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, 2019 and subsequently filed Form 10-Qs and Form 8-Ks or amendments thereto.

Non-GAAP Financial Information

The financial results and projections in this document are presented on a non-GAAP basis. Non-GAAP results and projections include core operating income, adjusted EBITDA, adjusted EBITDA margin, core operating margin, core earnings per share, and constant currency information. Reconciliations of our GAAP results to the most directly comparable non-GAAP results and guidance are included at the end of this document. Any non-GAAP outlook we provide has not been reconciled to the comparable GAAP outlook because of the difficulty of predicting the amounts to be adjusted, including but not limited to acquisition-related charges, minimum pension liability adjustments, stock compensation expense and weighted average shares outstanding. Since we expect these factors to have a significant impact on our future GAAP results, a reconciliation is not available on a forward looking basis without unreasonable effort.
About Bottomline
Bottomline Technologies makes business payments simple, smart and secure

Capitalizing on business payment leadership position in large market opportunity

• Trusted brand in B2B payments
• Scale to execute, agile to innovate
• Large B2B payment network ($200+ billion annual volume)
• Secure business payments (domestic and cross border)
• Leading payments and cash management platform

Leveraging product investment to drive subscription growth

• Investment in market-leading solutions for large and growing markets
• Targeting 15-20% subscription revenue growth
• $351 million run rate subscription revenue
• 92% recurring revenue
THE OPPORTUNITY

B2B Payments Market

$20T+

$25T

$23T+

Sources: Visa 2017 Investor Day research
MasterCard NAPCP Conference Presentation – March 6, 2018
Goldman Sachs Payment Ecosystems Research Report – August 3, 2017
Business Payment Complexity
Business Payment Complexity

- **PAYER**
  - Paper draft, ACH or wire transfer
  - Commercial card

- **PAYER’S BANK**
  - SWIFT message
  - ACH or wire transfer

- **CARD NETWORK**
  - Commercial card

- **CARD ISSUER BANK**
  - Paper draft, ACH or wire transfer

- **CORRESPONDENT BANKS**
  - ACH or wire transfer

- **RECIPIENT’S BANK**
  - Paper draft, ACH or wire transfer

- **PAYMENT RECIPIENT**
  - Paper draft, ACH or wire transfer

- **NATIONAL BANK**
  - Paper draft, ACH or wire transfer

- **PROPRIETARY NETWORK**
  - SWIFT message

- **MERCHANT ACQUIRER’S BANK**
MARKET-LEADING PRODUCTS
The way businesses pay and get paid

The Largest Electronic Payment Network for Businesses

425,000+
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

75% of organizations that were victims of payment fraud experienced check fraud

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

1 The State of ePayables 2018 by Ardent Partners
2 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.

Aite 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

<table>
<thead>
<tr>
<th>300+</th>
<th>13,500+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clients</td>
<td>Law Firms</td>
</tr>
</tbody>
</table>

Top-Tier Client Base

<table>
<thead>
<tr>
<th>200+</th>
<th>98%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance Companies</td>
<td>Retention Rate</td>
</tr>
</tbody>
</table>
Investment Highlights

- Large market opportunity
- Leading business payments product set
- Driving subscription revenue
- Attractive lifetime customer value
- Attractive EBITDA Margin

Target 15-20% growth
10-15 years or more
Q4 Results

Strategic Plan

- Capitalize on Bottomline’s leadership position in business payments
- Extend our product platform capabilities to increase TAM and competitive advantage
- Leverage inherent attractive lifetime customer value of our solutions
- Subscription revenue growth of 15-20% per year

Q4 Core Results

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscription Revenue Growth</td>
<td>12%</td>
</tr>
<tr>
<td>Subscription Revenue</td>
<td>$87.7M</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$110.6M</td>
</tr>
<tr>
<td>Core Operating Income</td>
<td>$16.0M</td>
</tr>
<tr>
<td>Core Operating Margin</td>
<td>14%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$23.4M</td>
</tr>
<tr>
<td>Adjusted EBITDA Margin</td>
<td>21%</td>
</tr>
<tr>
<td>Core EPS</td>
<td>$0.26</td>
</tr>
</tbody>
</table>

Commentary

- Steady subscription revenue growth despite significant temporary disruption in transaction volumes
- $351M annual run-rate
- $23.4 million EBITDA, reflecting consistently profitable model.

1Core operating income, adjusted EBITDA, core operating margin, core EPS, and constant currency information are non-GAAP measures. Subscription revenue growth calculated on a YoY constant currency basis. Definitions and a reconciliation to the most directly comparable GAAP measures can be found at the end of this document.
FY’20 Financial Overview

Subscription Revenue
339 $M
77% of revenue
Growth of 16% on a constant currency basis

Total Revenue
442 $M
91% recurring revenue
37% of revenue is international

EBITDA
95 $M
Consistently profitable model
$97M operating cash flow
$51M free cash flow

Data for the fiscal year ended June 30, 2020. Constant currency growth, and EBITDA as referred to here as adjusted EBITDA, are non-GAAP measures. A definition and reconciliation to the most directly comparable GAAP measure can be found in the Investors section of the Bottomline website.
FY’20 Key Metrics

<table>
<thead>
<tr>
<th>Subscription Gross Margin</th>
<th>FY’20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incremental Subscription Revenue</td>
<td>$43.8</td>
</tr>
<tr>
<td>Incremental Cost</td>
<td>($10.7)</td>
</tr>
<tr>
<td>Incremental Gross Margin</td>
<td>$33.1</td>
</tr>
</tbody>
</table>

\[ \text{Incremental GM \%} \quad 76\% \]

FY’20 Key Metrics¹

<table>
<thead>
<tr>
<th>FY’20 Key Metrics¹</th>
<th>FY’20 YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>16% Subscription growth</td>
<td>+2%</td>
</tr>
<tr>
<td>77% Subscription revenue</td>
<td>+7%</td>
</tr>
<tr>
<td>91% Recurring revenue</td>
<td>+4pp</td>
</tr>
<tr>
<td>20% Sales and Marketing</td>
<td>+2pp</td>
</tr>
<tr>
<td>15% Development expense</td>
<td>+1pp</td>
</tr>
</tbody>
</table>

¹Subscription growth calculated on a YoY constant currency basis. Percentages of all other calculations are as % of total revenue.
## Cash Flow and Balance Sheet Highlights

<table>
<thead>
<tr>
<th>Cash Flow</th>
<th>FY20</th>
<th>Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Cashflow</td>
<td>$97.2</td>
<td>Strong operating and free cash flow in FY20, up 24% and 106% respectively from FY19</td>
</tr>
<tr>
<td>Free Cashflow</td>
<td>$50.5</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total cash on hand</th>
<th>As of June 30, 2020</th>
<th>Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments</td>
<td>$205.0</td>
<td>Solid cash position</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Senior credit facility</th>
<th>As of June 30, 2020</th>
<th>Maximum</th>
<th>Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total borrowings</td>
<td>$180.0</td>
<td>$300.0</td>
<td>$120 million additional borrowing capacity under $300 million credit facility which matures July 2023</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Significant flexibility</th>
<th>FY20</th>
<th>Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated Net Leverage Ratio</td>
<td>1.4x</td>
<td>Credit agreement allows up to 3.5x leverage</td>
</tr>
<tr>
<td>Consolidated Interest Leverage Ratio</td>
<td>23.7x</td>
<td>Credit agreement requires no less than 3.0x coverage</td>
</tr>
</tbody>
</table>

*Covenant compliance is calculated based on credit agreement. Definition is included at the end of this document.*
Subscription Revenue Growth

- Sales & Marketing and Product investments driving 15 – 20% subscription growth
- 16% growth in FY’20
- Current run rate of $351 million

\(^2\) Subscription growth calculated on a YoY constant currency basis.
Investment Highlights

- Large market opportunity
- Leading business payments product set
- Driving subscription revenue
  Target 15-20% growth
- Attractive lifetime customer value
  10-15 years or more
- Attractive EBITDA Margin