



Bill.com (NYSE: BILL)  
Investor Deck  
May 2020

# Safe Harbor

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward looking statements because they contain words such as "may," "might," "will," "should," "expects," "plans," "anticipates," "going to," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, priorities, plans or intentions. Forward-looking statements in this presentation include, but are not limited to, statements regarding our future financial and operating performance, including our outlook and guidance, the novel coronavirus outbreak (COVID-19) and its impact to our employees, the growth of demand on our platform and the expansion of customers' utilization of our services. Our expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The forward-looking statements contained in this presentation are also subject to other risks and uncertainties, including those more fully described in our filings with the Securities and Exchange Commission, including our Quarterly Report on Form 10-Q filed on May 8, 2020. The forward-looking statements in this presentation are based on information available to us as of the date hereof, and we disclaim any obligation to update any forward-looking statements. Actual results may differ materially from those presently reported. All forward-looking statements in this presentation are based on information available to us as of the date hereof.

In addition to financial information presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation includes certain non-GAAP financial measures. These non-GAAP measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. Our management uses these non-GAAP financial measures internally in analyzing our financial results and believes they are useful to investors, as a supplement to the corresponding GAAP financial measures, in evaluating our ongoing operational performance and trends and in comparing our financial measures with other companies in the same industry, many of which present similar non-GAAP financial measures to help investors understand the operational performance of their businesses. However, it is important to note that the particular items excluded from, or included in, our non-GAAP financial measures may differ from the items excluded from, or included in, similar non-GAAP financial measures used by other companies in the same industry. In addition, other companies may utilize metrics that are not similar to ours.

There are material limitations associated with the use of non-GAAP financial measures since they exclude significant expenses and income that are required by GAAP to be recorded in our financial statements. Please see the reconciliation tables at the end of this presentation for the reconciliation of GAAP and non-GAAP results. Management encourages investors and others to review our financial information in its entirety and not rely on a single financial measure.

This presentation contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to such information. We have not independently verified the accuracy or completeness of the information contained in the industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that information nor do we undertake to update such information after the date of this presentation.



## Who We Are

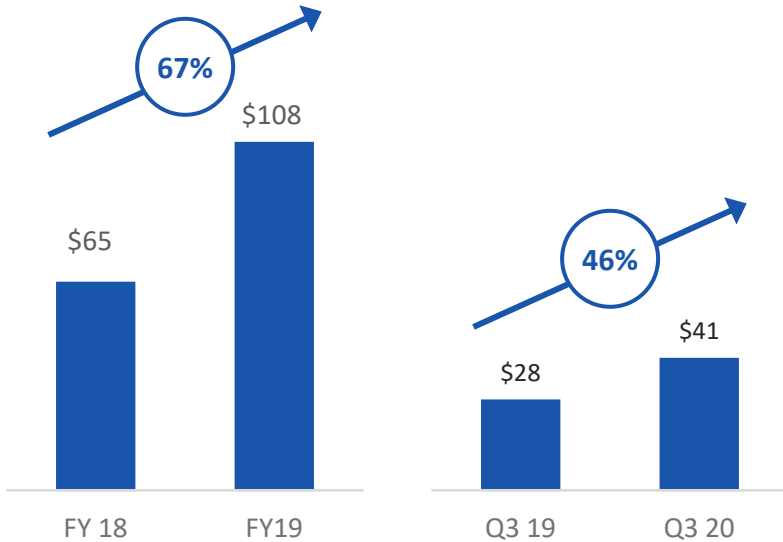
Champions of small and mid-sized businesses

## Our Mission

Make it simple to connect and do business

# Bill.com at a Glance

**Total Revenue**  
(\$ Millions)



Note: FY ends June 30.

**91K**  
Customers<sup>1</sup>

**1.8M**  
Network members<sup>2</sup>  
(Suppliers & Clients)

**110%**  
Net dollar  
retention rate<sup>2</sup>

**79%**  
Gross margin  
(Non-GAAP)<sup>1</sup>

<sup>1</sup> As of March 31, 2020.

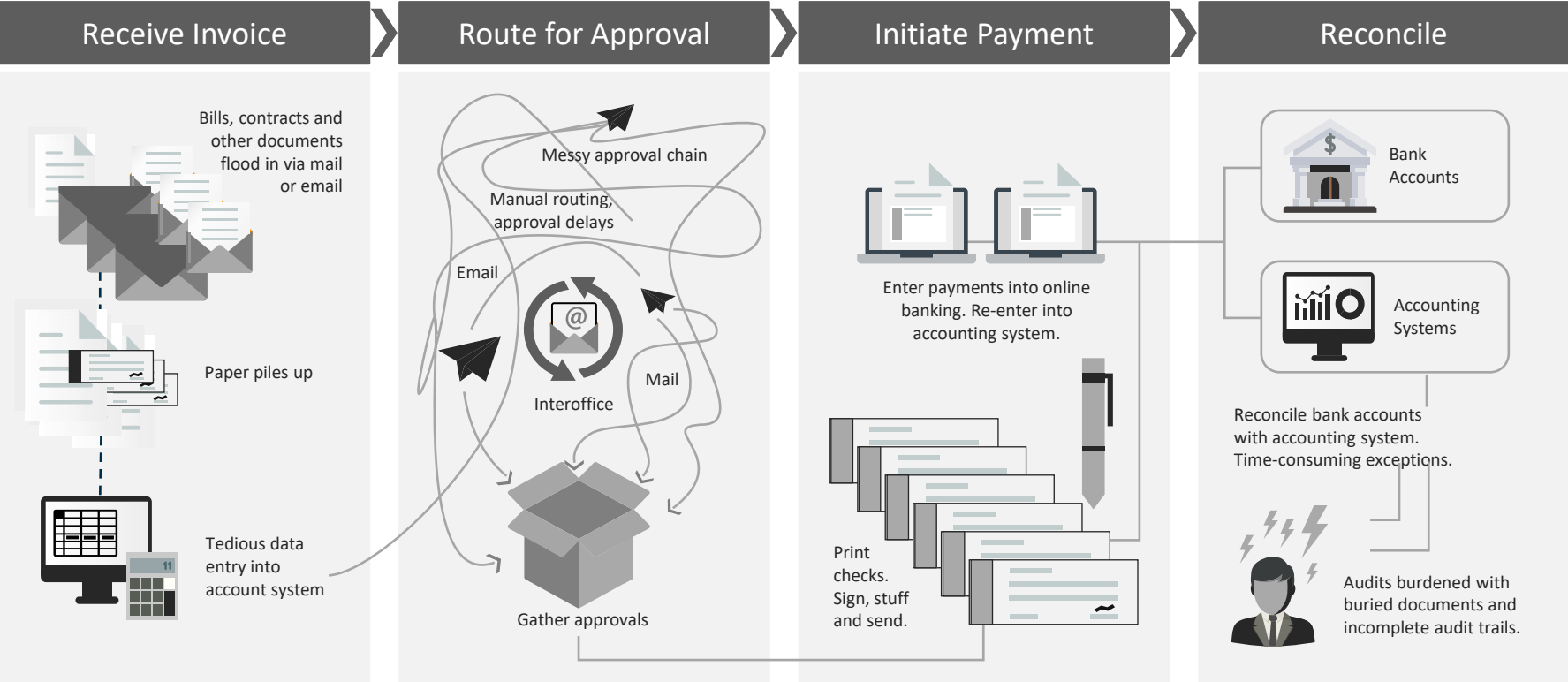
<sup>2</sup> As of June 30, 2019.

# The Financial Back Office ...

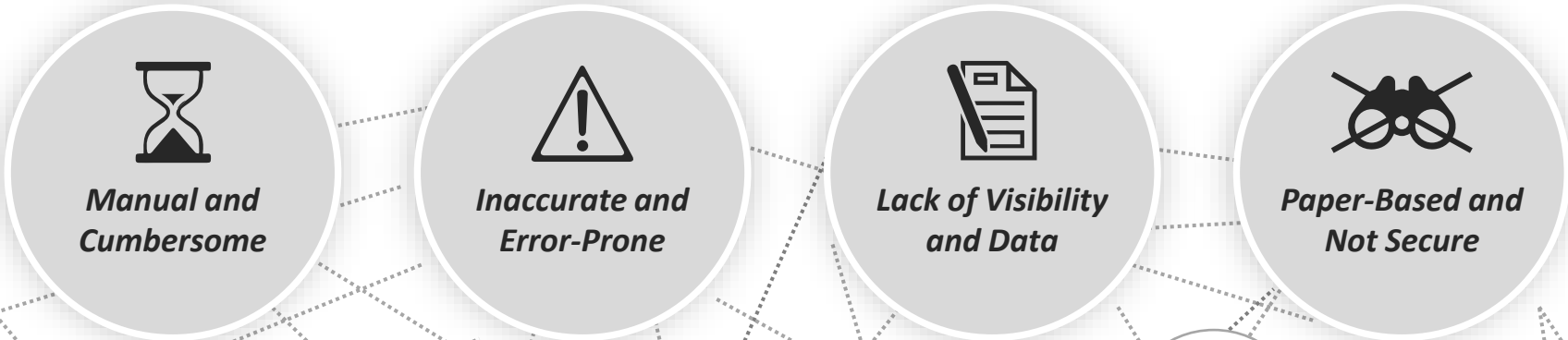


... Is Not a Pretty Picture

# Complex and Inefficient Legacy Workflows...



# ...Lead to Frustration and Uncertainty



# Our End-to-End Solution for Financial Operations

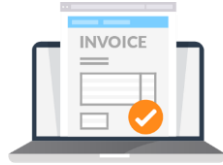
## RECEIVE



Receive bills directly  
via online inbox



## APPROVE



View and approve bills  
online from any device



## PAY



Enable e-payments  
and simply click "PAY"



## RECONCILE

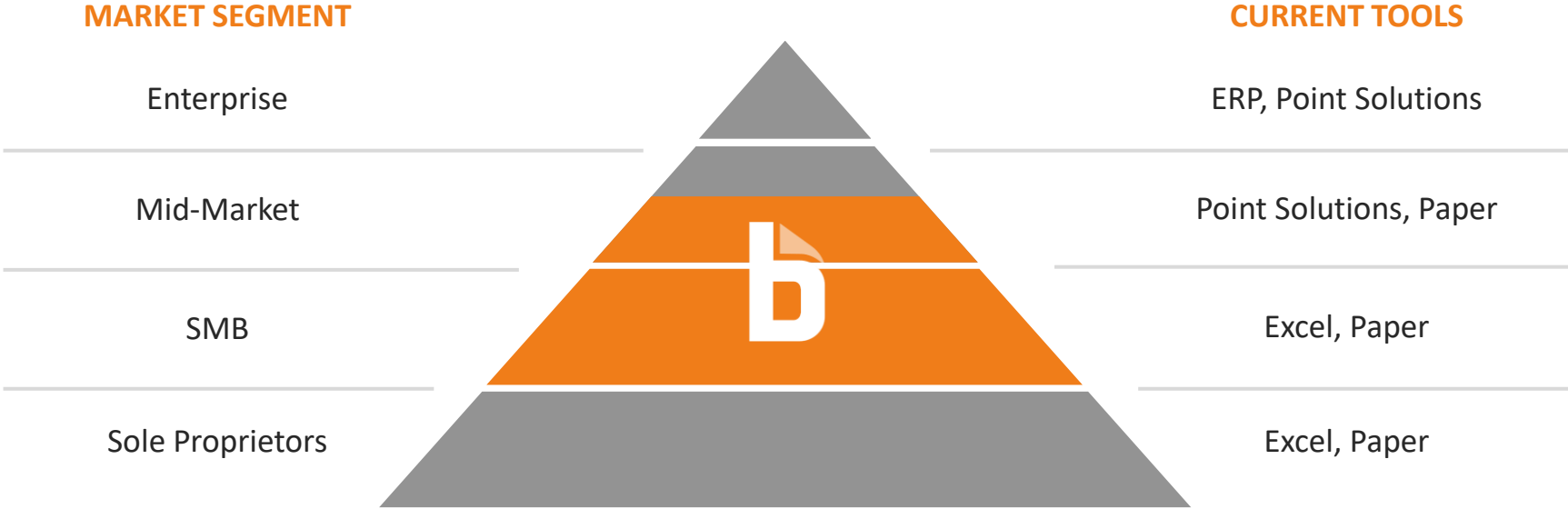


Automatic sync with  
accounting system

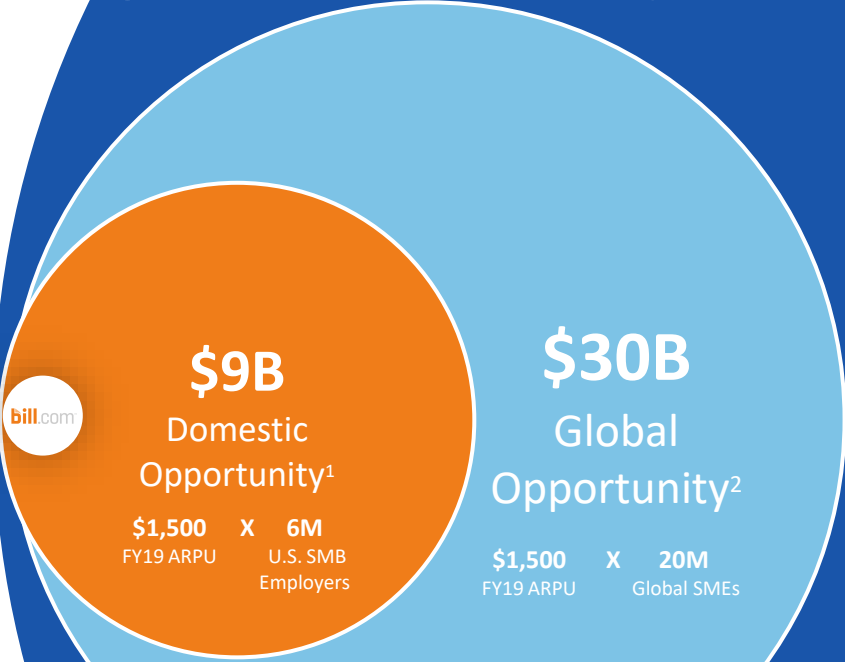
**Automated. Accurate. Transparent. Secure.**



# Our Target Market Segments



# Large Market with Expansion Opportunities



Sole Proprietors and Larger Companies



\$65B U.S. SMB Software Opportunity<sup>3</sup>



\$25T in Annual B2B Payment Volume<sup>4</sup>

<sup>1</sup> U.S. Department of Labor, Bureau of Labor Statistics. \$9bn calculated by multiplying \$1,500 FY19 ARPU and 6mm U.S. SMB Employers.

<sup>2</sup> SME Finance Forum. \$30bn calculated by multiplying \$1,500 FY19 ARPU and 20mm Global SMEs.

<sup>3</sup> IDC Research, Inc., U.S. Small and Medium-Sized Business Forecast, 2018-2022: PCs and Peripherals, Systems and Storage, Telecommunications/Network Equipment, Software, IT Services, and Business Services, 2018.

<sup>4</sup> Mastercard; North American Business Payments.

# What Sets Us Apart

Purpose-Built for SMBs

Large Data Asset

Efficient  
Go-to-Market

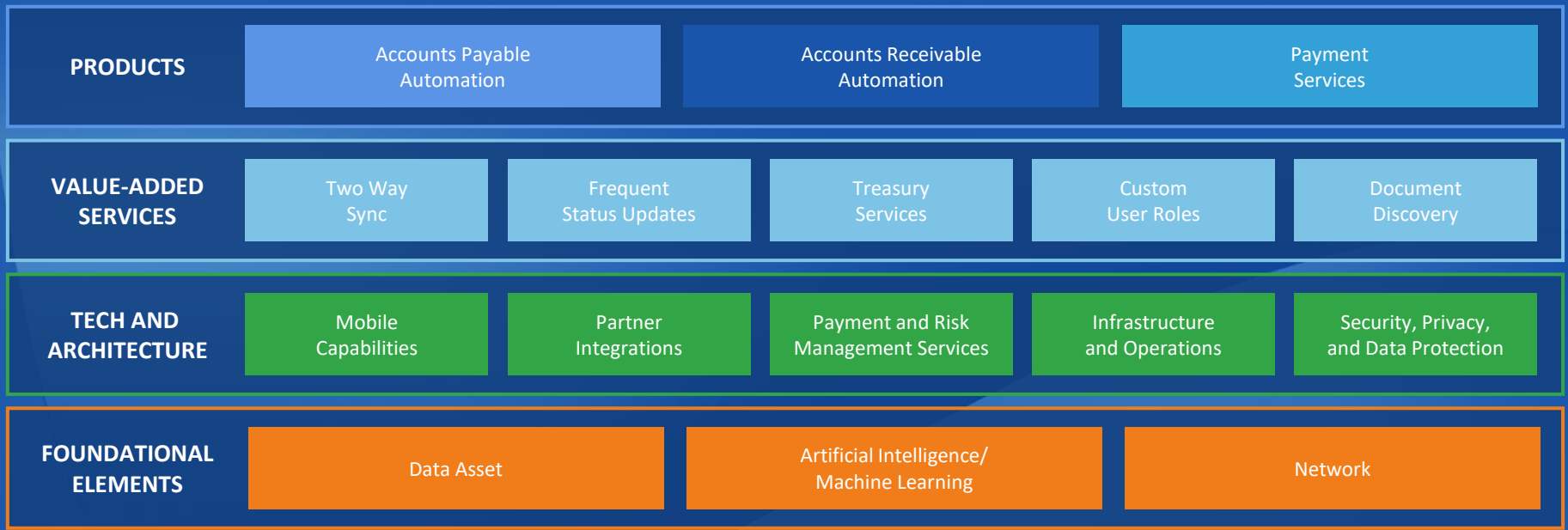


Risk Management

Expanding Network Effects

Experienced Leadership &  
Vibrant Culture

# Purpose-Built Platform for SMBs



**Robust**  
Tech Stack



**Optimized**  
for Self Service



**Scalable**  
Architecture

# Efficient Go-to-Market

## DIRECT TO SMB

1.8M network members<sup>1</sup>

Brand awareness

Advanced digital marketing capabilities

Inside sales

## ACCOUNTING SOFTWARE PROVIDERS

ORACLE  
NETSUITE

intuit  
quickbooks.

sage  
Intacct



ACUITY



MOSSADAMS



CliftonLarsonAllen



bakertilly

Including 70 of the top 100<sup>2</sup>

## ACCOUNTING FIRMS

JPMORGAN CHASE & Co.



BANK OF AMERICA

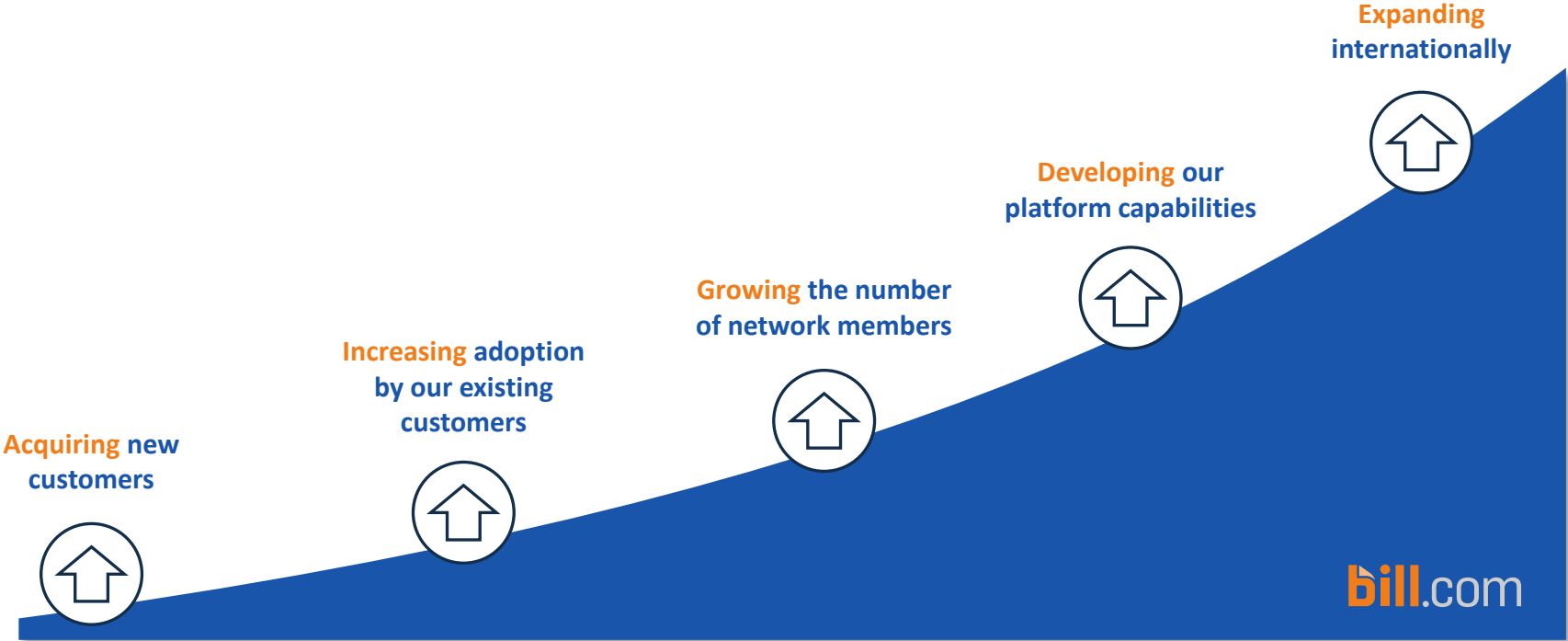
Including 5 of the top 10<sup>2</sup>

## FINANCIAL INSTITUTION PARTNERS

<sup>1</sup> As of June 30, 2019.

<sup>2</sup> As of March 31, 2019.

# Multiple Growth Drivers



# Financial Overview

# Our Financial Profile

**\$147M**

Trailing 12mos Revenue<sup>1</sup>

**Scale**

**63%**

Core revenue growth<sup>2,3</sup>

**High Growth**

**78.8%**

Non-GAAP gross margin<sup>2,4</sup>

**Attractive Margin Profile**

**80%**

of Core Revenue<sup>5,6</sup>

**From Existing Customers**

**110%**

Dollar-based net retention rate<sup>7</sup>

**Powerful Land and Expand**

**5 Quarters**

Payback period<sup>8</sup>

**Efficient Business Model**

<sup>1</sup> Total revenue for the 12 months ended March 31, 2020.

<sup>2</sup> For the Fiscal Quarter ended March 31, 2020.

<sup>3</sup> Core revenue defined as revenue derived from subscriptions and transactions.

<sup>4</sup> Non-GAAP gross margin is a non-GAAP metric. See Appendix for reconciliation to GAAP.

<sup>5</sup> Statistics for the Fiscal Year ended June 30, 2019.

<sup>6</sup> Core revenue from customers who were acquired prior to the start of the fiscal year.

<sup>7</sup> Data for LTM ended June 30, 2019. Calculated by dividing total current period revenue by total prior period revenue.

<sup>8</sup> Data for customers acquired during FY2018. Defined as the number of quarters it takes for the cumulative non-GAAP gross profit earned from customers acquired during a given quarter to exceed total sales and marketing spend in that same quarter.

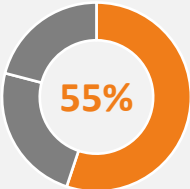


# Our Business Model

## CORE

### SUBSCRIPTION REVENUE

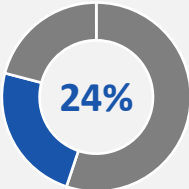
Per user pricing for use of our platform  
Fixed monthly or annual rate  
Price plans depend on feature and functionality



% of FY 19 Revenue

### TRANSACTION REVENUE

Usage-based fees collected for each transaction processed through our platform  
Charged on either fixed or variable basis

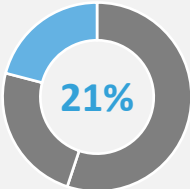


% of FY 19 Revenue

## FLOAT

### FLOAT REVENUE

Interest we earn from customer funds while payment transactions are clearing  
Derived from payment volume, transit times and interest rates

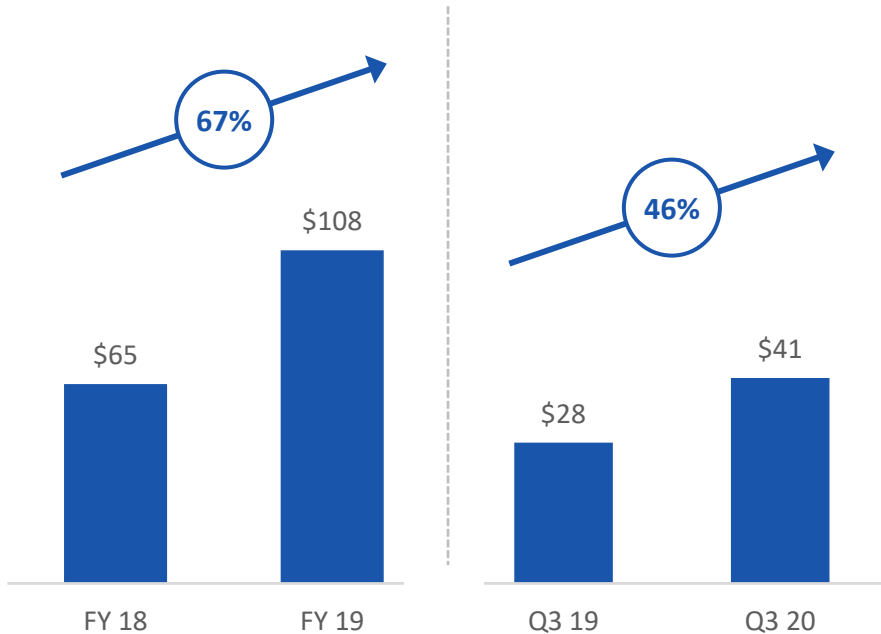


% of FY 19 Revenue

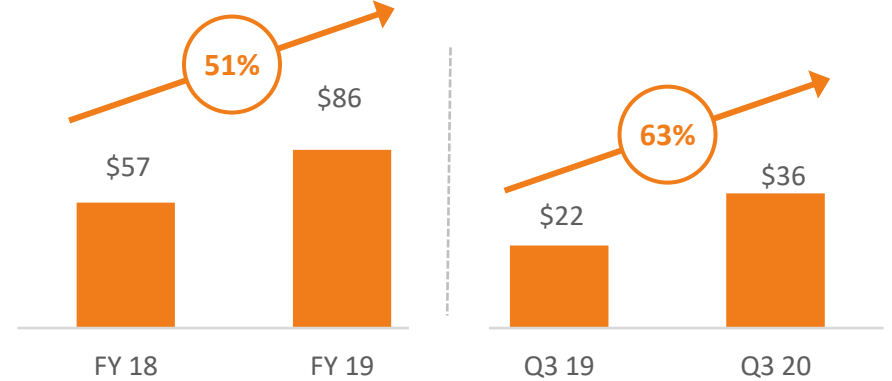
# Strong Revenue Growth

## Total Revenue

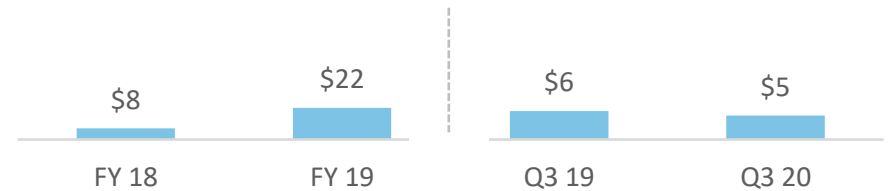
(\$ Millions)



## Core Revenue<sup>1</sup>



## Float Revenue<sup>2</sup>

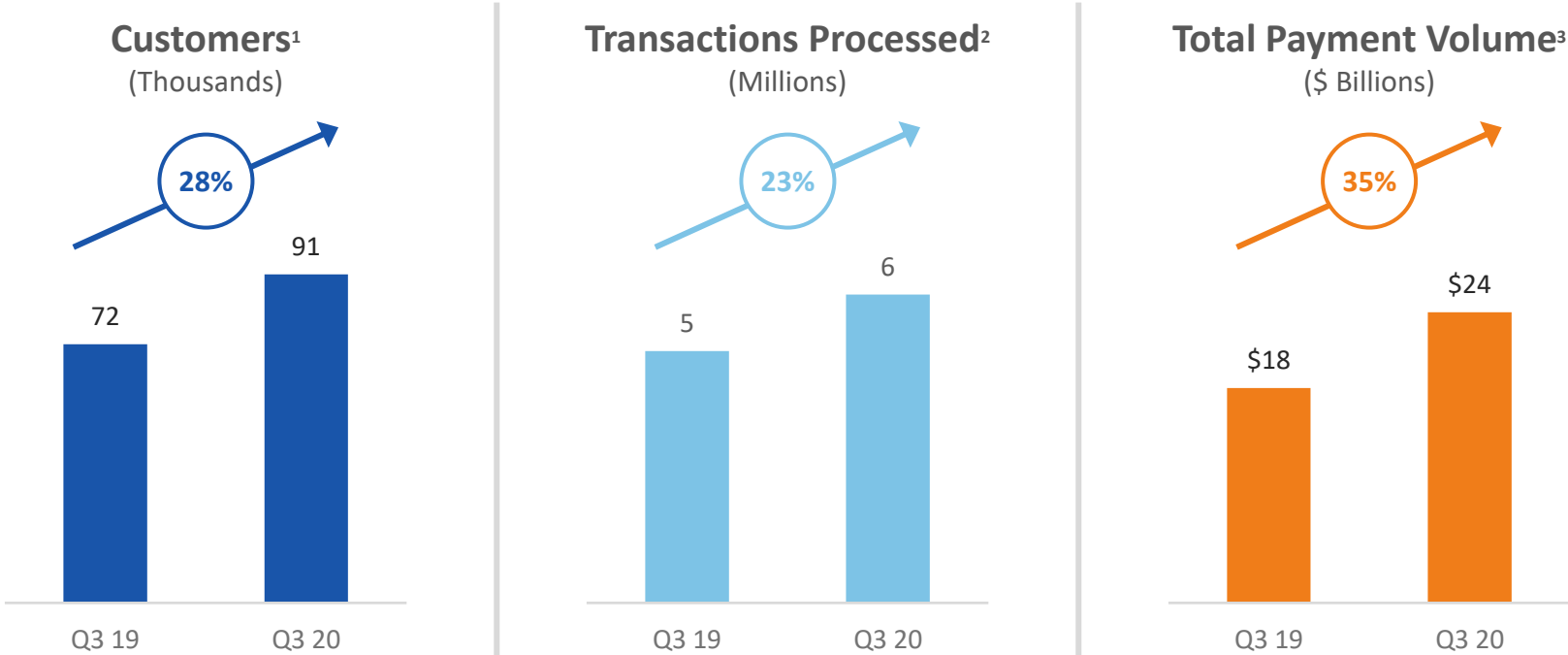


Note: FY ends June 30.

<sup>1</sup> Core revenue defined as revenue derived from subscriptions and transactions.

<sup>2</sup> Float revenue appears as "Interest on funds held for customers" on our consolidated statement of operations.

# Growing Customer Adoption and Usage



Note: FY ends in June 30.

<sup>1</sup> Defined as entities that are either billed directly by us or for which we bill our strategic partners during a particular period.

<sup>2</sup> Defined as the number of payment transactions, including checks, ACH items, wire transfers, and virtual cards initiated and processed through our platform.

<sup>3</sup> Defined as the value of customer transactions that we process on our platform in a period.

# Appendix

# GAAP to Non-GAAP Reconciliation

## Gross Profit

<i>Amounts in Millions</i>	Nine Months				
	FY'18	FY'19	Q3'19	Q3'20	Q3'20
GAAP Gross Profit	\$45.5	\$78.4	\$20.3	\$31.1	\$86.5
(+) Stock-based compensation	0.1	0.3	0.1	0.4	0.8
(+) D&A expense and amortization of deferred costs	1.8	3.4	1.1	1.0	2.9
<b>Non-GAAP Gross Profit</b>	<b>\$47.4</b>	<b>\$82.2</b>	<b>\$21.5</b>	<b>\$32.5</b>	<b>\$90.2</b>
GAAP Gross Margin	70.1%	72.4%	72.0%	75.5%	74.9%
(+) Stock-based compensation	0.1%	0.3%	0.3%	1.0%	0.7%
(+) D&A expense and amortization of deferred costs	2.9%	3.1%	3.7%	2.3%	2.5%
<b>Non-GAAP Gross Margin</b>	<b>73.1%</b>	<b>75.8%</b>	<b>76.0%</b>	<b>78.8%</b>	<b>78.1%</b>

# GAAP to Non-GAAP Reconciliation

## Operating Profit

<i>Amounts in Millions</i>	FY'18	FY'19	Q2'19	Q2'20	Q3'19	Q3'20
GAAP Sales and Marketing Expenses	\$19.3	\$30.1	\$6.9	\$11.5	\$7.4	\$11.8
(+) Stock-based compensation	(0.5)	(0.9)	(0.2)	(0.5)	(0.3)	(0.8)
(+) Capitalization of costs, net of depreciation and amortization	1.2	1.4	0.5	0.7	0.3	0.5
<b>Non-GAAP Sales and Marketing Expense</b>	<b>\$20.0</b>	<b>\$30.6</b>	<b>\$7.2</b>	<b>\$11.7</b>	<b>\$7.4</b>	<b>\$11.5</b>
GAAP Research & Development Expense	\$18.0	\$28.9	\$6.2	\$13.0	\$7.9	\$14.0
(+) Stock-based compensation	(0.4)	(1.1)	(0.2)	(1.1)	(0.4)	(1.5)
(+) Capitalization of costs, net of depreciation and amortization	2.6	2.1	0.5	0.1	0.6	0.3
<b>Non-GAAP Research and Development Expense</b>	<b>\$20.2</b>	<b>\$29.9</b>	<b>\$6.5</b>	<b>\$12.0</b>	<b>\$8.1</b>	<b>\$12.8</b>
GAAP General & Administrative Expense	\$16.0	\$29.2	\$6.4	\$12.7	\$7.9	\$15.0
(+) Stock-based compensation	(0.5)	(1.7)	(0.3)	(1.3)	(0.6)	(2.4)
(+) Depreciation and amortization and other	(0.3)	(0.6)	(0.1)	(0.1)	(0.2)	(0.1)
<b>Non-GAAP General and Administrative Expense</b>	<b>\$15.2</b>	<b>\$26.9</b>	<b>\$6.0</b>	<b>\$11.3</b>	<b>\$7.1</b>	<b>\$12.5</b>