

FY21 Results Presentation

31 August 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 and reporting.

This FY21 Results Presentation has been authorised by the Board of Directors of the Company.

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. 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.

All amounts outlined in this Presentation have been rounded to the nearest hundred-thousand. As a consequence, the 'total amount' for a particular metric may vary, nominally, from the sum of its parts. The Company does not consider any such discrepancy to be material.





Section One

Business overview.





Our business

We have **one purpose** and **two businesses**

Our purpose

For agile data
driven decisions

Enabling
environmental
sustainability
with **technology**.

We harness technology to automate manual processes for utility and other bill data compilation, monitoring and payment

...to help our customers make a positive contribution to sustainability

...through access to data for better management of usage and ESG reporting

Our businesses

Platform

Scalable, tech driven

REGIONS: AU, UK, US AND GLOBAL PARTNERS

Processing and visualisation of bill data to enable environmental reporting, bill validation, energy usage optimisation and cost savings using RPA technology and proprietary web-based SAAS software

Strong revenue growth, high gross margin and scaleable - trended to segment profitability in more mature regions



Bill Portal/Dashboard



UTILITY BILL
MANAGEMENT



UTILITY BILL
PORTAL

Rebate

Consulting services

REGIONS: US BASED

Consulting services to help customers optimise energy usage, identify cost efficiencies and benefit from rebates across their building assets

Stable growth, high gross margin and profitable



Rebate
consultants

Platform – Industry leading technology

We have invested significantly in building an industry leading technology platform to serve a growing level of environmental consciousness, regulation and reporting

Automation and visualisation of bill data enables:

Environmental reporting

Bill validation and energy usage optimisation

Cost savings on the bill payment process

R&D Investment

FY21 vs FY20 (\$m)

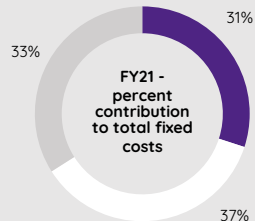
AVERAGE FTEs

43 80

4.4

2.0

FY20 FY21



● Research & development
● Sales & Marketing
● Corporate costs

We have focused investment in R&D to build industry leading technology in our segment

We have development resources across multiple time zones

We adopt Agile development methodology

Our technology

1. RPA

Enables **automated**, high-volume **extraction** of bill data from source documents

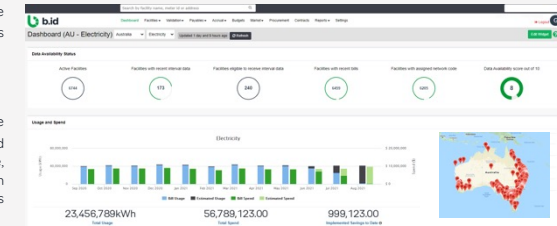


2. Bill Portal / dashboard

Proprietary web-based software enables bill data **visualisation**, bot-driven validation, usage monitoring, reporting and budgeting

Bill Portal/Dashboard

Immediate data status



Immediate annual spend & usage, directly from bills

Immediate available accruals & budgets

Immediate site behavior alerts



Platform – Customers

We service some of Australia's largest enterprises. We've also responded to the demands of our multi-national customers to start providing a solution internationally



Our technology is currently used by **~226 customers globally**

We seek to make a difference to our customers – as reflected in our **low churn rates**¹ (~2% in FY21)



Global

US

US rebate

Note: 1 Churn Rate - Client loss represented as the annualised platform revenue from clients lost by the end of the current period who were active clients at the end of the prior period divided by annualised revenue from all active clients at the end of the prior period



Section Two

Achievements and challenges.





Achievements and challenges

We have achieved a number of key milestones and are seeking to address key challenges

A Rebate

Stable growth and high profitability

Consulting services business with stable growth and high profitability

Revenue stepped up in FY20 (due to large contract wins) and growth has now reverted to more normalised levels (<10% yoy)

Business is benefitting from operating leverage with EBITDA¹ excluding R&D and corporate costs margins >70%

B Platform growth

Strong growth and expanding

A tech driven RPA and SAAS business demonstrating industry leading growth rates

Approximately doubled revenue in FY21 with both revenue and revenue growth increasing over the last 3 full year periods

The historical aggregation of Rebate and Platform results has masked this performance

C Platform Profitability

Trending to profitability with the benefit of operating leverage

AU achieved positive EBITDA¹ excluding R&D and corporate costs in FY21 and the UK was approximately breakeven

AU and UK profitability has proven the business model with the focus now turning to investment for growth in these regions

D Platform Strategy

Successful UK launch, refocusing investment in the US

We have successfully launched in the UK via the acquisition of Optima - but the US has been a challenge

The US market has proven more difficult than expected in both revenue and margin terms

As a result, we're refocusing on supporting global customers with reduced investment while improving margin through automation

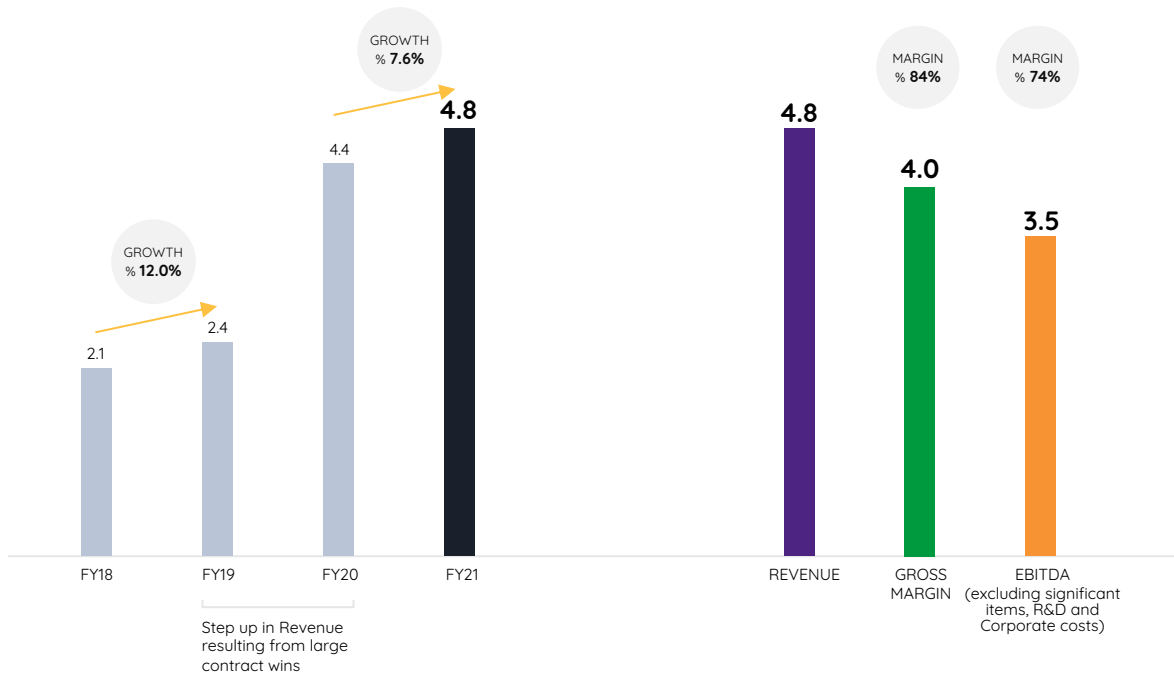
A

Rebate

Rebate is a consulting services business which shows stable revenues and very high margins

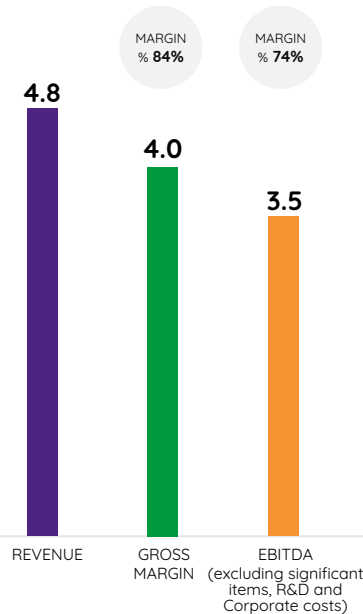
Revenue and Growth Percentage

FY18 – FY21 (\$m)

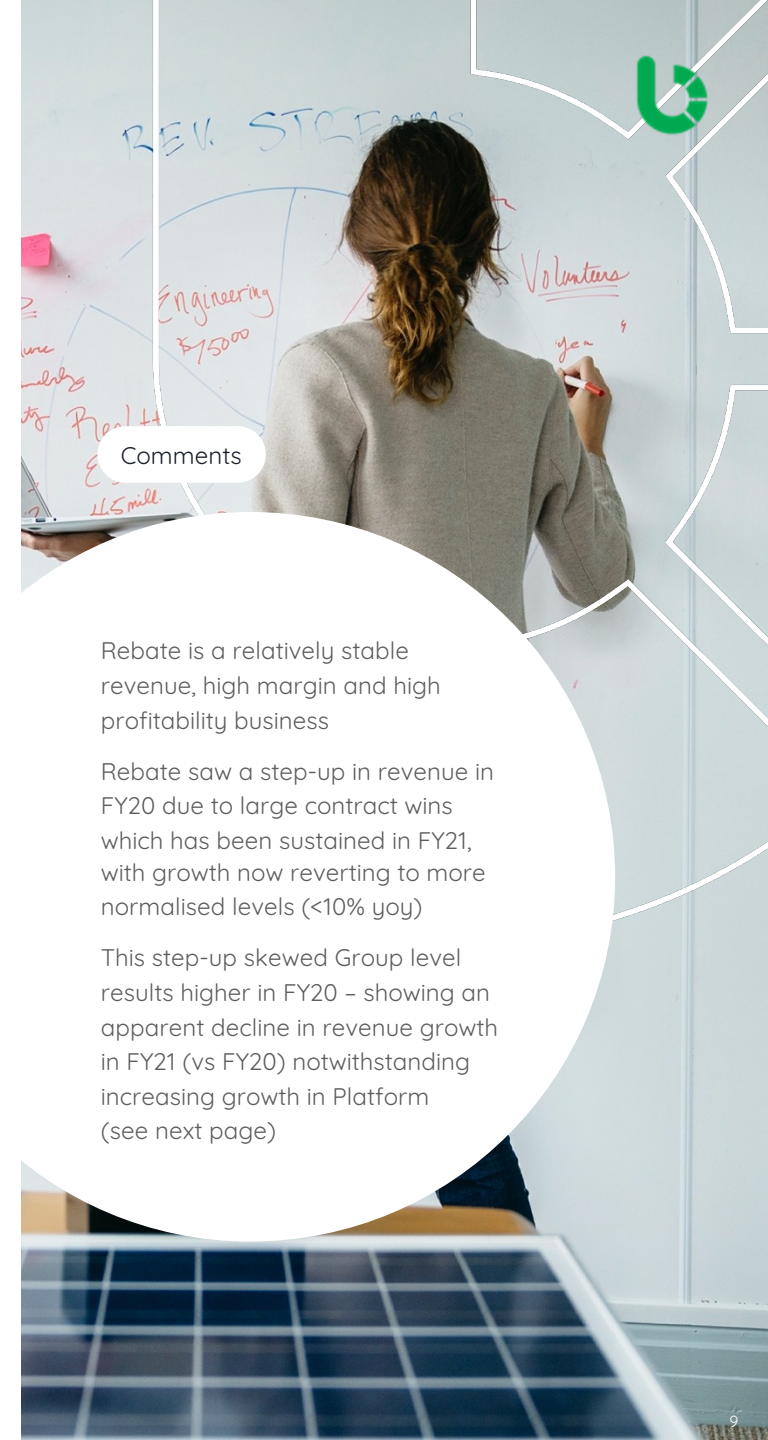


Gross Margin and EBITDA¹

FY21 (\$m)



Note: EBITDA excluding significant items, R&D and corporate costs



Comments

Rebate is a relatively stable revenue, high margin and high profitability business

Rebate saw a step-up in revenue in FY20 due to large contract wins which has been sustained in FY21, with growth now reverting to more normalised levels (<10% yoy)

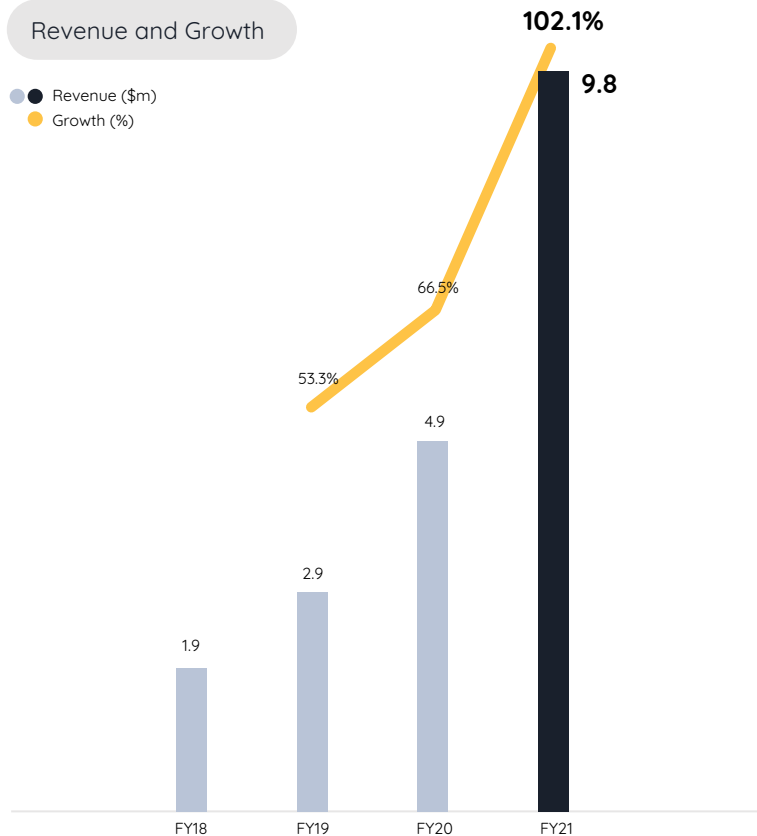
This step-up skewed Group level results higher in FY20 – showing an apparent decline in revenue growth in FY21 (vs FY20) notwithstanding increasing growth in Platform (see next page)

Platform growth

Our tech-enabled Platform business has demonstrated consistently strong, and accelerating, growth since FY18 (assisted by the Optima acquisition)

Revenue and Growth

● Revenue (\$m)
● Growth (%)



Note:

1. Platform revenue includes Platform subscription fee revenue only Platform revenue growth was 61% excluding the acquisition of Optima in FY21

2. Churn Rate - Client loss represented as the annualised platform revenue from clients lost by the end of the current period who were active clients at the end of the prior period divided by annualised revenue from all active clients at the end of the prior period

Comments

Since FY18, Platform revenues¹ have grown year-on-year with accelerating growth rates

Customers are our advocates - they demonstrate loyalty and stickiness via very low churn

FY21 ANNUALISED CHURN RATE²

~2%

Platform is a relatively high growth, tech enabled business model

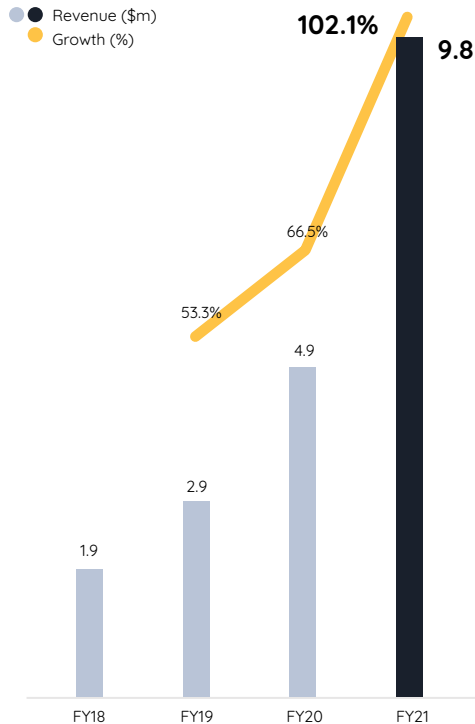




Platform growth Continued...

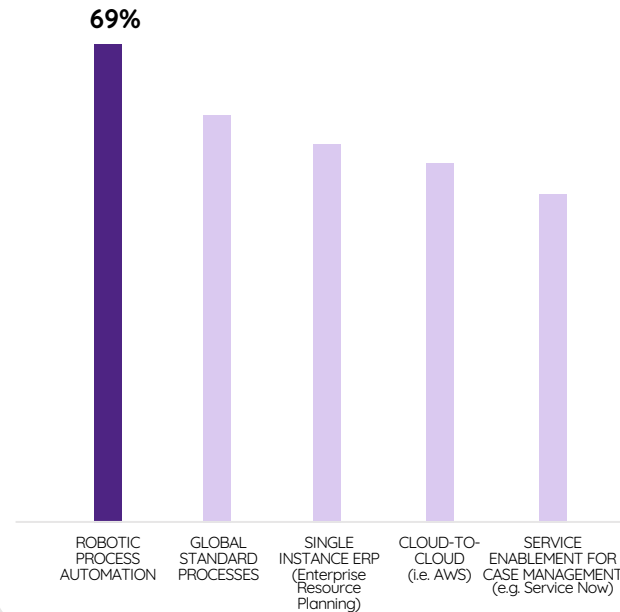
Platform growth has exceeded the RPA industry average and the industry is one of the fastest growing in the enterprise software sector

Revenue and Growth %



The Importance of RPA

Industry survey:
What are the key transformation enablers employed by Global Business Services organisations?



BID vs Global RPA and Enterprise Software Growth

The ~US\$2b RPA software industry grew 39% yoy in 2020, with Bid growing at a meaningfully faster rate

It was also the fastest growing segment within the Global Enterprise software market in 2020

Platform profitability

Platform has expanded internationally and now operates a portfolio of regions at different levels of maturity and therefore profitability – with Group results reflecting this mix



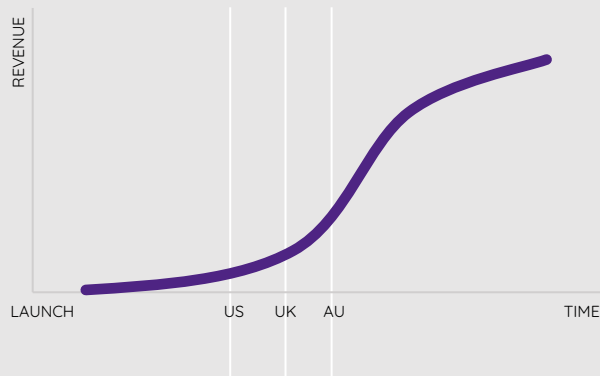
Group level performance reflects a portfolio mix effect.

Group earnings may be negative due to expansion into new growth regions (e.g. UK and US) with negative or low margins in their early growth phase combined with more mature regions (like AU) having achieved profitability

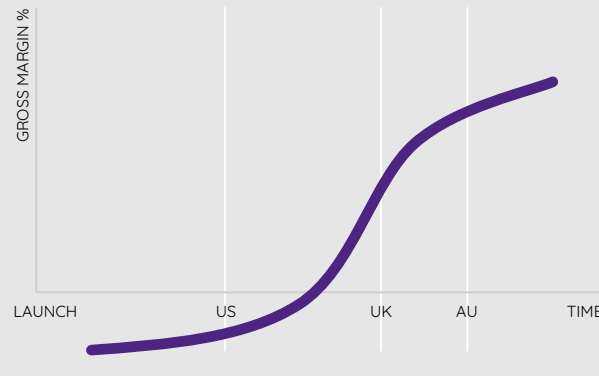
Revenue and EBITDA¹ Glide Paths Since Launch to Today

(Illustrative only)

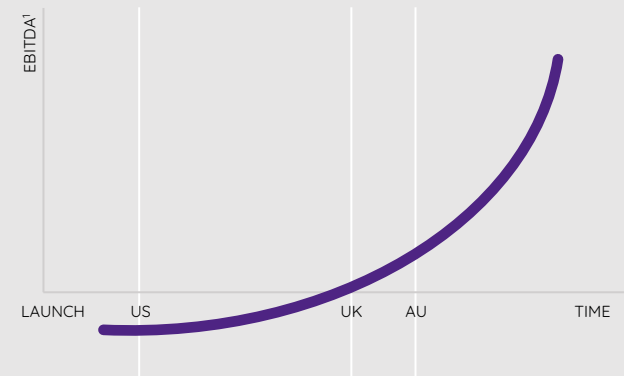
Revenue



Gross Margin



EBITDA¹



AU

Bid's most mature region, strong revenue growth, high GM, is now benefitting from operational leverage to achieve positive EBITDA¹ excluding R&D and corporate costs. EBITDA¹ excluding R&D and corporate costs margins will continue to improve over the medium-term with operating leverage.

UK

Early stage, high growth, GM increasing and EBITDA¹ excluding R&D and corporate costs breakeven notwithstanding investment for future growth

Expected to follow the AU margin glide path

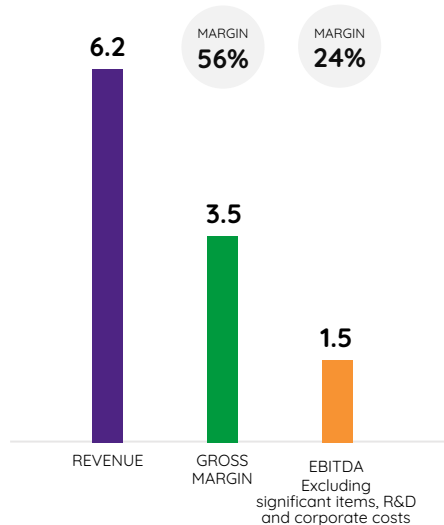
US

Very early stage, GM negative and EBITDA¹ excluding R&D and corporate costs negative

Platform profitability Continued...

AU achieved segment profitability in FY21 and the UK is on the same glide path, proving our business model in these regions. By comparison the US remains gross margin and EBITDA¹ negative

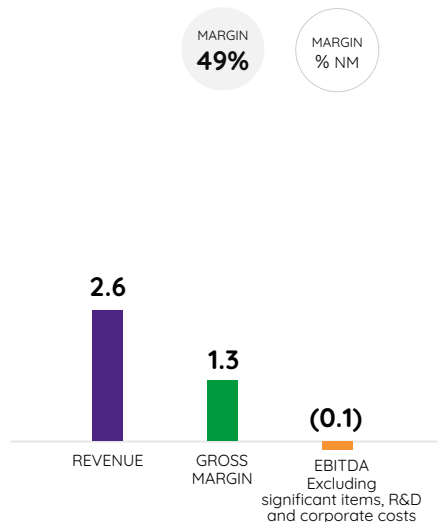
AU



AU is high gross margin – highest in the portfolio of regions reflecting its maturity

AU is now benefitting from operational leverage with positive EBITDA¹ excluding R&D and corporate costs

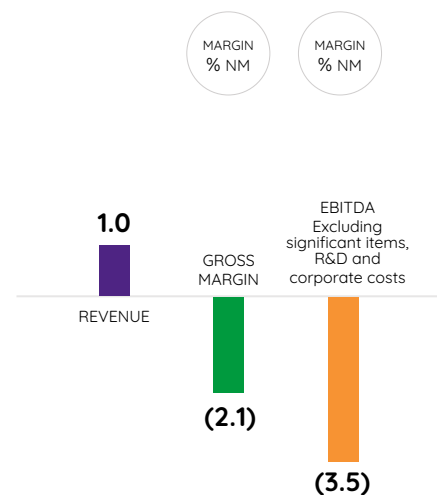
UK



UK gross margin is trending toward AU levels notwithstanding being in the early growth phase

UK is also benefitting from operational leverage and has achieved breakeven EBITDA¹ excluding R&D and corporate costs

US



US business is unprofitable at the gross margin and EBITDA¹ excluding R&D and corporate costs level

International expansion

Bid has launched in the US and UK. UK is scaling strongly and investment in the US is being re-directed in light of a more challenging market structure than expected

UK

Successfully launched in the UK and exported our technology

Acquisition of Optima complete

Gross margins trending toward AU levels

EBITDA¹ excluding R&D and corporate costs close to breakeven

Servicing both local enterprises and multi-nationals (e.g. BP)

Significant growth potential

Launched in the US with significant investment in FY21

Gross margins currently negative due to significant investment in parsing (recorded in COGS)

Unprofitable at the EBITDA¹ excluding R&D and corporate costs level driven by negative gross margin and significant fixed cost investment to date

Market is structurally more complex than AU and UK with a significantly larger number of retailers, manual bill payment processes and differences by state

Re-directing investment in FY22 to focus on large, global enterprises, while reducing COGS, resulting in less overall investment at least in the short term

US



Section Three

FY21 Results.



FY21 Financial Highlights

Platform revenue grew 102% in FY21 with strong gross margin contributions from AU and UK, and AU also achieved EBITDA¹ profitability. Rebate revenue grew 8% with high profit conversion

Platform revenue increased 102% on the pcip to \$9.8m

Driven by **new contract wins** across all regions and acquisition of Optima

Rebate revenue grew 8% on the pcip to \$4.8m

Profitability remained high with **gross margin of \$4.0m** or 84% of revenue

EBITDA¹ excluding R&D and corporate costs was **\$3.5m** or **74%** of revenue

Group revenue increased 55% on the pcip to \$14.6m

Gross margin increased 39% to \$6.7m or 46% of revenue

Group EBITDA excluding significant items (loss) was (\$5.7m) and increased due to investment in new growth markets (UK and US)

Reflects the mix of two distinct business units

Platform – AU

Revenue up 44% on the pcip to \$6.2m

Gross margin up by 58% to \$3.5m, supported by a 6%pt increase in gross margin % to 56%

Achieved profitable EBITDA¹ excluding R&D and corporate costs

Platform – UK

Revenue increased to \$2.6m off a near zero base in FY20

Achieved Gross margin of \$1.3m, with Gross margin % expanding to 49% – approaching AU levels

Approaching breakeven EBITDA¹ excluding R&D and corporate costs

Platform – US

Revenue of \$1.0m

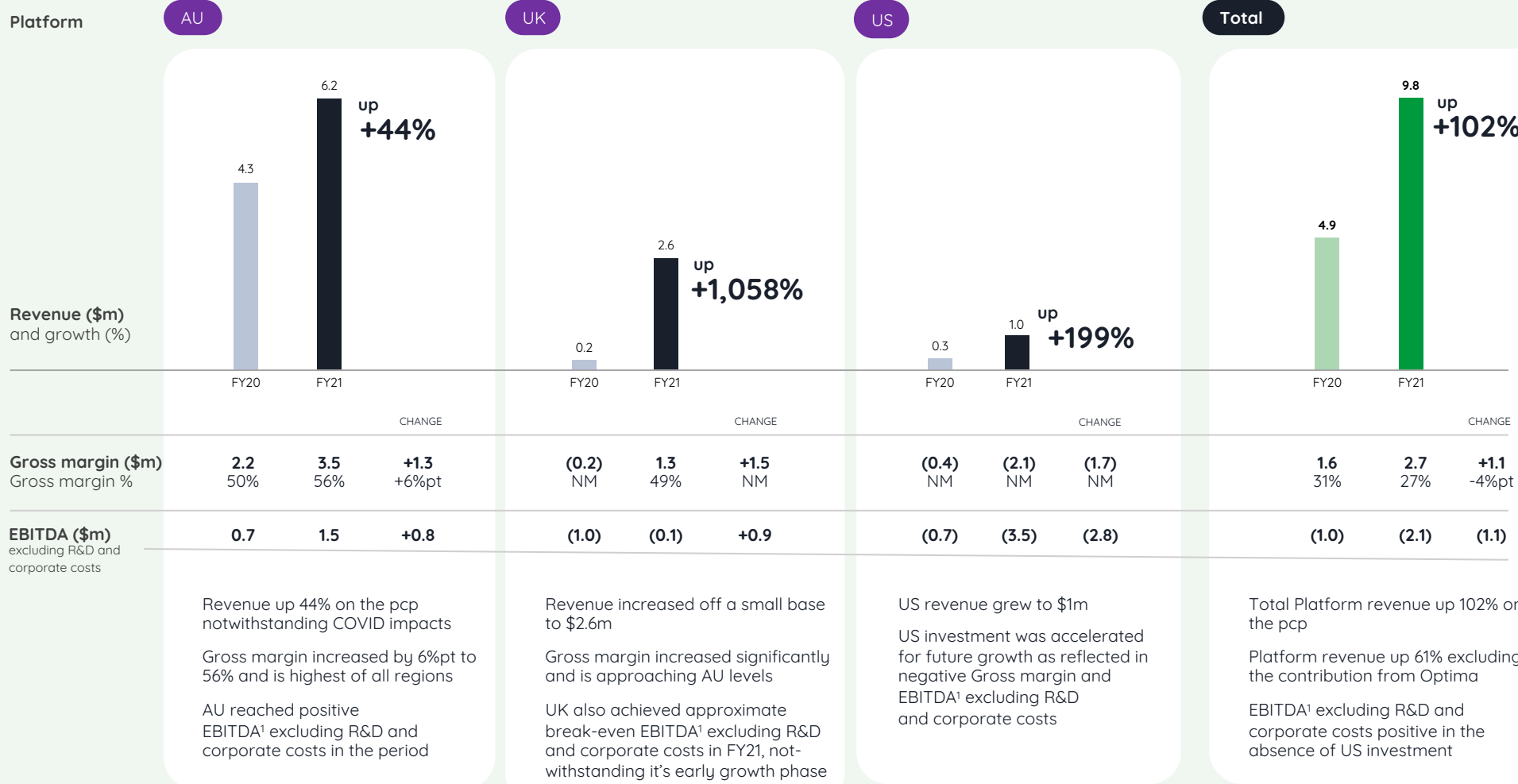
Gross margin negative reflecting continued investment in parsing

EBITDA¹ excluding R&D and corporate costs was also negative due to negative gross margin and fixed cost investment



P+L key metrics

Platform revenue grew 102% in FY21 with a contribution from all regions. AU Achieved positive EBITDA¹ and the UK is approaching breakeven



Note: EBITDA excluding significant items, R&D and corporate costs

Rebate services revenue increased 8% on the pcp to \$4.8m and the business continues to demonstrate high profitability





Profit and loss

Group level performance reflects the mix of Bid's business lines and regions

\$m	FY20	FY21	CHANGE %
Platform Subscription Fees	4.9	9.8	102.1%
Non subscription Revenue	0.1	0.0	(100.0)%
Rebate	4.4	4.8	7.6%
Total revenue	9.4	14.6	55.4%
COGS	(4.6)	(7.9)	73.1%
Gross margin	4.8	6.7	38.6%
Gross margin %	51.3%	45.7%	(5.6)%pt
Sales & Marketing	(3.2)	(5.2)	62.8%
EBITDA, excluding significant items, R&D and corporate costs	1.6	1.4	(10.1)%
Corporate costs:			
R&D	(0.8)	(2.5)	209.0%
General & administration	(4.1)	(4.7)	12.6%
EBITDA, excluding significant items	(3.3)	(5.7)	70.5%

Comments

Group revenue grew 55% on the pcip to \$14.6m, reflecting the mix of a strong growth Platform business and a stable growth Rebate business

Gross margin grew 39% on the pcip to \$6.7m

Gross margin declined by 6ppts reflecting the mix impact of growing international operations at lower margins (UK and US) due to being earlier in their growth phase

Fixed costs increased, and EBITDA excluding significant items declined, to \$(5.7)m in FY21 primarily due to investment in new growth markets of the UK and US, particularly across Sales and R&D



Balance sheet

Strong balance sheet position, with cash of \$16.5m and nil debt – providing runway for further growth

\$m	FY20	FY21	CHANGE
Cash	8.3	16.5	8.2
Receivables	0.5	1.3	0.8
Intangibles	2.5	14.6	12.1
Other assets	0.3	2.3	2.0
Total Assets	11.5	34.7	23.1
Payables	1.1	2.8	1.7
Debt	0.4	0.5	0.2
Lease liabilities	0.0	1.0	0.9
Employee benefits	0.7	1.0	0.4
Other liabilities	0.5	2.6	2.1
Total Liabilities	2.7	7.9	5.3
Equity	8.9	26.7	17.9
Cash	8.3	16.5	8.2
Debt	(0.4)	(0.5)	(0.2)
Net cash / (debt)	7.9	15.9	8.0

Comments

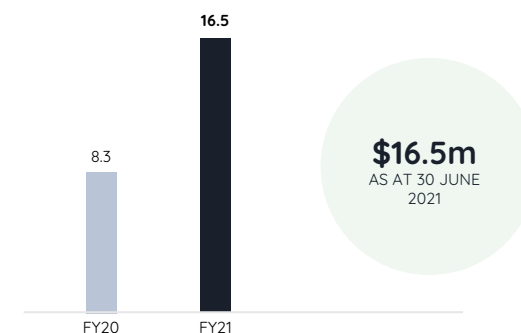
Strong liquidity position with cash of \$16.5m at 30 June 2021

Nil bank debt, with a small, low interest government loan liability. No financial covenants

Cash increased to \$16.5m primarily due to a ~\$15m placement completed in December 2020

Intangibles increased to \$14.6m primarily due to the acquisition of Optima in December 2020

Cash balance





Cash flow statement

Cash balance of \$16.5m as at 30 June 2021, supported by a capital raising and improving profitability in mature regions

\$m	FY20	FY21	CHANGE
Receipts from customers	9.8	15.8	6.0
Payments to suppliers and employees	(13.0)	(21.5)	(8.5)
Interest and other	0.1	0.1	(0.0)
Operating cash flow	(3.1)	(5.6)	(2.5)
Payments for intangibles and PPE	(1.2)	(2.2)	(0.9)
Payments for acquisition and other	0.0	(6.0)	(6.1)
Investing cash flow	(1.2)	(8.2)	(7.0)
Proceeds from issue of shares, net	8.2	22.2	14.0
Proceeds from borrowings and other	0.2	(0.1)	(0.3)
Financing cash flow	8.4	22.1	13.7
Net increase / (decrease) in cash	4.1	8.3	4.2
FX	(0.0)	(0.1)	(0.1)
Starting cash	4.2	8.3	4.1
Ending cash	8.3	16.5	8.2
Operating cash flow, less payments for intangibles and PPE	(4.3)	(7.8)	(3.5)

Comments

Operating cash flow was \$(5.6)m in FY21

down by \$2.5m on the pcg reflecting significantly increased investment in international expansion for future growth

Operating cash flow reflects a profitable Rebate and AU Platform business, offset by a step-up in investment in new growth markets (UK and US)

Investing cash flow was \$(8.2)m largely driven by the acquisition of Optima in December 2020

Financing cash flow was \$22.2m primarily due to equity raising proceeds

Operating cash flow less payments for intangibles and PPE reduced in FY21 to \$(7.8)m due to increased investment in new growth markets



Appendix

Further detail.





Profit and loss

Statutory

Statutory Statement of Profit and Loss – Group

\$'m	FY20	FY21	CHANGE %
Platform subscription fees	4.9	9.8	102.1%
Non subscription Revenue	0.1	0.0	(100.0)%
Rebate Revenue	4.4	4.8	7.6%
Total Revenue	9.4	14.6	55.4%
Other Income	0.1	0.1	36.7%
Third Party Support Cost	(2.0)	(4.1)	103.1%
Depreciation and Amortisation	(1.1)	(1.5)	44.2%
Employee benefits expense	(7.9)	(13.8)	74.2%
Share based payments expense	(2.2)	(4.0)	85.8%
Administration expense	(1.8)	(1.8)	2.6%
Software Expense	(0.2)	(0.8)	276.6%
Marketing expense	(0.4)	(0.4)	14.3%
Occupancy expense	(0.6)	(0.3)	(54.3)%
Travel expense	(0.2)	(0.0)	(84.7)%
Other	(0.0)	(0.0)	494.8%
Total Expenses	(16.4)	(26.9)	64.2%
Profit / (loss) before tax	(6.9)	(12.2)	76.4%
Income tax expense	0.0	0.0	NM
Profit / (loss) after tax	(6.9)	(12.1)	75.6%
FX Translation	0.0	(0.2)	NM
Total Comprehensive income for the year	(6.9)	(12.3)	79.1%

Comments

The Group's statutory P+L is presented on this page

Below revenue, the statutory P+L does not show key metrics which management use to operate the business day-to-day or are consistent with typical market disclosure, including

- Gross margin
- Fixed costs, split by key line items including Sales & marketing, R&D and G&A
- EBITDA

This presentation provides those metrics for the first time (following pages)

The Group recorded a loss after tax of \$12.1m in FY22, driven by

- Significantly increased investment in international expansion through Third party support costs, Employee benefits expense and Share based payments expense



Profit and loss

Management

Reconciliation - Management P+L to Statutory Statement of Profit and Loss

\$m	FY20	FY21	CHANGE %
Platform Subscription Fees	4.9	9.8	102.1%
Non subscription Revenue	0.1	0.0	(100.0)%
Rebate	4.4	4.8	7.6%
Total revenue	9.4	14.6	55.4%
COGS	(4.6)	(7.9)	73.1%
Gross margin	4.8	6.7	38.6%
Gross margin %	51.3%	45.7%	(5.6)%
Sales & Marketing	(3.2)	(5.2)	62.8%
EBITDA, excluding significant items, R&D and corporate costs	1.6	1.4	(10.1)%
Corporate costs:			
R&D	(0.8)	(2.5)	209.0%
General & administration	(4.1)	(4.7)	12.6%
EBITDA, excluding significant items	(3.3)	(5.7)	70.5%
Significant one off items	(0.4)	(1.0)	144.3%
Underlying EBITDA from core operations (per accounts)	(3.8)	(6.7)	78.4%
Reconciliation to statutory accounts (other significant items):			
Depreciation and amortisation	(1.1)	(1.5)	44.2%
Share based payments expense	(2.2)	(4.0)	85.8%
Net Interest, other income	0.1	0.1	7.5%
Profit / (loss) before tax	(6.9)	(12.2)	76.4%
Income tax (expense) / benefit	(0.0)	0.0	NM
Profit / (loss) after tax	(6.9)	(12.1)	75.6%

Comments

The Group's management P+L is presented on this page

A reconciliation from EBITDA excl Significant Items to statutory Profit / (loss) after tax is also provided



Profit and loss

Management, by business line

FY21 – P+L by Business Line

	Platform				Rebate	Corporate	Group
\$m	AU	UK	US	Total			Total
Revenue ¹	6.2	2.6	1.0	9.8	4.8		14.6
Growth on FY20	44.3%	NM	NM	102.1%	7.6%		57.1%
Gross margin	3.5	1.3	(2.1)	2.7	4.0		6.7
Margin %	56.4%	48.9%	NM	27.2%	83.9%		45.7%
Margin % change on FY20	5.9%pt	NM	NM	(4.2)%pt	10.4%pt		(5.6)%pt
EBITDA, excl. significant items, R&D and corporate costs	1.5	(0.1)	(3.5)	(2.1)	3.5		1.4
EBITDA margin (%)	24.1%	NM	NM	NM	74.3%		9.8%
EBITDA Margin % change on FY20	9.0%pt	NM	NM	NM	14.9%pt		(7.2)%pt
R&D					(2.5)		(2.5)
General and administration					(4.7)		(4.7)
EBITDA, excluding significant items							(5.7)

FY20 – P+L by business line

	Platform				Rebate	Corporate	Group
\$m	AU	UK	US	Total			Total
Revenue ¹	4.3	0.2	0.3	4.9	4.4		9.3
Other	0.1	0.0	0.0	0.1	0.0		0.1
Gross margin	2.2	(0.2)	(0.4)	1.6	3.2		4.8
Margin %	50.5%	NM	NM	31.5%	73.5%		51.3%
EBITDA, excl. significant items, R&D and corporate costs	0.7	(1.0)	(0.7)	(1.0)	2.6		1.6
EBITDA margin (%)	15.1%	NM	NM	NM	59.4%		17.0%
R&D					(0.8)		(0.8)
General and administration					(4.1)		(4.1)
EBITDA excluding significant items							(3.3)

Note: Platform revenue includes Platform subscription fee revenue only.

Comments

The management segment P+L shows key metrics which management use to operate the business day-to-day including:

- Revenue
- Gross margin
- EBITDA

on a business line basis

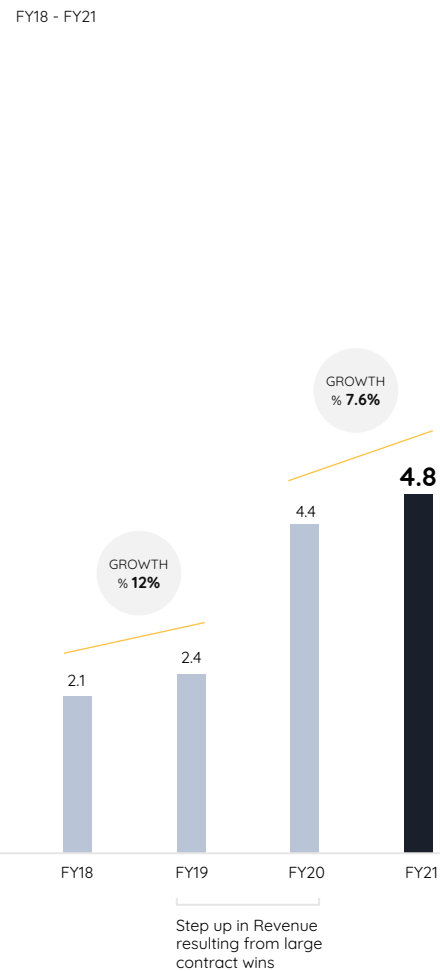
Statutory disclosure does not show segment results and key metrics on a business line basis but rather an accounting basis



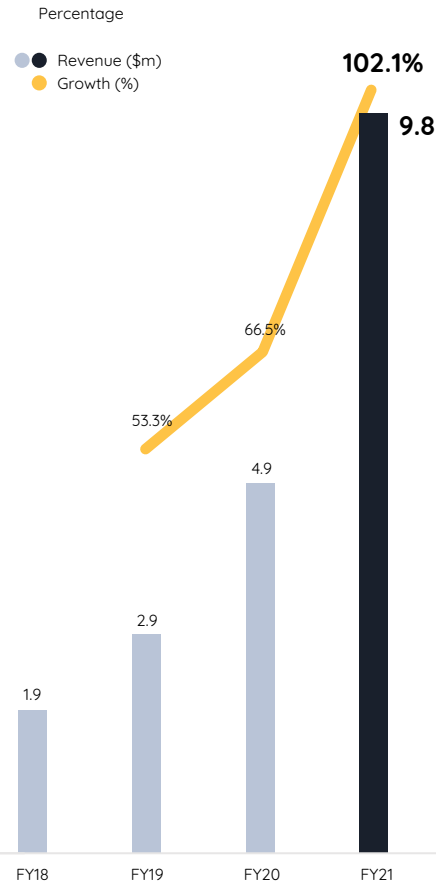
Revenue growth

by Division

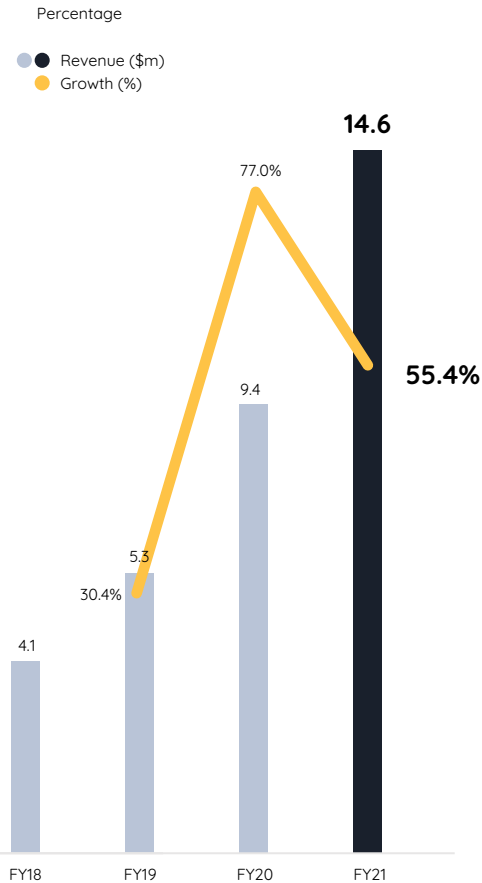
Rebate Revenue and Growth Percentage



Platform Revenue and Growth



Group Revenue and Growth



Comments

Decline in Group revenue growth % in FY21 was driven by cycling over a step-up in Rebate revenue in FY20

Platform Revenue continued to grow strongly in FY21



Key metrics

We are transitioning away from bespoke revenue metrics that require judgement to traditional P+L metrics that are objective, consistent with peers and referable to statutory reporting

Historical Metrics

AR¹

DEFINITION:

Last twelve months (LTM) Rebate revenue

KEY ISSUE:

Not an annualised metric, simply last twelve months revenue (i.e. statutory revenue)

ASR²

DEFINITION:

Current month revenue (annualised) + total potential revenue based on all current contracts

KEY ISSUE:

Subjective and subject to error since it is based on revenue forecasting and judgement on timing of onboarding

EGR³

DEFINITION:

Sum of AR and ASR

KEY ISSUE:

A mix of backward looking (i.e. LTM revenue for Rebate) and forward looking revenue (forecast revenue or total potential revenue)

Proposed New Metrics

Transitioning to auditable and traditional market metrics based on actual revenue, being:

Platform revenue

LTM

Rebate revenue

LTM

These metrics will be augmented with discussion on new contract wins and pipeline (where appropriate)

Last quarter revenue may be annualised for a view on run-rate

Additional explanatory metrics such as churn and number of bills processed may also be highlighted

Note 1. 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. 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. 3. Expected Group Revenue – referred 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.