



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

# Forward Looking Statements

This presentation includes forward-looking statements, which are statements other than statements of historical facts, and statements in the future tense. Forward-looking statements are based on our expectations as of the date of this presentation and are subject to a number of risks, uncertainties and assumptions, many of which involve factors or circumstances that are beyond our control. These statements include, but are not limited to, statements regarding our expectations for future performance and results in the first quarter of fiscal 2021, the growth of demand on our platform and the expansion of our customers' utilization of our services. These risks and uncertainties include, but are not limited to, the novel coronavirus pandemic (COVID-19) and its impact on our employees, customers, strategic partners, vendors, results of operations, liquidity and financial condition, our history of operating losses, our recent rapid growth, the large sums of customer funds that we transfer daily, the risk of loss, errors and fraudulent activity, the market, interest rate, foreign exchange and other conditions that the customer funds we hold in trust are subject to, our ability to attract new customers and convert trial customers into paying customers, our ability to develop new products and services, increased competition or new entrants in the marketplace, potential impact of acquisitions and investments, changes in staffing levels, and other risks detailed in registration statements and periodic reports we file with the SEC, including our quarterly report on Form 10-Q for the quarter ended September 30, 2020 to be filed with the SEC, and our annual report on Form 10-K for the fiscal year ended June 30, 2020 filed with the SEC on August 31, 2020, and which may be obtained on the Investor Relations section of Bill.com's website (<https://investor.bill.com/financials/secfilings/default.aspx>) and on the SEC website at [www.sec.gov](http://www.sec.gov). 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. We assume no obligation to update the information contained in this presentation.



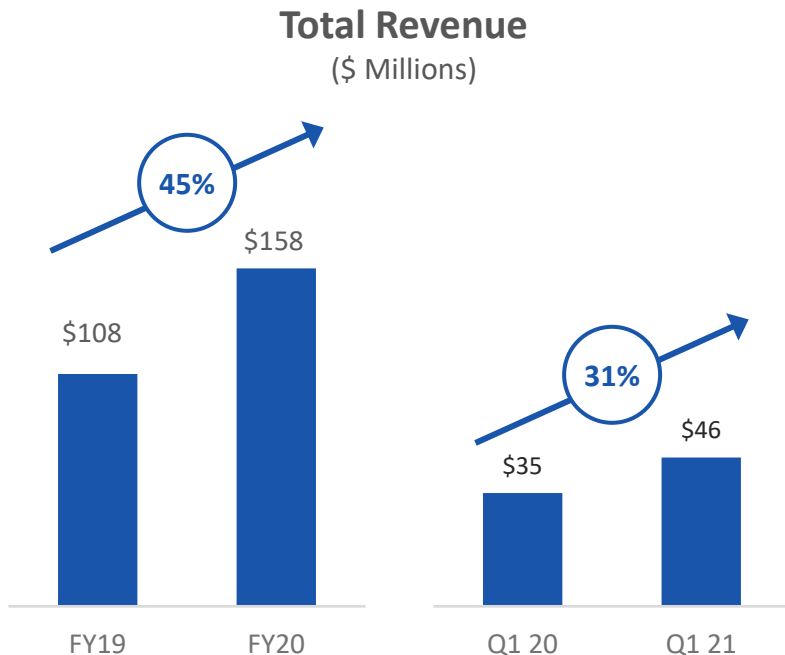
## Who We Are

Champions of small and mid-sized businesses

## Our Mission

Make it simple to connect and do business

# Bill.com at a Glance



Note: FY ends June 30.

**> 103K**

Customers<sup>1</sup>

**2.5M**

Network members<sup>2</sup>

(Suppliers & Clients)

**121%**

Net dollar  
retention rate<sup>2</sup>

**77%**

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

<sup>1</sup> As of September 30, 2020.

<sup>2</sup> As of June 30, 2020.

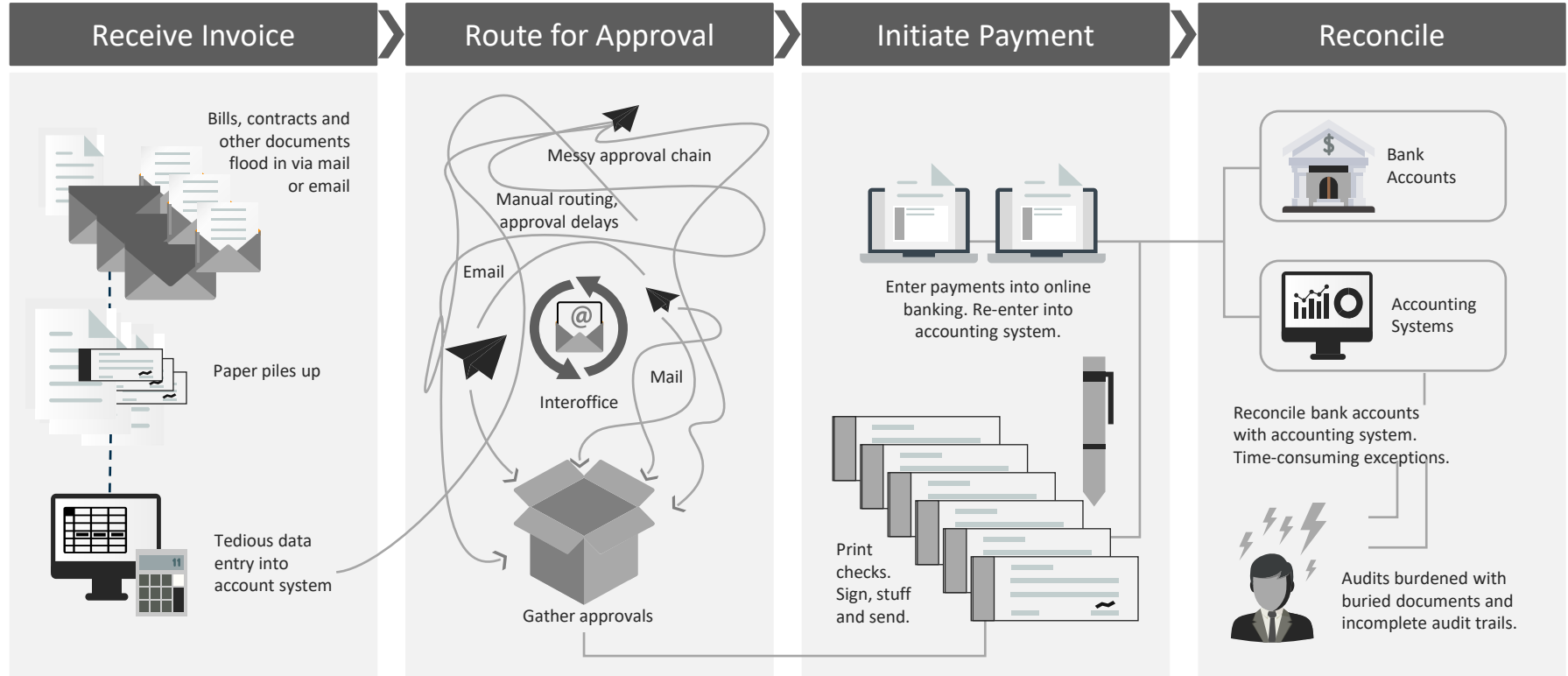
# The Financial Back Office ...



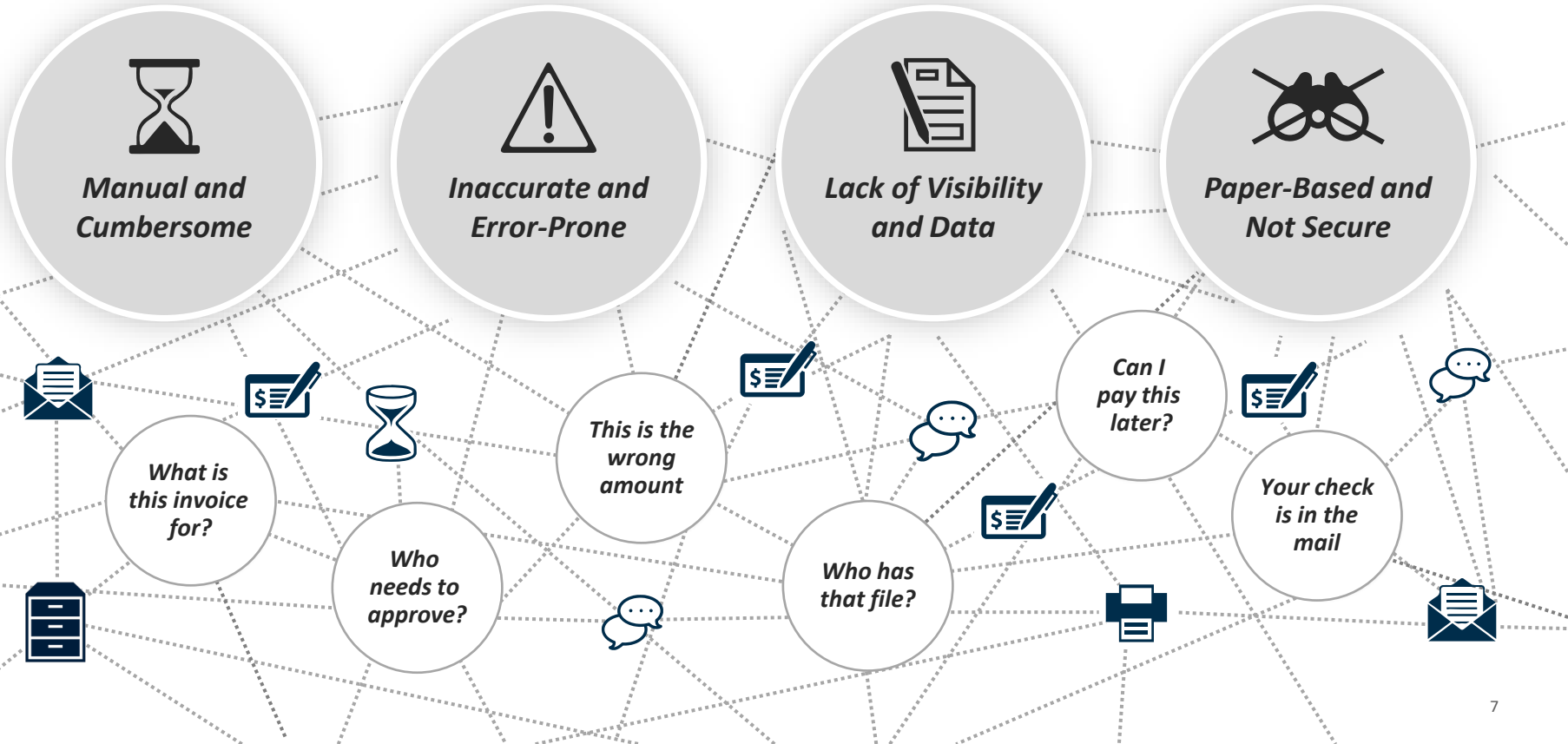
... Is Not a Pretty Picture



# Complex and Inefficient Legacy Workflows...



## ...Lead to Frustration and Uncertainty



# Our End-to-End Solution for Financial Operations

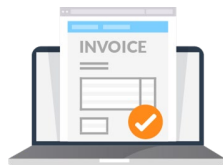
## RECEIVE



Receive bills directly  
via online inbox



## APPROVE



View and approve bills  
online from any device



## PAY



Enable e-payments  
and simply click "PAY"



## RECONCILE

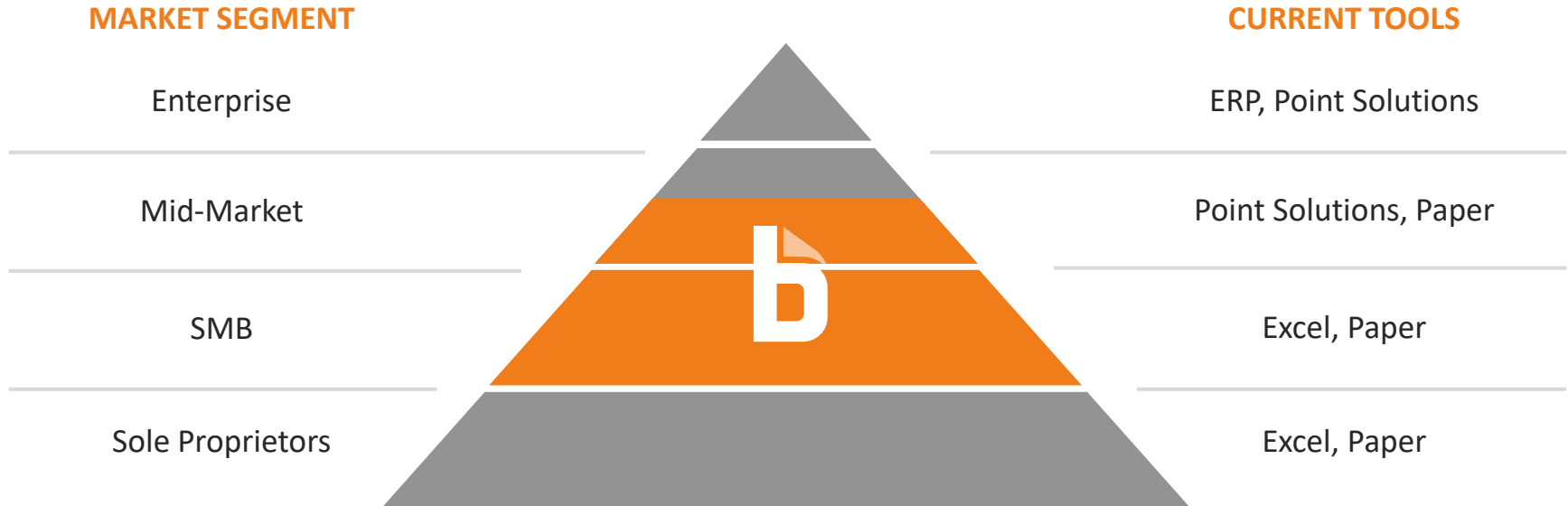


Automatic sync with  
accounting system

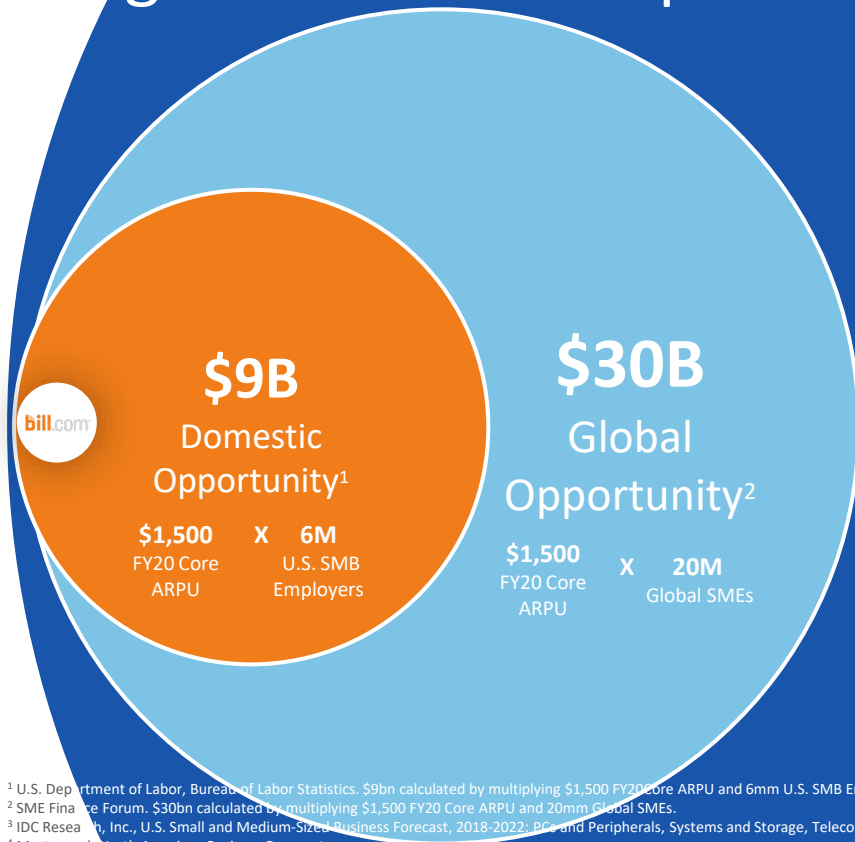
**Automated. Accurate. Transparent. Secure.**



# 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 FY20 Core ARPU and 6mm U.S. SMB Employers.

<sup>2</sup> SME Finance Forum. \$30bn calculated by multiplying \$1,500 FY20 Core 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

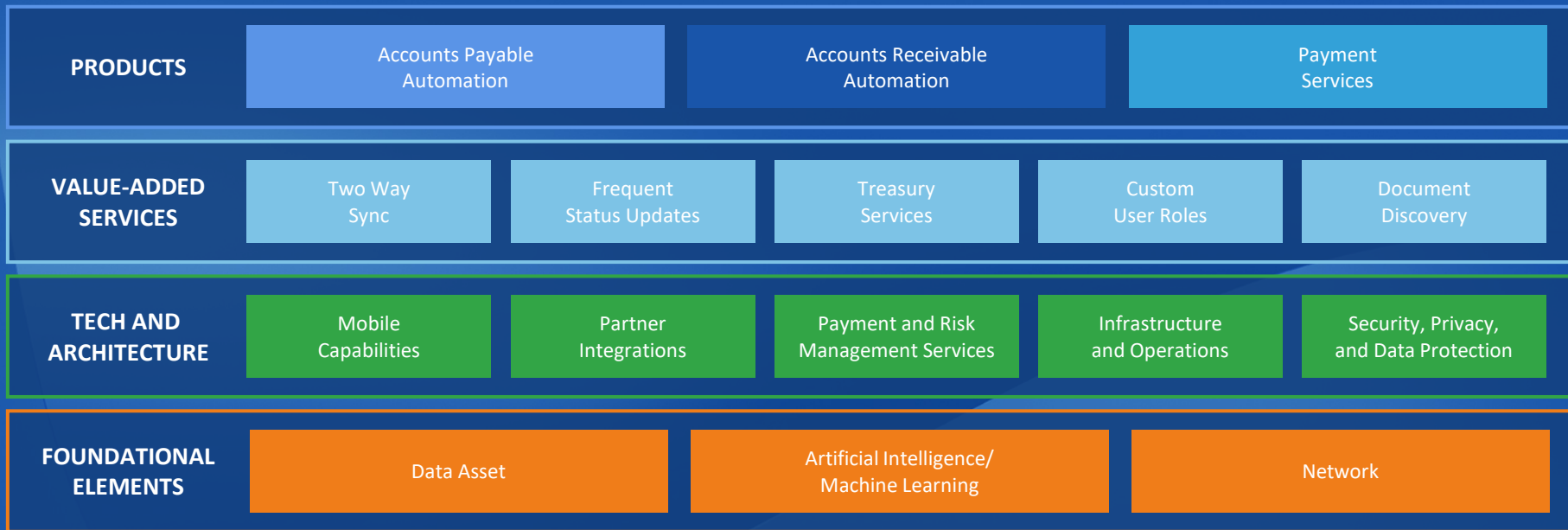
bill.com™

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

2.5M  
network members<sup>1</sup>

Brand  
awareness

Advanced digital  
marketing capabilities

Inside sales

## ACCOUNTING SOFTWARE PROVIDERS

ORACLE<sup>®</sup>  
NETSUITE

qb intuit  
quickbooks.

sage  
Intacct



bill.com™

ACUITY



MOSSADAMS



CliftonLarsonAllen



bakertilly

Including 80 of the top 100<sup>1</sup>

## ACCOUNTING FIRMS

JPMORGAN CHASE & CO.

KeyBank



BANK OF AMERICA

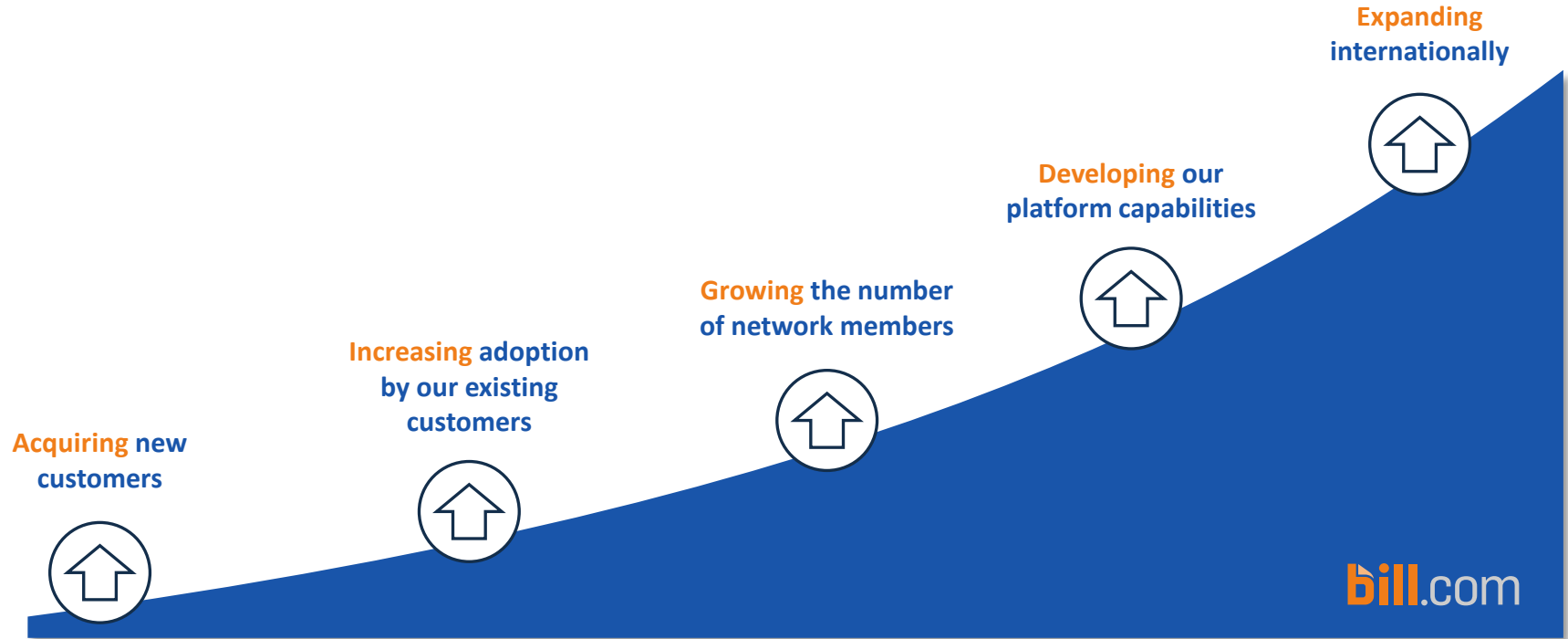
Including 6 of the top 10<sup>2</sup>

## FINANCIAL INSTITUTION PARTNERS

<sup>1</sup> As of June 30, 2020.

<sup>2</sup> As of September 30, 2020.

# Multiple Growth Drivers





# Financial Overview

# Our Financial Profile

**\$169M**

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

**Scale**

**53%**

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

**High Growth**

**77.0%**

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

**Attractive Margin Profile**

**86%**

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

**From Existing Customers**

**121%**

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 September 30, 2020.

<sup>2</sup> For the Fiscal Quarter ended September 30, 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, 2020.

<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, 2020. Calculated by dividing total current period revenue by total prior period revenue.

<sup>8</sup> Data for customers acquired during FY2019. 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

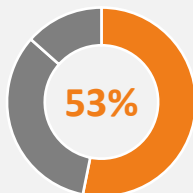
## CORE

### SUBSCRIPTION REVENUE

Per user pricing for use  
of our platform

Fixed monthly or annual rate

Price plans depend on feature  
and functionality

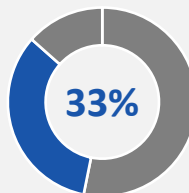


% of FY 20 Revenue

### TRANSACTION REVENUE

Usage-based fees collected  
for each transaction processed  
through our platform

Charged on either fixed or  
variable basis



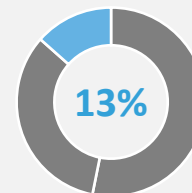
% of FY 20 Revenue

## FLOAT

### FLOAT REVENUE

Interest we earn from  
customer funds while payment  
transactions are clearing

Derived from payment volume, transit  
times and interest rates

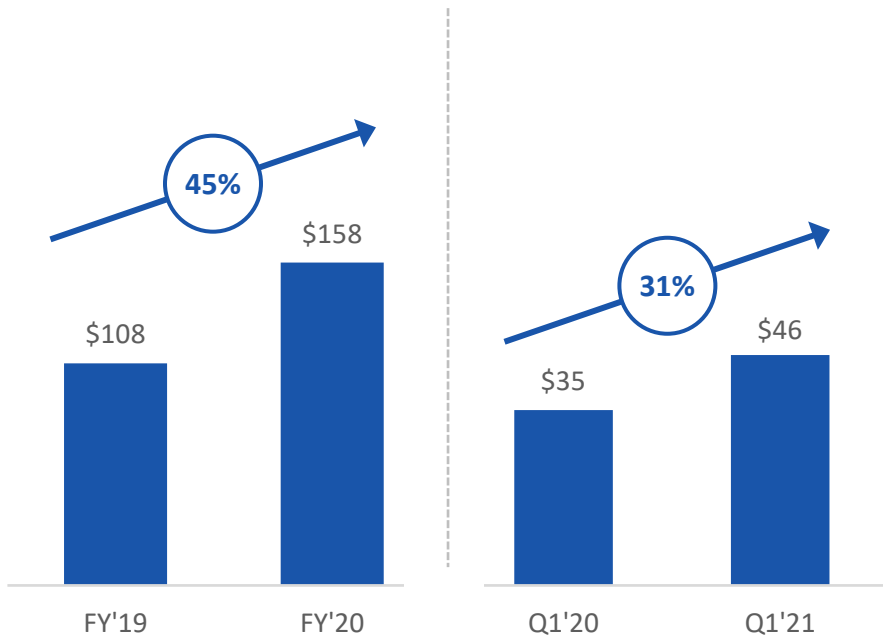


% of FY 20 Revenue

# Strong Revenue Growth

## Total Revenue

(\$ Millions)

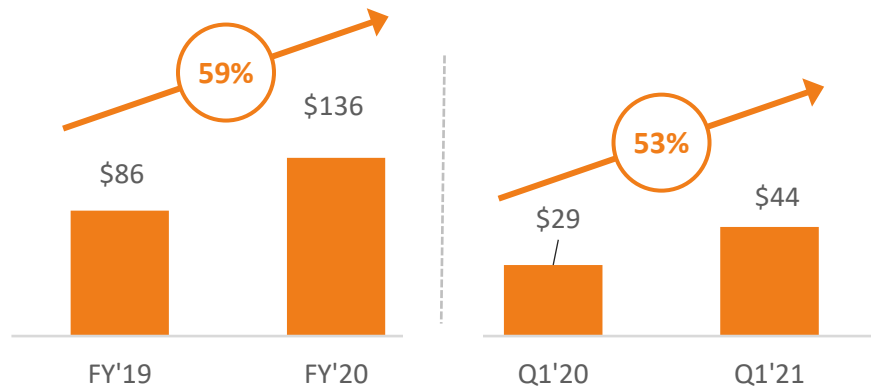


Note: FY ends June 30.

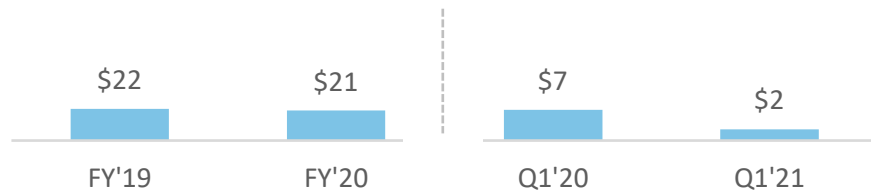
<sup>1</sup> Core revenue defined as revenue derived from subscriptions and transactions.

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

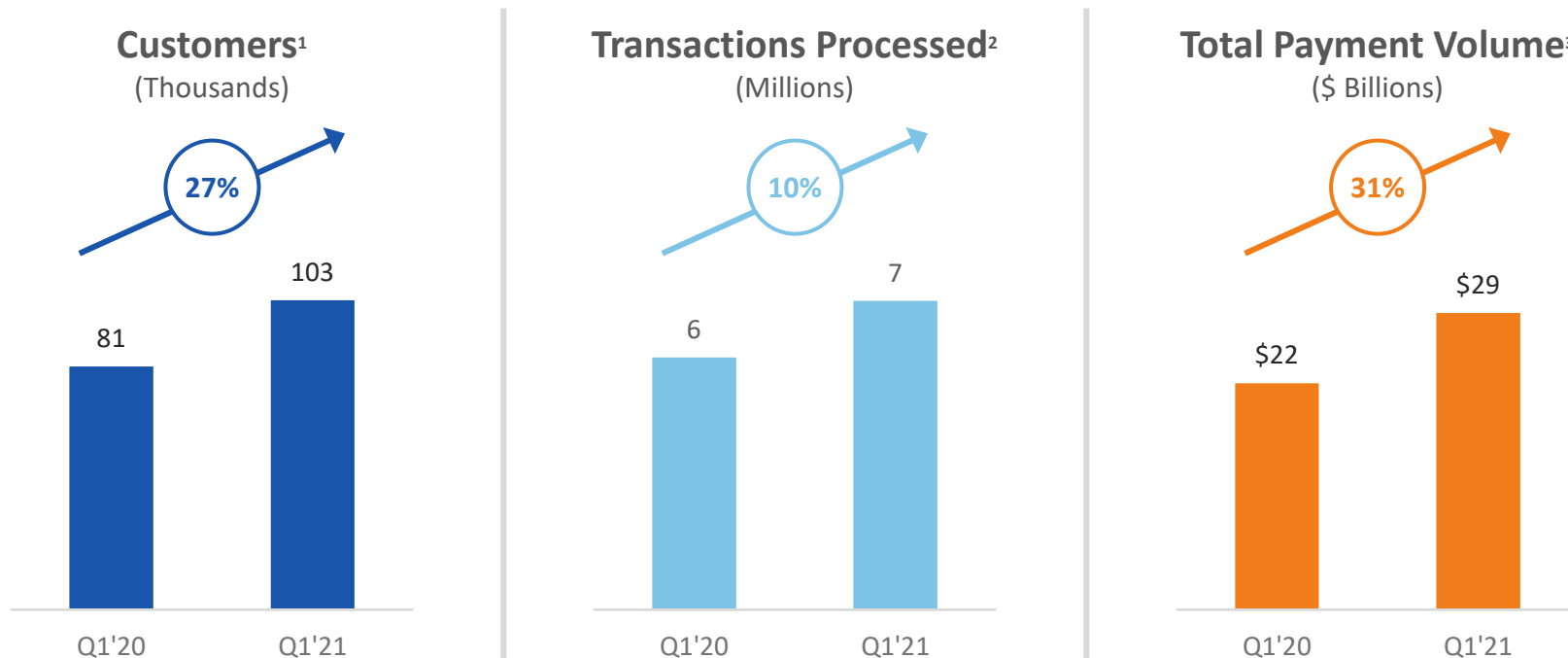
## Core Revenue<sup>1</sup>



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



# Growing Customer Adoption and Usage



Note: FY ends 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>	FY'19	FY'20	Q1'20	Q1'21
GAAP Gross Profit	\$78.4	\$118.5	\$26.0	\$34.1
(+) Stock-based compensation	0.3	1.3	0.1	0.6
(+) Other cost and operating expenses <sup>(1)</sup>	3.4	3.5	1.0	0.9
<b>Non-GAAP Gross Profit</b>	<b>\$82.2</b>	<b>\$123.2</b>	<b>\$27.2</b>	<b>\$35.6</b>
GAAP Gross Margin	72.4%	75.2%	74.0%	73.8%
(+) Stock-based compensation	0.3%	0.8%	0.4%	1.3%
(+) Other cost and operating expenses <sup>(1)</sup>	3.1%	2.2%	2.8%	1.9%
<b>Non-GAAP Gross Margin</b>	<b>75.8%</b>	<b>78.2%</b>	<b>77.2%</b>	<b>77.0%</b>

(1) Other Cost and operating expenses consist of depreciation and amortization expense, payroll taxes related to stock-based compensation and loss on revaluation of redeemable convertible preferred stock warrant liabilities offset by capitalization of contract and service costs (net of amortization).

# GAAP to Non-GAAP Reconciliation

## Operating Profit

<i>Amounts in Millions</i>	FY'19	FY'20	Q1'20	Q1'21
GAAP Sales and Marketing Expenses	\$30.1	\$45.4	\$10.3	\$12.9
(+) Stock-based compensation	(0.9)	(2.8)	(0.4)	(1.5)
(+) Other cost and operating expenses <sup>(1)</sup>	1.4	3.0	0.5	0.5
<b>Non-GAAP Sales and Marketing Expense</b>	<b>\$30.6</b>	<b>\$45.5</b>	<b>\$10.3</b>	<b>\$11.9</b>
GAAP Research & Development Expense	\$28.9	\$53.4	\$11.5	\$17.8
(+) Stock-based compensation	(1.1)	(5.5)	(0.7)	(3.1)
(+) Other cost and operating expenses <sup>(1)</sup>	2.1	0.5	0.1	0.8
<b>Non-GAAP Research and Development Expense</b>	<b>\$29.9</b>	<b>\$48.4</b>	<b>\$10.9</b>	<b>\$15.5</b>
GAAP General & Administrative Expense	\$29.2	\$53.9	\$10.5	\$17.2
(+) Stock-based compensation	(1.7)	(8.5)	(1.1)	(4.7)
(+) Other cost and operating expenses <sup>(1)</sup>	(0.6)	(1.1)	(0.1)	(0.6)
<b>Non-GAAP General and Administrative Expense</b>	<b>\$26.9</b>	<b>\$44.2</b>	<b>\$9.4</b>	<b>\$11.9</b>

(1) Other Cost and operating expenses consist of depreciation and amortization expense, payroll taxes related to stock-based compensation and loss on revaluation of redeemable convertible preferred stock warrant liabilities offset by capitalization of contract and service costs (net of amortization).