



b.id

FY21 Q3 Update & 4C Presentation

22 April 2021

About Bill Identity

Bill Identity Limited (Bill Identity, Company or Bid) is an Australian-based technology company with offices in Australia, NZ the USA and UK. Bill Identity’s cloud-based platform simplifies the complex utility bill management process by using automation, enabling organisations to have complete control over their utility spend. Unlike manual consulting and business services, the platform automates the management of every component of the process for multi-site companies. By automatically capturing and validating invoices and meter data, Bill Identity clients can streamline their accounting and payments processes, go to market at short notice to optimise their supply contracts and reduce billing charges using sophisticated analytics and reporting.

Bill Identity’s innovative Robotic Process Automation (“RPA”) platform gives small to large enterprises greater control over the full utility spend lifecycle, particularly where there is a national multi-site configuration. Further, under these agreements, Bill Identity’s RPA platform is utilised to automatically capture and validate invoices, automating the payable function, discovering cost reduction opportunities and providing real-time Energy and utility bill information and accurate financial capabilities at the touch of a button, as and when they need it.

Disclaimer

This announcement may contain forward-looking statements which may be identified by words such as 'believes', 'estimates', 'expects', 'intends', 'may', 'will', 'would', 'could', or 'should' and other similar words that involve risks and uncertainties. From time to time, the Company may also use industry-specific terminology such as “Annualised Subscription revenue” which refers to the annualised value of active client contracts under management by Bill Identity at a particular point in time and should not be interpreted as a financial forecast. Such statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Announcement, are expected to take place.. Such forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Announcement, except where required by law. The Company cannot and does not give assurances that any results, performance or achievements expressed or implied in any forward-looking statements contained in this Announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Annexure A: Glossary of Terms

1. Expected Group Revenue – refers to the sum of total of Annualised Subscription Revenue (ASR) and Annualised Rebate Revenue (AR). Expected Group Revenue is predictive in nature, may be affected by inaccurate assumptions or by known or unknown risks and uncertainties, and may differ materially from revenue actually achieved.
2. Annualised Subscription Revenue (ASR) – refers to the annualised revenues from Bill Identity platform client accounts, and is comprised of both billable revenue and expected long-tail revenue:
 - billable revenue is attributable to active client accounts, which is the annualised monthly fee billed on active accounts; and
 - expected long-tail revenue is attributable to:
 - contracted client accounts that are yet to complete the onboarding process for their portfolio of sites; and
 - annualised monthly revenue from meters expected to be onboarded over the next 12 months.
4. Annualised Rebate Revenue or AR – refers to Bill Identity USA rebate capture revenues, which are project based and are annualised on a rolling basis based on the last 12 months of project activity to allow for seasonality inherent in the rebate business.
5. Meters – Number of energy, gas, and water meters for our subscribers. Meters corresponding to ASR include those meters onboarded and being serviced, those being onboarded from contracts, and those expected to be onboarded in the next twelve months from contracted clients.
6. Net Upsell Calculated as the net revenue improvement for combined contract renewals for the preceding twelve months to date.
7. Churn – Clients loss represented as the net revenue loss of any existing subscriber for the preceding twelve months to date.
8. LTM – Last twelve months
9. PCP – Prior corresponding period

Bid is a fast growing global tech player in the utility bill management marketplace.

We utilise cloud based **Robotic Process Automation (RPA)** technology to allow our unique platform to revolutionise existing, dated bill management processes within large multi-site companies.



FY21 Q3



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FY21 Q3 Operational update

- 11 new client contracts added to the Bid UBM platform across UK & ANZ
- Optima UK signs 2 new clients increasing ASR contribution in first Qtr since acquisition
- 5 (AU) and 10 (Optima UK) existing client renewals with a further 12 (AU) and 15 (Optima UK) clients upsold to new services
- Simply Energy (NZ) Pilot successful, signing a 3 year agreement for Bid's Utility Bill Portal
- A new Energy procurement broker signs up for Bid's Utility Bill Portal in Australia
- Lowe's USA, a Fortune 50 company, extends Rebate Agreement with Bid
- Solid Gross ASR performance in Australia & NZ with all new clients adding \$560K ASR together with significant upsell growth from existing clients delivering a further \$230K in ASR
- \$0.9M new ASR - Total ASR now at \$14.5M
- Annualised Rebate Rev \$4.8M, down \$0.4M, primarily due to seasonality and >\$1M in receivables
- Expected Group Revenue now at \$19.3M
- Q3 Group Revenue of \$4.1M
- Churn at 2.1%, with annualised upsell contribution at 6.3%
- Cash of \$19.04M at Mar 21
- Automation acceleration program announcement: Significantly greater platform automation within 90 days, a move to a lower cost structure and acceleration of our US growth agenda.

Expected Group Revenue



\$19.3M Expected
Group Revenue
(\$7.9M growth PCP)

CAGR LTM
68% Total
38% Organic

\$14.5M Annualised
Subscription Revenue
(\$7.3M growth PCP)

CAGR LTM
101% Total
53% Organic

Bid Performance Overview: Q3 FY21 vs Q2 FY21

Expected Group
Revenue
(EGR)

\$19.3M

QoQ: \$0.5M / 3%
YoY: \$7.9m / 69%

Annualised
Subscription
Revenue (ASR)

\$14.5M

QoQ: \$0.9M / 7%
YoY: \$7.3M / 101%

Annualised
Rebate Revenue
(AR)

\$4.8M

QoQ: (\$0.4M) / (8%)
YoY: \$0.6M / 14%

Annualised
Upsell

6.3%

up 2.1%

Meters

379,670

QoQ: 21,450 / 6%
YoY: 236,800 / 166%

Clients

217

QoQ: 9 / 4%
YoY: 100 / 86%

Share of ASR
@ Mar 21

AUS	52%
UK	40%
USA	8%

Annualised
Churn

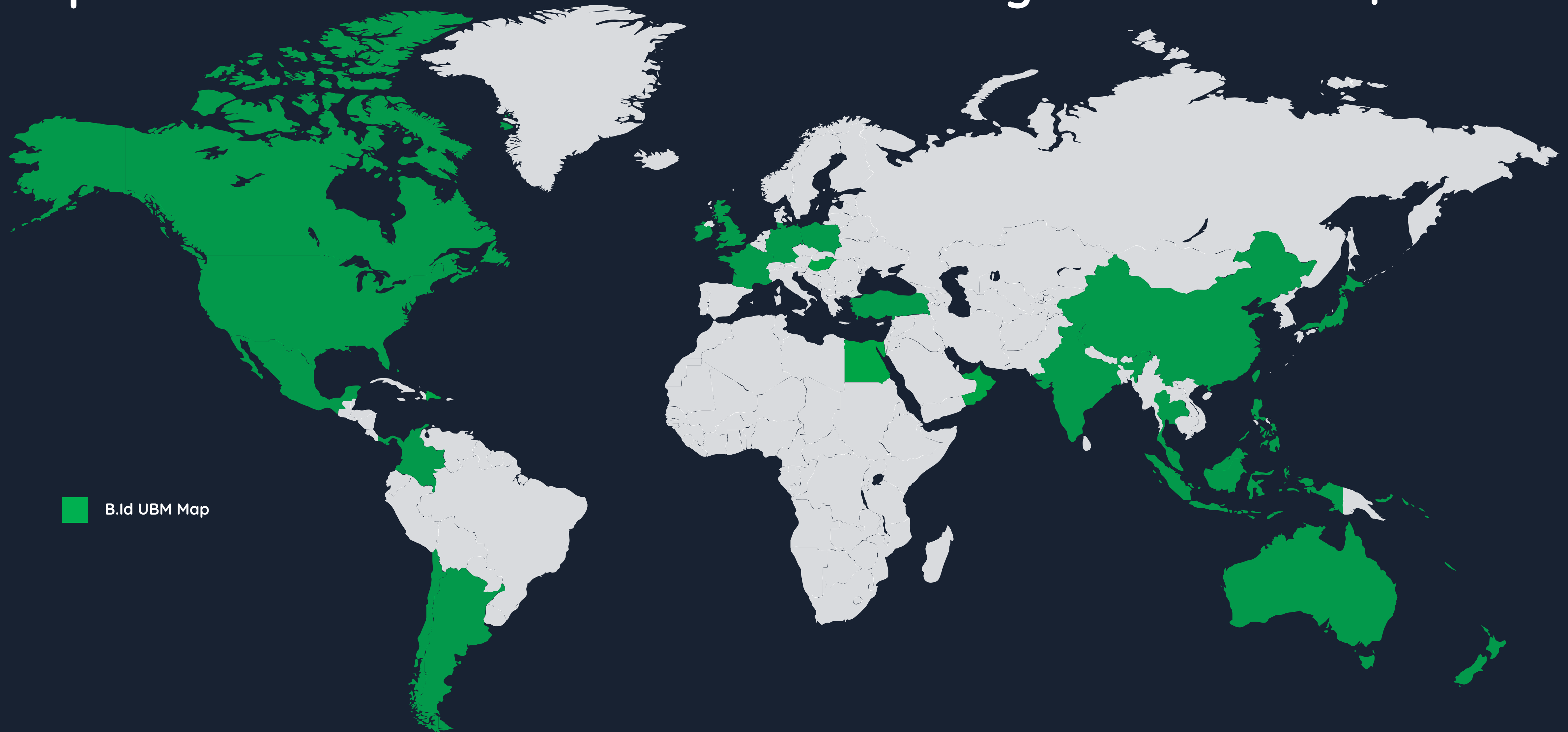
2.1%

up 0.2%

Bid key client updates

- Bid has entered into a Master Services Agreement (MSA) with Simply Energy in New Zealand (Simply), to provide Bid's Utility Bill Portal solution. Simply Chief Business Officer Andy Sibley said, "We have looked globally for the right solution for our customers. Bid impressed from the outset with the quality of its advanced energy management solution, and awareness of our customer needs. We are delighted to have embarked on this journey with Bid."
- "On the heels of a highly successful engagement, Lowe's (NYSE: LOW) has extended their relationship with Bill Identity to help reduce environmental impact and energy costs. The cooperation will include identifying and securing incentives made available by many Utilities across the United States. Since the beginning of 2019, with the support of Bill Identity, Lowe's has completed more than 1,000 projects across the United States." - Lowe's, April 2020.
- Since the acquisition of Optima in Dec 2020, the combined Bid & Optima team have negotiated several client wins for the platform, including 15 client upsells, a further 10 renewals and two new full bureau service contract wins for major Utilities Southern Water and Yorkshire Water.

Now managing bills in over 40 countries, with an annualised utility spend across our customer base increasing to more than \$5.8 billion



 B.Id UBM Map

US Market update

- The US market has been subject to significant Covid related headwinds over the last 12 months however we are pleased to report evidence of “green shoots” late in the March Qtr which is continuing into the June Qtr across both the UBM platform and Rebates business.
- During the March Qtr the Rebates business received new filings at an 8% increase over PcP, however existing rebate program payments have been delayed due to the requirement of on-site audits which have not been allowed across the US (refer slide 16 for cash flow impact). Our current customer base continue to utilise our services and we are pleased with the expansion of the Lowe’s Rebate Agreement.
- Bid USA has continued to build out its UBM team, adding skills in customer service, retailer relationship management, onboarding, data analytics, sales, partner channels, and field marketing.
- Focus has been on existing clients including onboarding two significant customers and responding to an encouraging increase in RFI’s & RFP’s.
- The implementation of the Automation Anywhere licensing deal is likely to increase the addressable customer market and we look forward to reporting accelerated growth from the US during CY21.

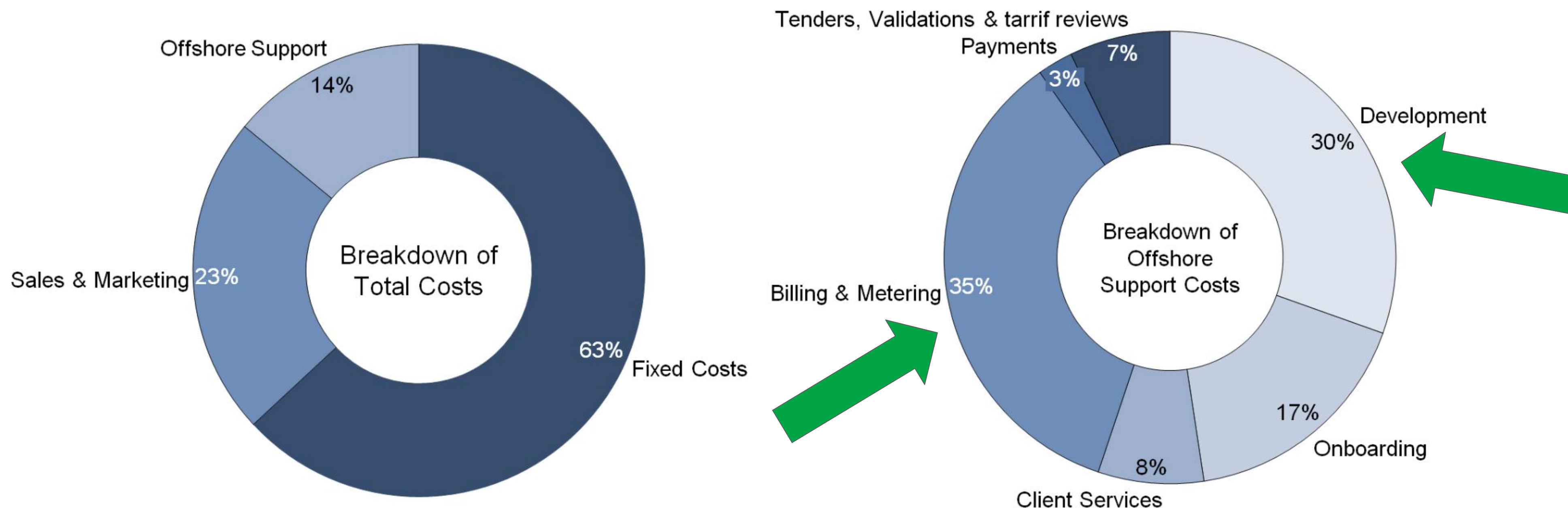


Automation acceleration announcement

Bid signs licensing agreement with Automation Anywhere, enhancing our in house capabilities, removing a key impediment to US growth, and driving an accelerated rollout.

- Bid has signed an initial 3 year licensing agreement with Automation Anywhere (AA), one of the worlds largest robotic toolkit providers, to access their recently released parser creation toolkit. Bid builds parsers in-house, to digitise bill data for our cloud based Utility bill platform.
- This tool will allow Bid to significantly accelerate the creation of parsers for both ePDF and scanned bill images, aiding Bid's in-house parser building capabilities, and ensuring it stays at the leading edge of data digitisation technology.
- Whilst the process of building robotic parsers for ePDF's has been virtually completed in the UK & Aust (c90% automated), the US has over 3800 electricity and gas retailers alone and is on average c45% automated. As the AA tool allows Bid to develop hundreds of parsers a week, its use will quickly remove the data input bottleneck and bring forward Bid's ability to target and service larger US clients.
- With an internal program of work to build 2000 US parsers, Bid will now be able to fast track that work, with a target of c90% automation across the US within 90 days from implementation, matching our other automated regions.
- Bid's US based Sales, Marketing and Lead Generation teams are now in place, and will benefit in market from the automation USP
- Further, 35% of Bid's offshore costs are related to bill & metering data collection, which will reduce as a result of this announcement (see overleaf). Automation advancements can also assist in other support areas which will be investigated post this implementation. Based on Bid's expected bill parsing volumes, Bid expects to reduce its bill parsing costs by 66% in Yr 1 (FY22), increasing to 85% by Yr 4 (FY25).

Bid Cost Analysis prior to automation fastrack



Cost Base Analysis (Dec 20 - Mar 21)

- Charts represent breakdown of our cost base for the four months since the Optima acquisition;
- Fixed costs are covered by current revenue generation;
- Bid is investing in its sales & marketing team to foster growth through CY21 and beyond, specifically in the USA;
- Our Offshore Support costs are split between Development (developers who build automation), and Operational support costs which supports a wide variety of services for the business;
- Bid is a SaaS business, with a service & support overlay, which requires us to perform many functions on behalf of clients for which we receive fees e.g. site opens and closures, client onboardings which require retailer liaison, and energy procurement services (tenders);
- Bid currently utilises the Offshore Support work force to manually enter bills or metering data where we have yet to build automation;
- The Automation announcement will significantly & positively impact where **65%** of our offshore support costs are incurred.



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Cash Flow Analysis

Cashflow Review: Q3 Cash flow impacted by Seasonality, Covid and one off transactions related to our recent Optima acquisition.

Full quarter impact of past investments

Optima cash inflow fluctuations

Optima has a high proportion of annual invoicing at certain times of the year.

Stronger collections in Dec 20 vs Mar Q.

Cyclical annual billings will result in cyclical peaks & troughs in collections.

Slower cash inflows from Rebates Covid related

Q3 Rebates collections lower than Q2.

Delays associated with slower audit (physical store visits) by retailers before releasing rebate payments.

Rebate receivables remain above historical average at more than \$1.0m (Q3 21).

One off transaction fees

Significant increase in non recurring payments associated with:

- Professional fees post Completion of Optima acquisition (legal & accounting);
- Short term support costs to support several simultaneous large client onboardings outside normal business as usual environment.

Business has a stable cost base

The underlying operating cost base for the business has been stable.

Increases in base are associated with full quarter of costs for

- Optima post acquisition completion in Dec 20;
- Investment in Sales & Marketing capacity in US, and
- Global executive.



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