

# Investor Presentation

Q3-21

## Safe Harbor

This document contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including financial projections subject to risks, uncertainties and other factors that could materially affect our actual results. Actual results may differ materially from those indicated by such forward looking statements as a result of various important factors including, among others, competition, market demand, technological change, strategic relationships, recent acquisitions, international operations, general economic conditions, and including the potential effects of the coronavirus pandemic on any of the foregoing. Any forward-looking statements or financial projections represent our views only as of today and should not be relied upon as representing our views as of any subsequent date. We do not assume any obligation to update any forward-looking statements or financial projections. Further, our financial projections do not consider the impact of any pending or future changes to accounting pronouncements under US Generally Accepted Accounting Principles. For additional discussion of factors that could impact our operational and financial results, please refer to our Form 10-K for the fiscal year ended June 30, 2020 and subsequently filed Form 10-Qs and Form 8-Ks or amendments thereto.

# Company Highlights



Market-leading provider of cloud-based business payments



Large market opportunity with accelerating adoption and strong market tailwinds



Significant diverse customer base with high retention and significant up-sell traction



\$370+ million SaaS business with an additional \$100 million traditional revenue



Multiple drivers of sustainable, long-term growth with upside to model



Exceptional financial profile with tremendous embedded revenue opportunity and high visibility



## WHAT WE DO

We make complex business payments simple, smart and secure.



### Pay and get paid

Streamline payment processes across global business for efficiency, security and visibility



### Engage and innovate

A comprehensive suite of solutions created to acquire, strengthen and grow profitable relationships



### Predict and protect

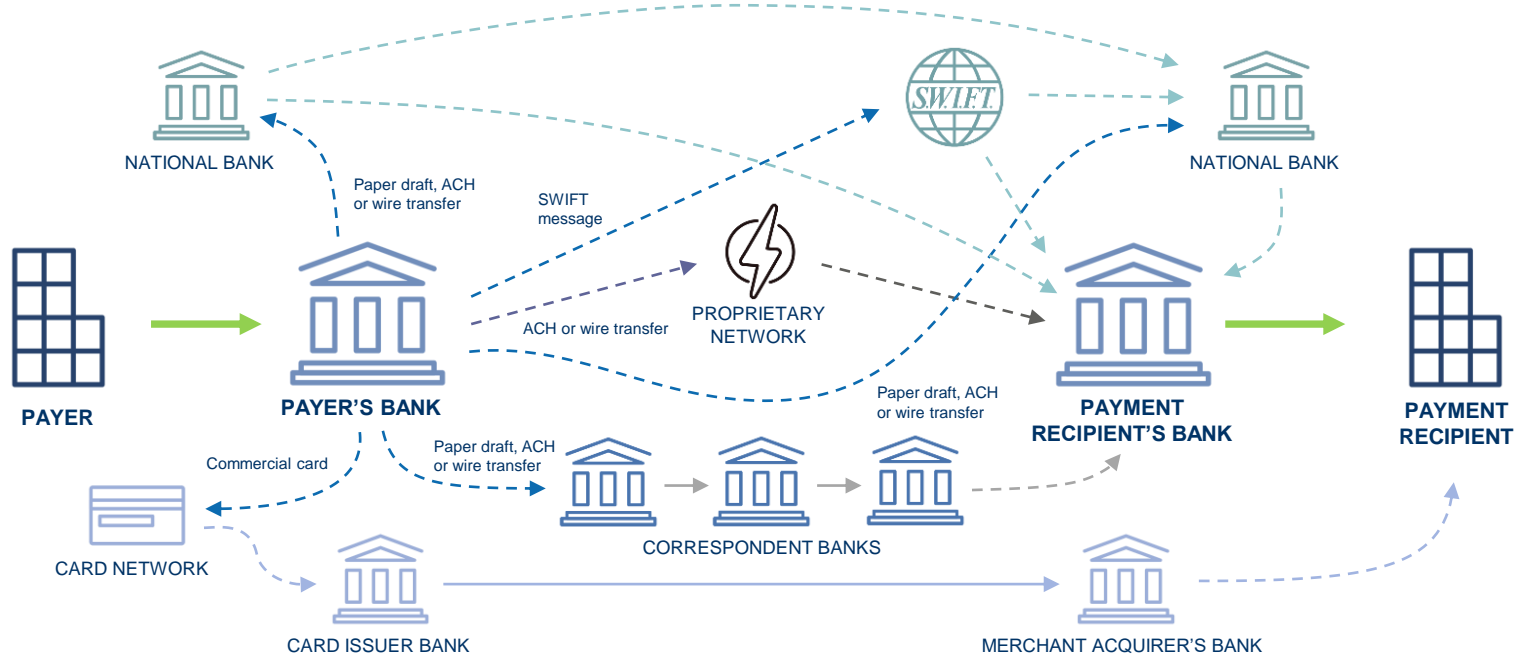
User monitoring and behavioral analysis combine to detect fraud and reduce risk



### Connect and manage

A full suite of connectivity solutions to lower complexity, improve visibility and promote innovation and growth

# Business Payment Complexity



# Smart, Simple Business Payments



PAYER



PAYMENT  
RECIPIENT

# Leadership Position

MORE THAN  
**10,000**  
CORPORATE CUSTOMERS

OPERATING IN  
**92**  
COUNTRIES ACROSS  
6 CONTINENTS

**60**  
OF THE  
FORTUNE 100

**15**  
OF THE TOP 25  
GLOBAL BANKS

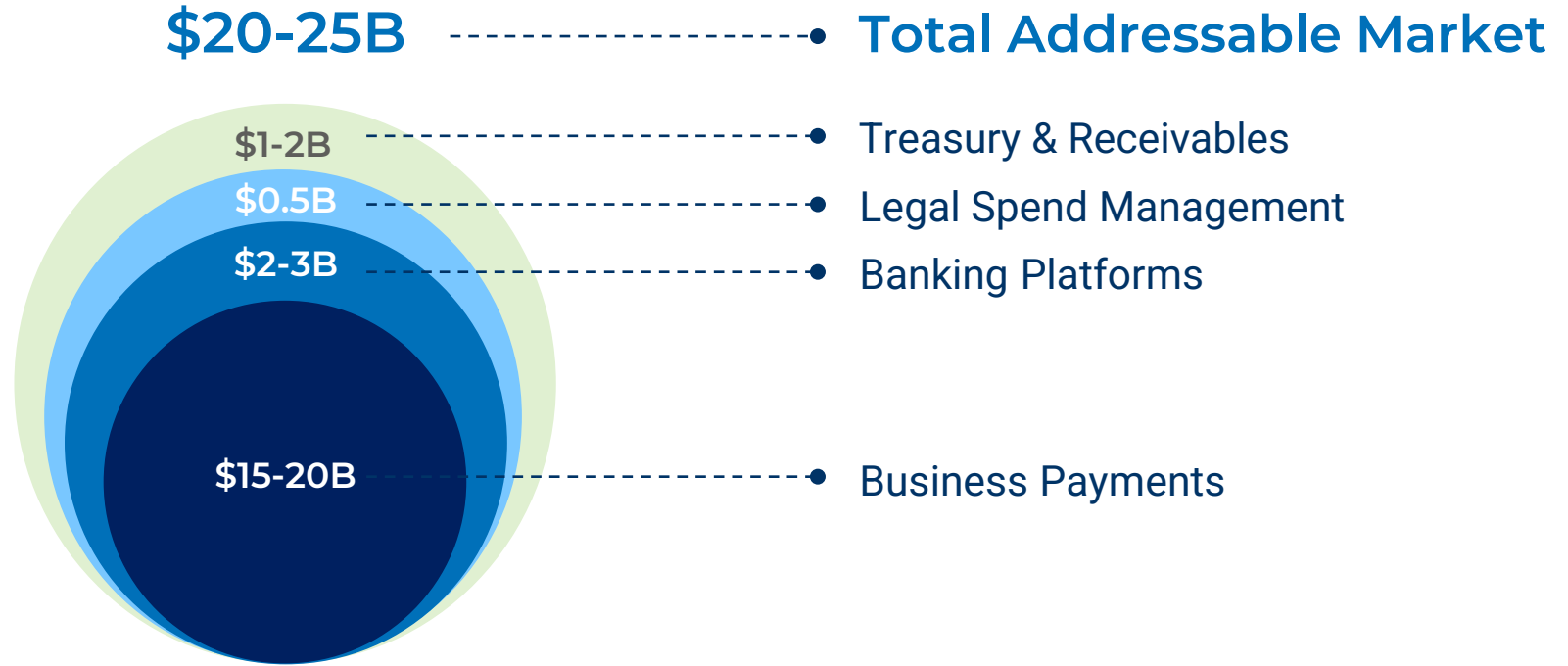
**250**  
TOP INSURANCE  
COMPANIES

**1,500**  
HEALTHCARE  
ORGANIZATIONS

**1,400**  
COMMERCIAL AND  
BUSINESS BANKS

**89**  
OF THE  
FTSE 100

# Market Opportunity





# Paymode-X<sup>®</sup>

## The way businesses pay and get paid

The Largest Electronic Payment Network for Businesses

**450,000+**  
Members in network

**\$200+ Billion**  
in payments processed annually

### The Paper Problem

**63%**

of organizations still make more than half of their payments by paper check

**67%**

of businesses say "smarter" systems that drive more efficiencies are necessary for AP's success<sup>1</sup>

**75%**

of organizations that were victims of payment fraud experienced check fraud<sup>2</sup>

### B2B Payments Made Simple, Smart & Secure

Paymode-X helps businesses easily automate accounts payable



**PAYERS** accelerate payment automation, improve payment security and monetize AP spend



**VENDORS** streamline receivables with convenient electronic payments and remittance



**BANKS** provide clients with innovative payment capabilities, grow market share and expand revenue opportunities

<sup>1</sup> The State of ePayables 2018 by Ardent Partners  
<sup>2</sup> 2017 AFP Payment Fraud & Controls Survey

# Digital Banking IQ

Market-leading commercial banking & payments platform empowers banks to engage intelligently with customers, deliver a unified experience and acquire, deepen and grow profitable relationships.

## Aité Survey of Cash Management Vendors

- ✓ Best in Class
- ✓ “The vendor to beat”
- ✓ User Interface and Experience
- ✓ Analytics
- ✓ Best Partner

## Helping Banks Grow Organically & Defend vs. Digital Disruption

### BANKS GET

- Intelligent engagement platform, with integrated insights & analytics
- Market-leading payments and cash management capabilities
- Embedded intelligence, simplicity & usability

### BANK’S COMMERCIAL CUSTOMERS GET

- Proactive insights and engagement from their banking relationship managers
- Integrated, market-leading payments and cash management solutions
- Tools to help manage their finances
- Easy-to-use and customizable digital interface
- Works with SMB business and accounting software

## Leadership Position



# Legal Spend Management

The leading way insurance companies manage their legal spend and relationships

## Streamlining and Automating Relationships with Law Firms

### LEGAL INVOICE AND SPEND MANAGEMENT

- ✓ Paid as a percentage of legal bill
- ✓ Saves up to 8% of billings
- ✓ Reduces administrative expense by 30 – 50%

### PARTNERSELECT

- ✓ Choose the right lawyer for a right matter at the right rate
- ✓ Advanced analytics – improve case outcomes

## Leadership Position

**300+**  
Clients

**13,500+**  
Law Firms

**250+**  
Insurance Companies

**98%**  
Retention Rate

## Top-Tier Client Base



# Financial Overview

# Valuable SaaS Business



**Subscription  
Growth**

**13%**

Target 15-20% growth every year



**Subscription  
Revenues**

**80%+**

of total revenues.  
Highly scalable and  
recurring revenue model



**Incremental  
Subscription  
Margins**

**67%**

Driving scale through highly  
profitable and recurring  
SaaS model



**EBITDA Margin**

**22%**

Strong profitability while  
investing in growth

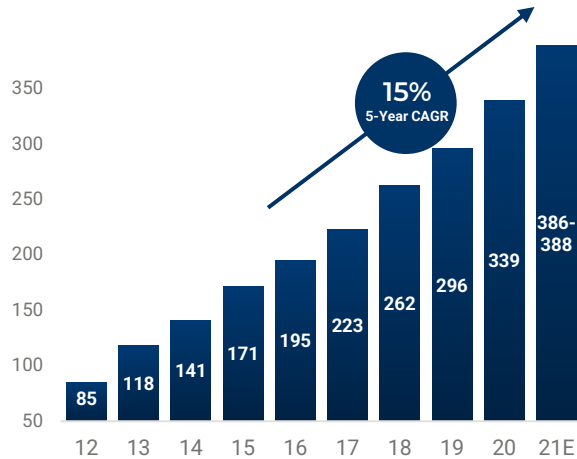
5-year CAGR, measured from FY15 – FY20  
All other metrics based on YTD Q3-21 Results

Adjusted EBITDA margin and incremental subscription margins are non-GAAP measures.  
Definitions and a reconciliation to the most directly comparable GAAP measures can be found on our investor relations site.

# SaaS Platforms Driving Growth

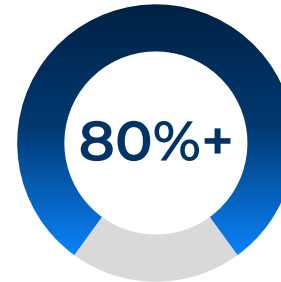
## Subscription Revenue

Target 15-20% growth



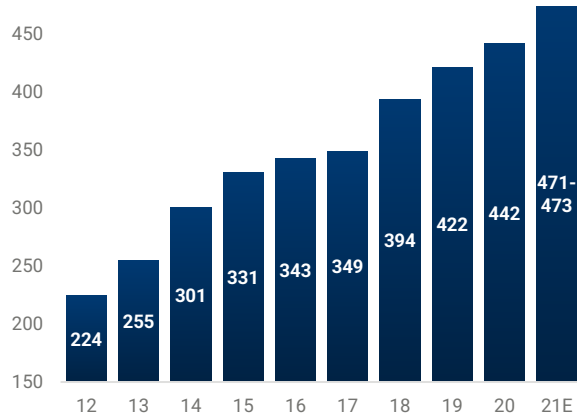
## Strong mix of growing subscription revenue

■ Subscription

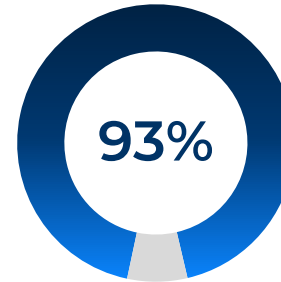


# Predictable Top Line Growth

Total Revenue



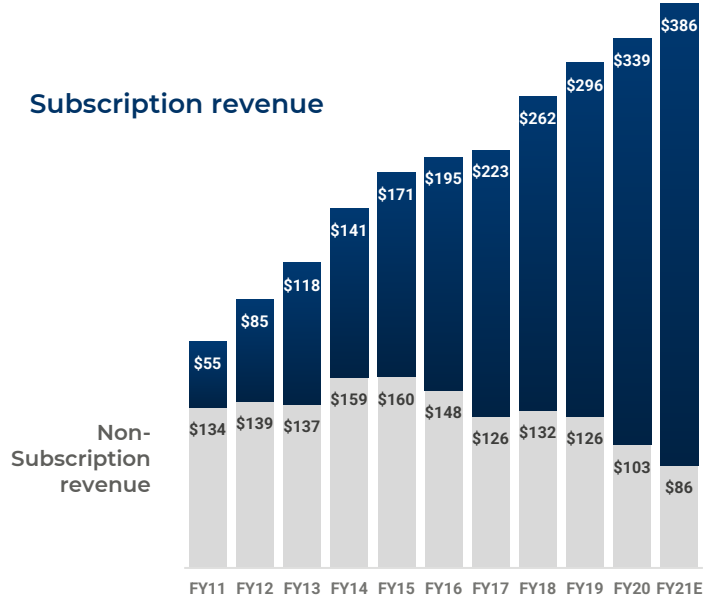
93% of revenues are recurring providing a high level of visibility



# Growing SaaS Business Investment Thesis



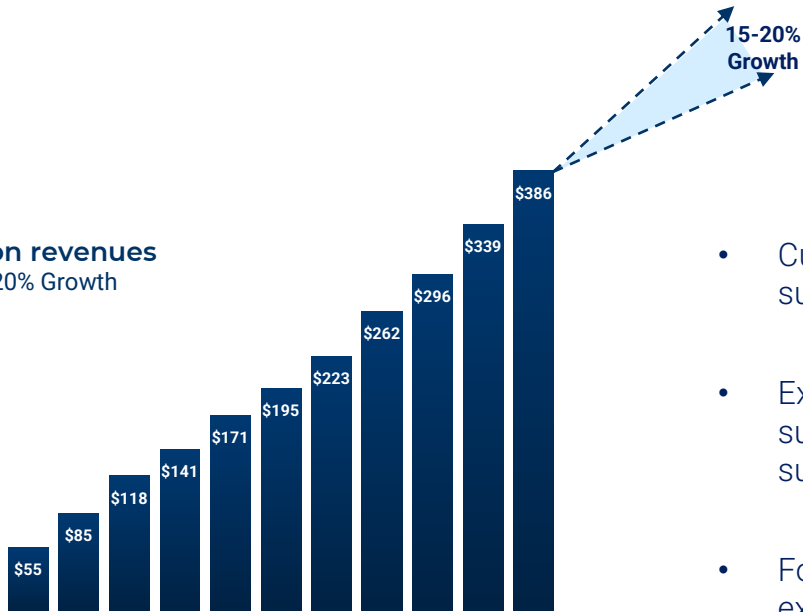
# Growing SaaS Business



- Revenue mix is increasingly SaaS and subscription based
- Some traditional revenues remain and will continue based on product set and customer profile
- Shift away from traditional revenues masks overall strong growth in more valuable subscription revenue

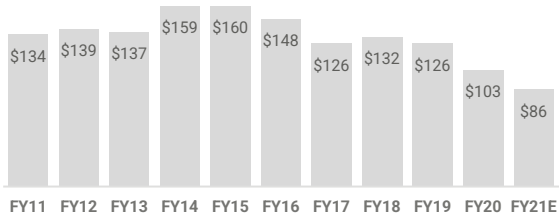
# Growing SaaS Business

**Subscription revenues**  
Targeting 15-20% Growth



- Current run rate of over \$370 million in subscription revenue
- Executing on plan to drive consistent 15-20% subscription growth and achieve \$500 million subscription revenue in 2-3 years
- Focused product and GTM investments to expand TAM and drive future growth

**Non-Subscription streams**



# FY21 Upside Potential

SaaS Revenue Multiples	6.0x	7.0x	8.0x	9.0x	10.0x
Enterprise Value	\$2.6B	\$3.0B	\$3.4B	\$3.8B	\$4.2B
Stock price	\$63	\$72	\$82	\$91	\$101

Enterprise value assumes a 2.5x multiple on non-SaaS revenues.

# Upside Potential at \$500 million in SaaS Revenues

SaaS Revenue Multiples	6.0x	7.0x	8.0x	9.0x	10.0x
Enterprise Value	\$3.2B	\$3.7B	\$4.2B	\$4.7B	\$5.2B
Stock price	\$74	\$85	\$97	\$108	\$120

Enterprise value assumes a 2.5x multiple on non-SaaS revenues.

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Thank you