.2
Adjusted for:				
Significant transaction-related expenses	0.01	1.1	0.04	4.9
Amortization of acquisition-related intangibles	0.06	6.4	0.06	6.4
Amortization of acquisition-related software	0.03	3.5	0.04	4.5
Non-cash stock-based compensation	0.05	5.3	0.05	6.0
Total adjustments	**0.15**	**16.3**	**0.19**	**21.8**
Diluted EPS adjusted for non-cash and significant transaction-related items	**$ 1.27**	**$ 138.9**	**$ 1.00**	**$ 112.0**

	Years Ended December 31,			
	2023		2022	
	EPS Impact	$ in Millions (Net of Tax)	EPS Impact	$ in Millions (Net of Tax)
GAAP net income (loss)	$ 1.12	$ 121.5	$ 1.24	$ 142.2
Adjusted for:				
Gain on divestiture	—	—	(0.26)	(29.2)
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Amortization of acquisition-related intangibles	0.24	25.7	0.24	27.0
Amortization of acquisition-related software	0.14	15.5	0.16	18.6
Non-cash stock-based compensation	0.17	18.7	0.20	22.6
Total adjustments	**0.74**	**81.0**	**0.42**	**48.6**
Diluted EPS adjusted for non-cash and significant transaction-related items	**$ 1.86**	**$ 202.5**	**$ 1.66**	**$ 190.8**

Non-GAAP Financial Measures

To supplement our financial results presented on a GAAP basis, we use the non-GAAP measures indicated in the tables, which exclude significant transaction related expenses, as well as other significant non-cash expenses such as depreciation, amortization, and non-cash compensation, that we believe are helpful in understanding our past financial performance and our future results. The presentation of these non-GAAP financial measures should be considered in addition to our GAAP results and are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with GAAP. Management generally compensates for limitations in the use of non-GAAP financial measures by relying on comparable GAAP financial measures and providing investors with a reconciliation of non-GAAP financial measures only in addition to and in conjunction with results presented in accordance with GAAP. We believe that these non-GAAP financial measures reflect an additional way to view aspects of our operations that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our business. Certain non-GAAP measures include:

- Adjusted EBITDA: net income (loss) plus income tax expense (benefit), net interest income (expense), net other income (expense), depreciation, amortization, and non-cash compensation, as well as significant transaction related expenses. Adjusted EBITDA should be considered in addition to, rather than as a substitute for, net income (loss).
- Net Adjusted EBITDA Margin: Adjusted EBITDA divided by revenue net of pass-through interchange revenue. Net Adjusted EBITDA Margin should be considered in addition to, rather than as a substitute for, net income (loss).
- Diluted EPS adjusted for non-cash and significant transaction related items: diluted EPS plus tax effected significant transaction related items, amortization of acquired intangibles and software, and non-cash stock-based compensation. Diluted EPS adjusted for non-cash and significant transaction related items should be considered in addition to, rather than as a substitute for, diluted EPS.
- Recurring Revenue: revenue from software as a service and platform service fees and maintenance fees. Recurring revenue should be considered in addition to, rather than as a substitute for, total revenue.
- ARR: New annual recurring revenue expected to be generated from new accounts, new applications, and add-on sales bookings contracts signed in the period.

Forward Looking Statements

This presentation contains forward-looking statements based on current expectations that involve a number of risks and uncertainties. Generally, forward-looking statements do not relate strictly to historical or current facts and may include words or phrases such as “believes,” “will,” “expects,” “anticipates,” “intends,” and words and phrases of similar impact. The forward-looking statements are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Forward-looking statements in this press release include, but are not limited to, statements regarding Q1 2024 and full year 2024 revenue, adjusted EBITDA and additional financial guidance.

All of the foregoing forward-looking statements are expressly qualified by the risk factors discussed in our filings with the Securities and Exchange Commission. Such factors include, but are not limited to, increased competition, business interruptions or failure of our information technology and communication systems, security breaches or viruses, our ability to attract and retain senior management personnel and skilled technical employees, future acquisitions, strategic partnerships and investments, divestitures and other restructuring activities, implementation and success of our strategy, impact if we convert some or all on-premise licenses from fixed-term to subscription model, anti-takeover provisions, exposure to credit or operating risks arising from certain payment funding methods, customer reluctance to switch to a new vendor, our ability to adequately defend our intellectual property, litigation, consent orders and other compliance agreements, our offshore software development activities, risks from operating internationally, including fluctuations in currency exchange rates, events in eastern Europe and the Middle East, adverse changes in the global economy, compliance of our products with applicable legislation, governmental regulations and industry standards, the complexity of our products and services and the risk that they may contain hidden defects, complex regulations applicable to our payments business, our compliance with privacy and cybersecurity regulations, exposure to unknown tax liabilities, changes in tax laws and regulations, consolidations and failures in the financial services industry, volatility in our stock price, demand for our products, failure to obtain renewals of customer contracts or to obtain such renewals on favorable terms, delay or cancellation of customer projects or inaccurate project completion estimates, impairment of our goodwill or intangible assets, the accuracy of management’s backlog estimates, the cyclical nature of our revenue and earnings and the accuracy of forecasts due to the concentration of revenue-generating activity during the final weeks of each quarter, restrictions and other financial covenants in our debt agreements, our existing levels of debt, events outside of our control including natural disasters, wars, and outbreaks of disease, and revenues or revenue mix. For a detailed discussion of these risk factors, parties that are relying on the forward-looking statements should review our filings with the Securities and Exchange Commission, including our most recently filed Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q.


ACI Worldwide®
Real-Time Payments

ACI Worldwide Appoints Two New Independent Directors to Board

OMAHA, Neb. — February 29, 2024 — ACI Worldwide (NASDAQ: ACIW), a global leader in mission-critical, real-time payments software, announced today the appointment of two new independent directors, Katrinka McCallum and Juan Benitez, to the company's Board of Directors.

"2023 was another year of progress for ACI, with steady revenue growth and improving margins," said Thomas Warsop, president and CEO of ACI Worldwide. "In the Bank segment, we saw particular strength in our real-time payments and anti-fraud product lines, and our Bank recurring revenue continues to accelerate, which positions us very well for 2024 and beyond. Our Biller business is also performing well as we benefit from new customer onboarding and interchange improvement efforts put in place last year.

"We are also pleased to welcome two new members to our already-strong board of directors: Katrinka McCallum, who spent many years at SaaS software company Red Hat; and Juan Benitez, the former President of GoFundMe and GM of Braintree," Warsop added. "Katrinka and Juan will provide great support as we expand our SaaS businesses and use of artificial intelligence, things both of them have overseen before. Looking forward, our pipeline is strong, and we are focused and optimistic about our growth acceleration."

Katrinka McCallum most recently served as Vice President of Customer and Product Experience at Red Hat, having held various leadership roles within Red Hat’s Products & Technologies organization for more than a decade. Throughout her career, spanning more than two decades in enterprise software, Ms. McCallum has led business units, sales and marketing organizations as well as engineering and operations teams. Ms. McCallum is a member of the board at Rimini Street, Inc., where she is chairperson of the Compensation Committee, and additionally serves on the board of Intrusion, Inc., where she chairs the Audit Committee.

Juan Benitez has over 25 years of experience in engineering, product and business leadership roles across a variety of technology domains, having most recently served as President of GoFundMe. Previously, he served as General Manager of Braintree Payments, a global payments company that was acquired by PayPal in 2013, and prior to that, led product and engineering as Braintree’s CTO. Mr. Benitez also spent nine years in various capacities at Yahoo!, including VP of Engineering in Yahoo!’s Advertising Products Group and VP of Search Advertising.

“We are delighted to welcome Katrinka and Juan to the ACI Board. They bring considerable leadership experience and success in driving significant growth in the software and payments markets,” said Adalio T. Sanchez, chairman, ACI Worldwide. “We look forward to the fresh perspectives and contributions that each of them will bring to the company.”

“ACI Worldwide is transforming payment systems through leading-edge technology,” added Thomas Warsop, president and CEO, ACI Worldwide. “The additions of Katrinka and Juan strengthen an already impressive Board as we expand our SaaS businesses and accelerate productivity through more use of Generative AI and machine learning, things both of them have overseen before.”

About ACI Worldwide

ACI Worldwide is a global leader in mission-critical, real-time payments software. Our proven, secure and scalable software solutions enable leading corporations, fintechs and financial disruptors to process and manage digital payments, power omni-commerce payments, present and process bill payments, and manage fraud and risk. We combine our global footprint with a local presence to drive the real-time digital transformation of payments and commerce.

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