

# **3Q 2020**

# **Financial Results**



This presentation has been prepared by BigCommerce Holdings, Inc. (“we,” “us,” “our,” “BigCommerce” or the “Company”).

This presentation may contain forward-looking statements which constitute the views of the Company with respect to future events which can be identified by the use of forward-looking terminology such as “anticipate,” “believe,” “budget,” “can,” “continue,” “control,” “could,” “estimate,” “expect,” “intend,” “may,” “ongoing,” “plan,” “potential,” “predict,” “project,” “should,” “will,” “target” and similar words or phrases. These forward-looking statements include statements concerning the following: the impact of the COVID-19 pandemic and the associated economic uncertainty on the Company, our customers, and our partners, and our response thereto; our expectations regarding our revenue, expenses, sales, and operations; anticipated trends and challenges in our business and the markets in which we operate; our ability to compete in our industry and innovation by our competitors; our ability to anticipate market needs or develop new or enhanced services to meet those needs; our ability to manage growth and to expand our infrastructure; our ability to establish and maintain intellectual property rights; our ability to manage expansion into international markets and new industries; our ability to hire and retain key personnel; our ability to successfully identify, manage, and integrate any existing and potential acquisitions; our ability to adapt to emerging regulatory developments, technological changes, and cybersecurity needs; and our anticipated cash needs and our estimates regarding our capital requirements and our need for additional financing; and such other risks and uncertainties described more fully in our documents filed with or furnished to the Securities and Exchange Commission, including the risk factors discussed in the Form 10-Q that we anticipate filing on or about November 6, 2020.

The statements are made based upon management’s beliefs and assumptions and on information available to management as of the date of this presentation. Forward-looking statements involve both known and unknown risks, and there is no assurance that such statements are correct or will prove, with the passage of time, to be correct. Actual events, results, achievements or performance may differ materially from those reflected, implied or contemplated by such forward looking statements. All forward-looking statements attributable to us are expressly qualified by these cautionary statements. Any past performance information presented herein is not a guarantee or indication of future results and should not be relied upon for such reason.

The information contained herein may change at any time without notice, and we undertake no duty to update this information except as required by law.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such data and estimates. In addition, projections, assumptions and estimates of our future performance and the future performance of the markets in which we operate are necessarily subject to a high degree of uncertainty and risk. Neither we nor our affiliates, advisors or representatives makes any representation as to the accuracy or completeness of that data or undertake to update such data after the date of this presentation.

In addition to financial information prepared in accordance with generally accepted accounting principles in the United States (“GAAP”), we use certain non-GAAP financial measures to clarify and enhance our understanding, and aid in the period-to-period comparison, of our performance. We believe that these non-GAAP financial measures provide supplemental information that is meaningful when assessing our operating performance because they exclude the impact of certain amounts that our management and board of directors do not consider part of core operating results when assessing our operational performance, allocating resources, preparing annual budgets, and determining compensation. The non-GAAP measures have limitations, including that they may not be directly comparable to other companies, and you should not consider them in isolation or as a substitute for or superior to our GAAP financial information. See the Appendix to this presentation for a reconciliation of non-GAAP financial measures to their nearest GAAP equivalent.

# BigCommerce is the open SaaS platform for all stages of ecommerce growth



WOOLRICH



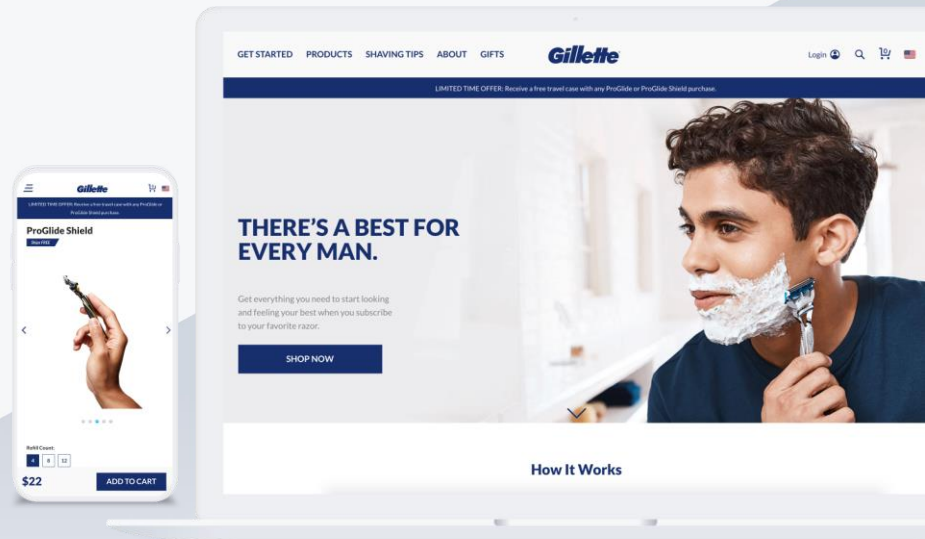
N A T O R I

BEN & JERRY'S

Cetaphil®

BADGLEY  
MISCHKA

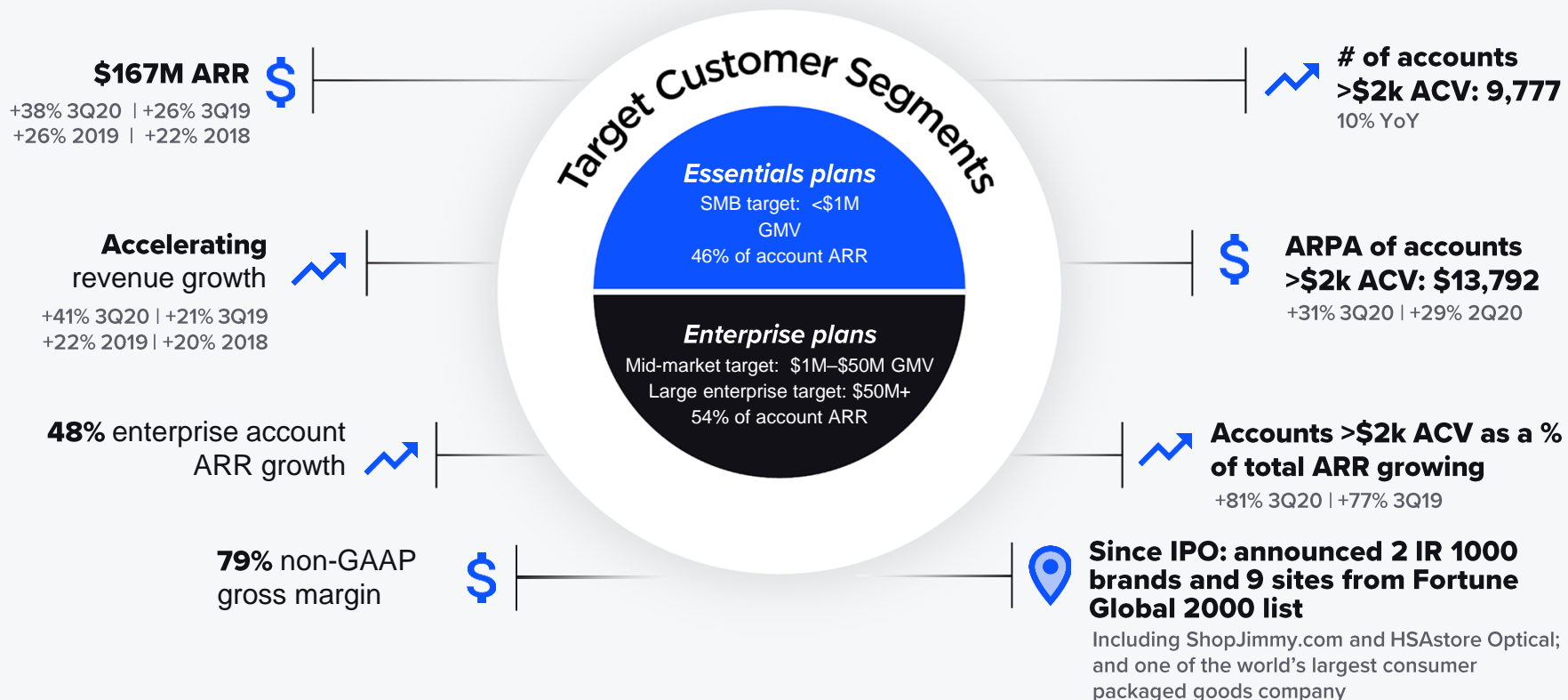
SC Johnson



## Uniquely positioned as a SaaS ecommerce leader

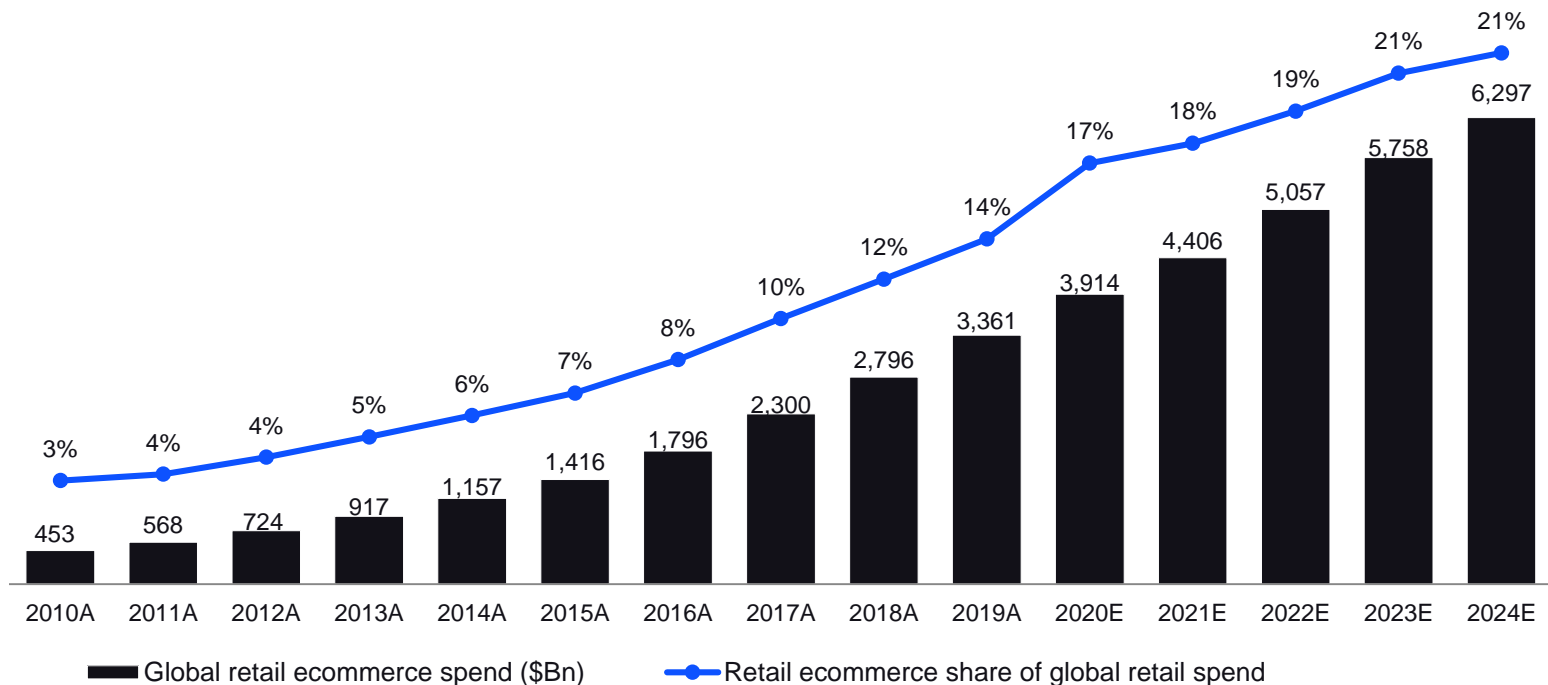
- ▢ Open SaaS
- ▢ Enterprise leadership
- ▢ Focused on established businesses
- ▢ B2C + B2B
- ▢ Intentionally disruptive
- ▢ Partner-centric (best-of-breed)

# BigCommerce today



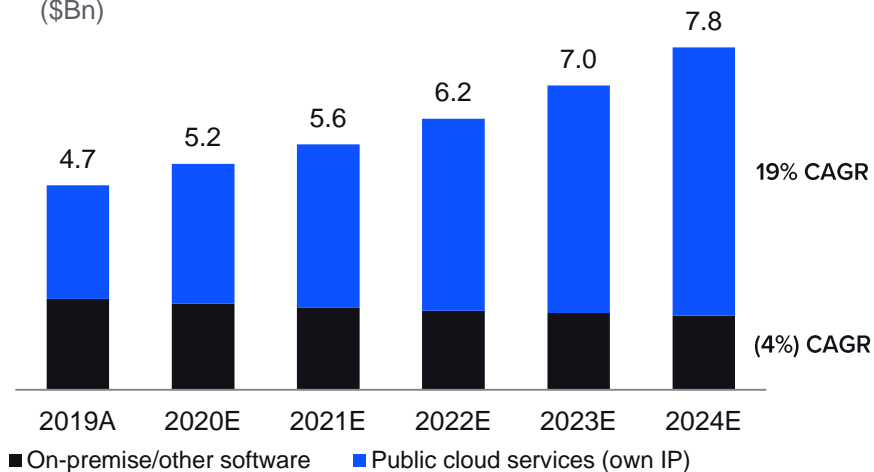
Note: All statistics as of 9/30/2020 unless otherwise noted.

## Large and fast-growing global ecommerce market

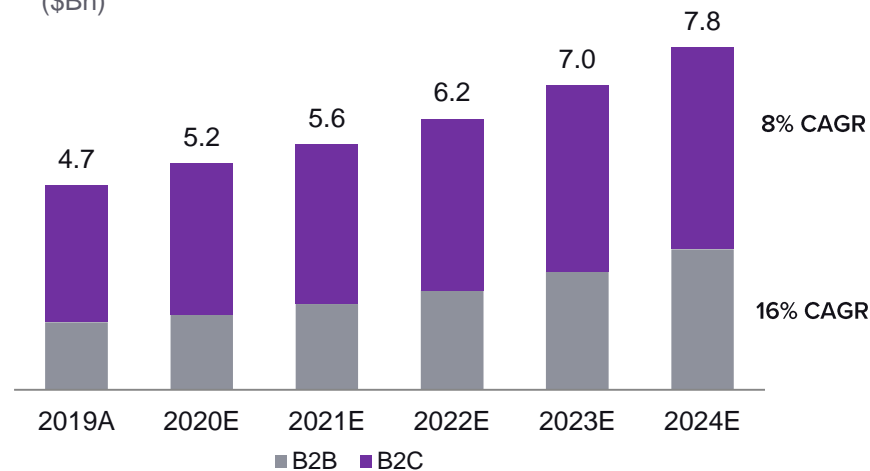


# Ecommerce platform spend forecasted to grow to \$7.8B in 2024

Worldwide digital commerce applications revenue by deployment  
(\$Bn)



Worldwide digital commerce applications revenue by business model  
(\$Bn)





# Why BigCommerce wins

- Open SaaS
- Enterprise features and applications
- Cross-channel commerce
- Lower total cost of ownership (TCO) than legacy software
- Performance: uptime, site speed, security



## B Customer snapshot

### Health & Beauty

method.  
men

Carlson.  
Award-Winning Quality Since 1965

Nature's One

Mrs. MEYER'S  
CLEAN DAY

Murad.

MOLTON  
BROWN  
LONDON

CALDREA  
AROMATHERAPEUTIC LIVING

LARQ

bliss

### Apparel

CUTTER & BUCK

Reebok

BON-TON

BADGLEY  
MISCHKA

SADDLEBROOK  
LEATHER CO.

P.E.  
NATION

NATORI LAPERIA

EST. 1830  
WOOLRICH

yumi

DressUp

Closet.  
LONDON

### Electronics

FUJITSU

BRICKHOUSE  
SECURITY

CCTV SECURITY PROS  
A SECURITY CAMERA SOLUTIONS COMPANY™

Nikon

Leica

vodafone

DISCOUNT  
ELECTRONICS

ELITECORE

Skullcandy

DREMEL

### Home & Garden

cantoni DUXIANA®

SHARP  
Appliances

bensons  
for beds

BURROW FLOORET

solo stove

AMERICAN  
LEATHER

Big Green Egg  
The Ultimate Cooking Experience

UPLIFT DESK®

### Food & Beverage

Carluccio's

BEER CARTEL

GROW & BEHOLD

5-hour  
ENERGY

DI BRUNO BROS.  
Culinary Products Since 1955

Lammes  
CANDIES  
SINCE 1885

Rudy's

JOHNNIE WALKER

BASKITS

jenie's

BEN & JERRY'S

### Sports

SPINNING

PAINTBALL®  
online.com

K2  
SPORTS

marucci

ROCK  
BOTTOM  
GOLF

KELTY

pure barre®

Z ZWIFT

### Automotive

TouchUpDirect

AWESOME  
VIN & AUDIO GROUP SPECIALISTS

PRIORITY TIRE

STURGIS  
HARLEY-DAVIDSON

Brock's  
PERFORMANCE

STG  
sportbike track gear.com

TOYOTA

enjukuracing

B3 WHEELS  
www.b3wheelsonline.com

DEEP PEOPLE

### B2B & Industrial

EVERY  
DENNISON

Clarion

ResMed

psi

berlin  
PACKAGING

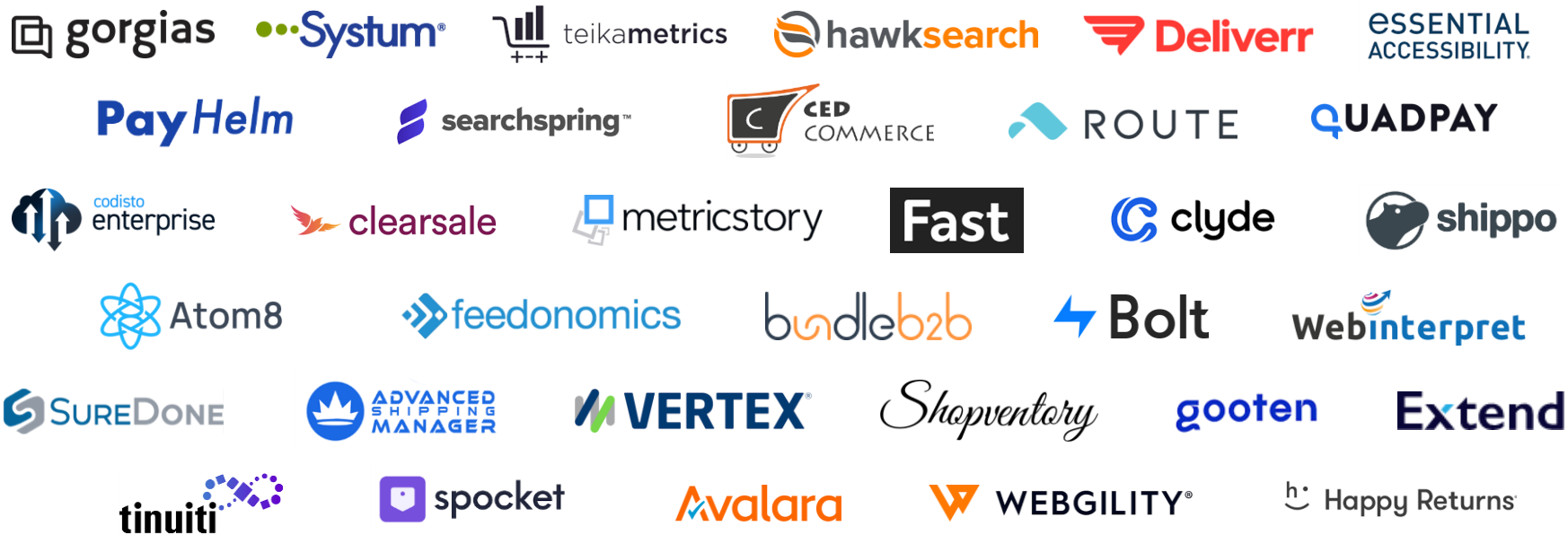
HS WHOLESALE  
JUUL MASTER DISTRIBUTOR

AORN  
SAFE SURGERY TOGETHER

ACLS  
ACCREDITED COURSE

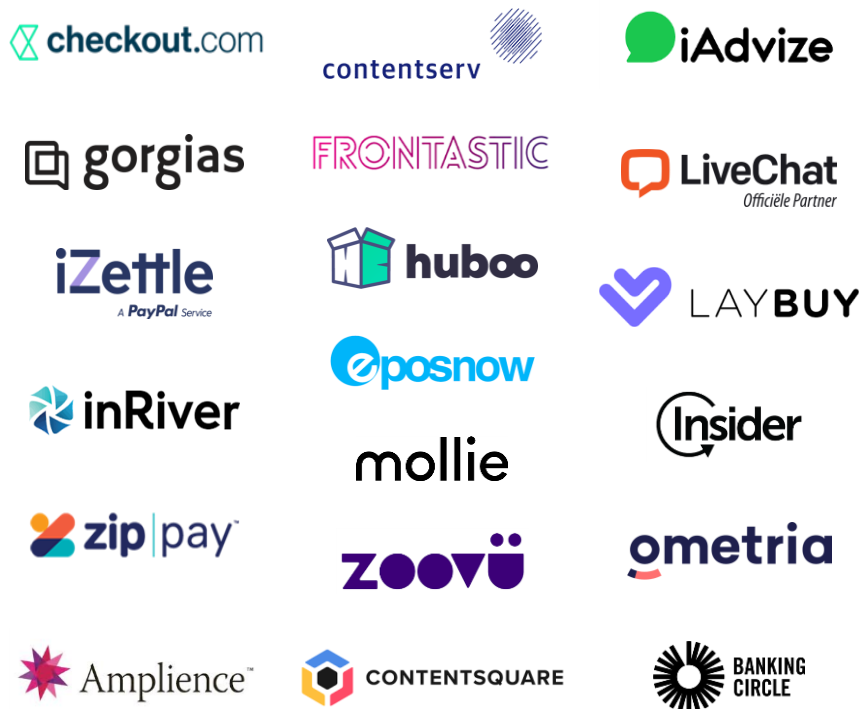


**Over 100 world class new partners YTD, with focus on MM solutions, and putting in place the right mix of choice for merchants of all sizes.**

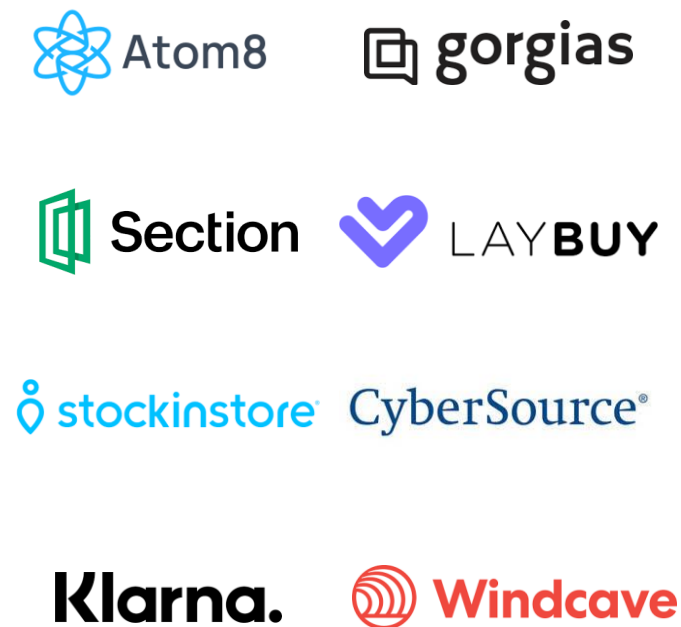


# BigCommerce strategic technology partners

## New Partners YTD in EMEA



## New Partners YTD in APAC





# Financials

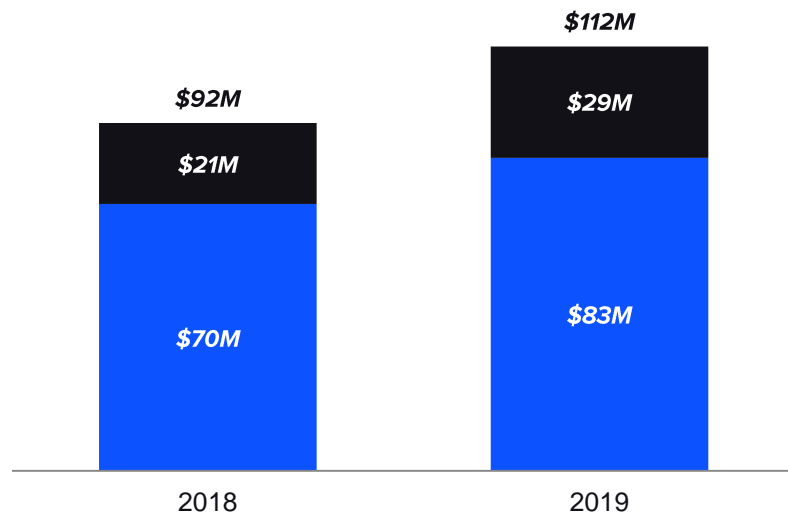


## BigCommerce financial summary

- Acceleration in topline growth in 2018, 2019 and 2020 YTD
- Enterprise increasing as a percent of total revenue
- High gross margins
- Significant long-term operating leverage potential

## Strong revenue performance

■ Subscription Services ■ Partner and Services



### y/y: Subscription Services

15%

17%

### y/y: Partner and Services

38%

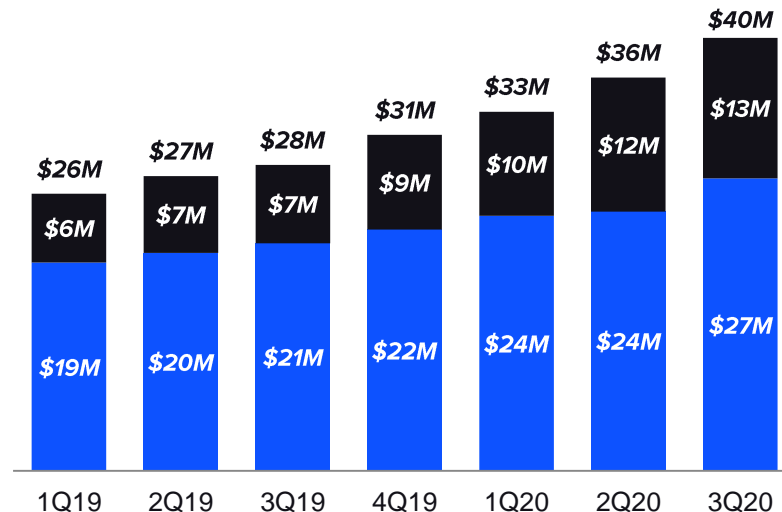
38%

### y/y: Total Revenue

20%

22%

■ Subscription Services ■ Partner and Services



14%

18%

17%

20%

22%

19%

26%

55%

37%

34%

30%

52%

74%

82%

22%

22%

21%

23%

30%

33%

41%

Note: Amounts may not add due to rounding.

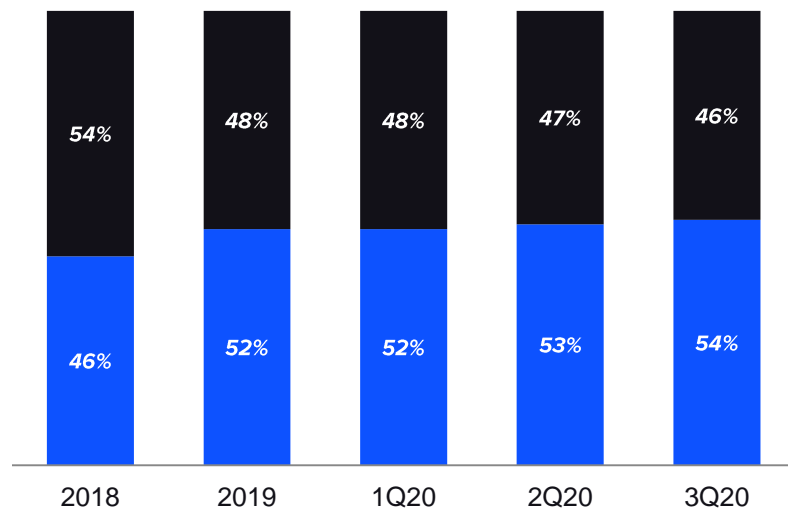


# Subscription revenue mix shift to enterprise plans

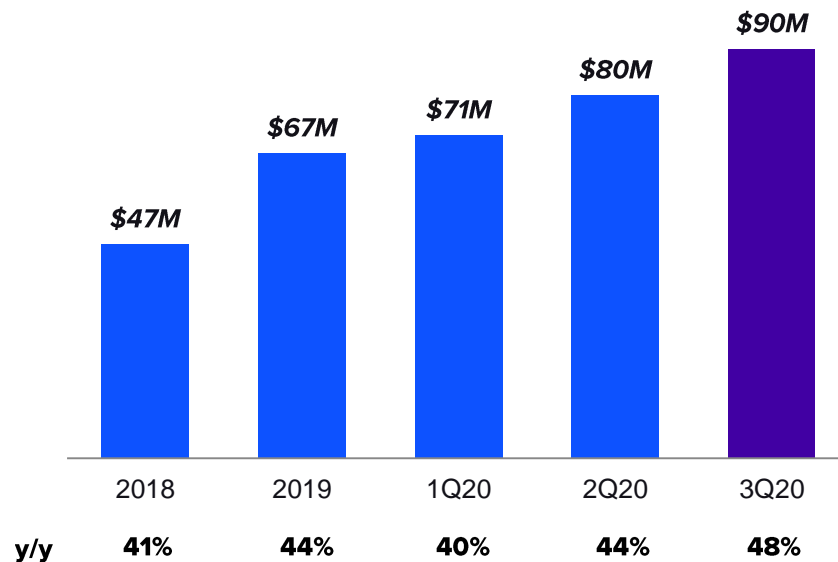
Higher LTV and stronger retention plans

## Enterprise account ARR as a % of total ARR

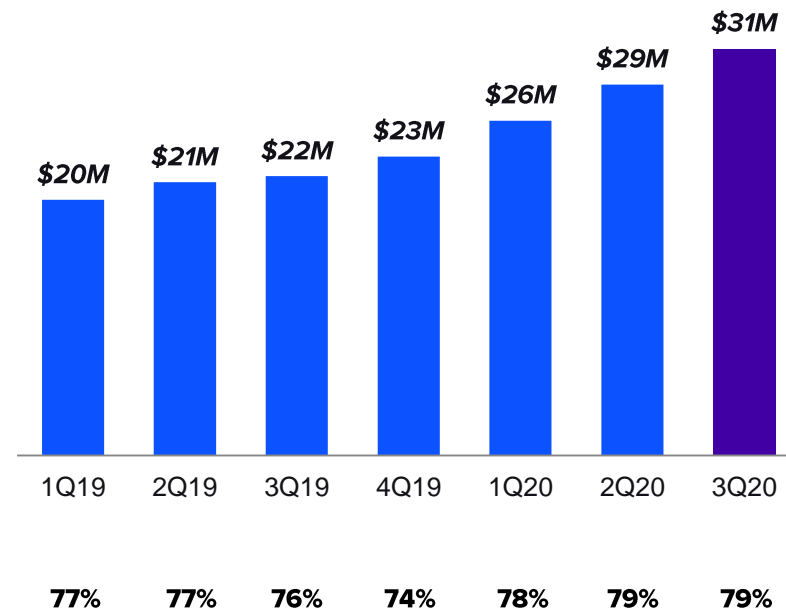
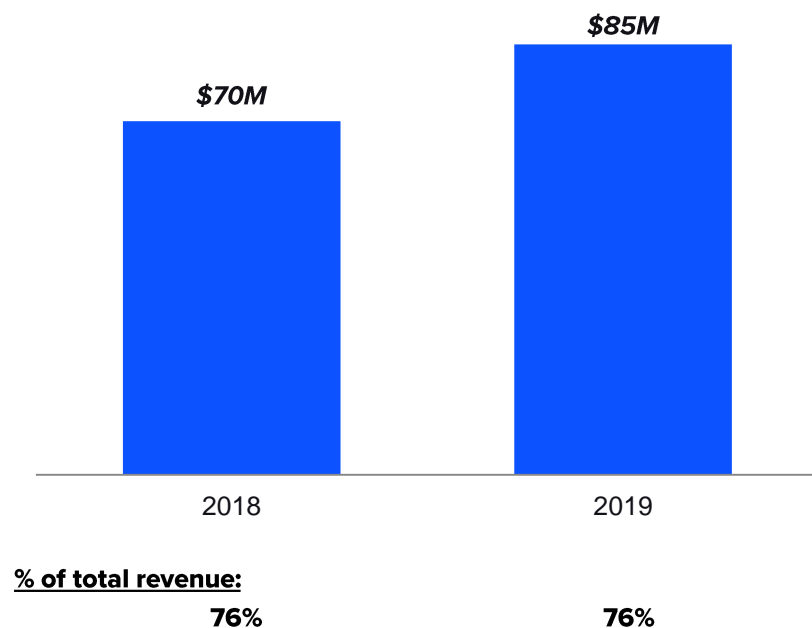
■ Enterprise account ARR ■ Retail account ARR



## Enterprise account ARR



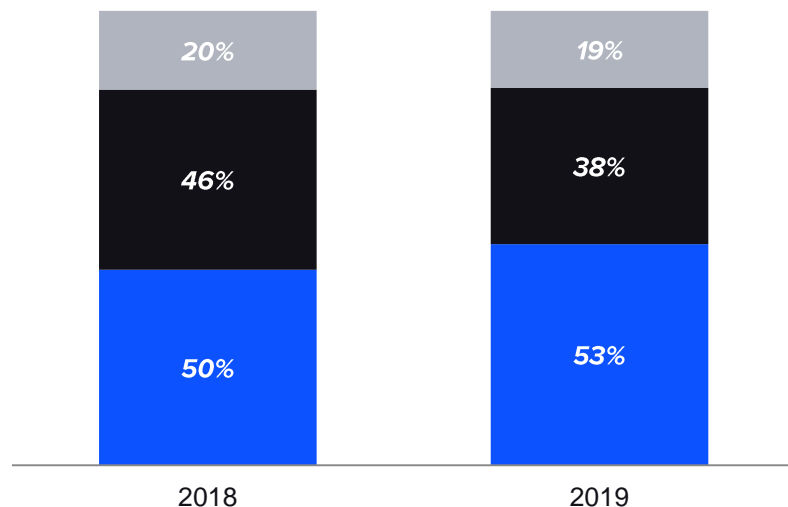
## B Gross profit and margin (non-GAAP)



Note: Non-GAAP gross profit and gross margin exclude the effect of stock-based compensation. See appendix for reconciliation of Non-GAAP measures to GAAP.

## B Operating expenses as a % of revenue (non-GAAP)

■ Sales & Marketing ■ Research & Development ■ General & Administrative

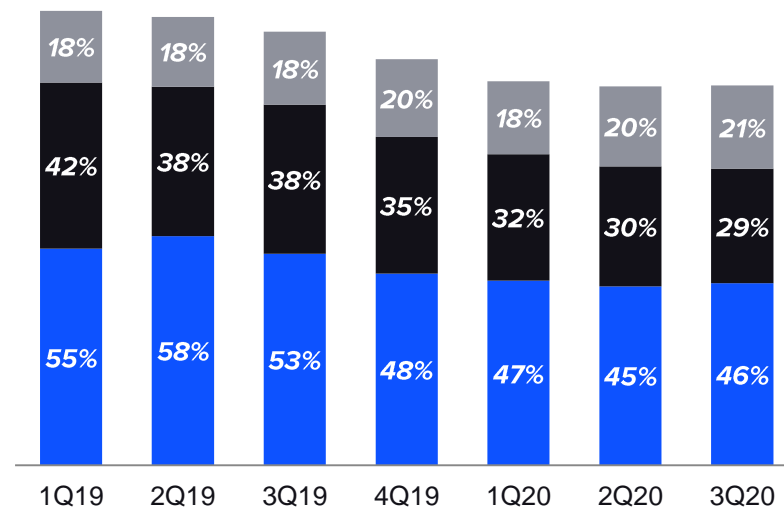


**Operating margin:**

**(39%)**

**(34%)**

■ Sales & Marketing ■ Research & Development ■ General & Administrative



**(38%)**

**(36%)**

**(33%)**

**(28%)**

**(19%)**

**(17%)**

**(18%)**

Note: Non-GAAP operating expenses and operating margin exclude the effect of stock-based compensation. See appendix for reconciliation of Non-GAAP measures to GAAP.

Note: Amounts may not add due to rounding.





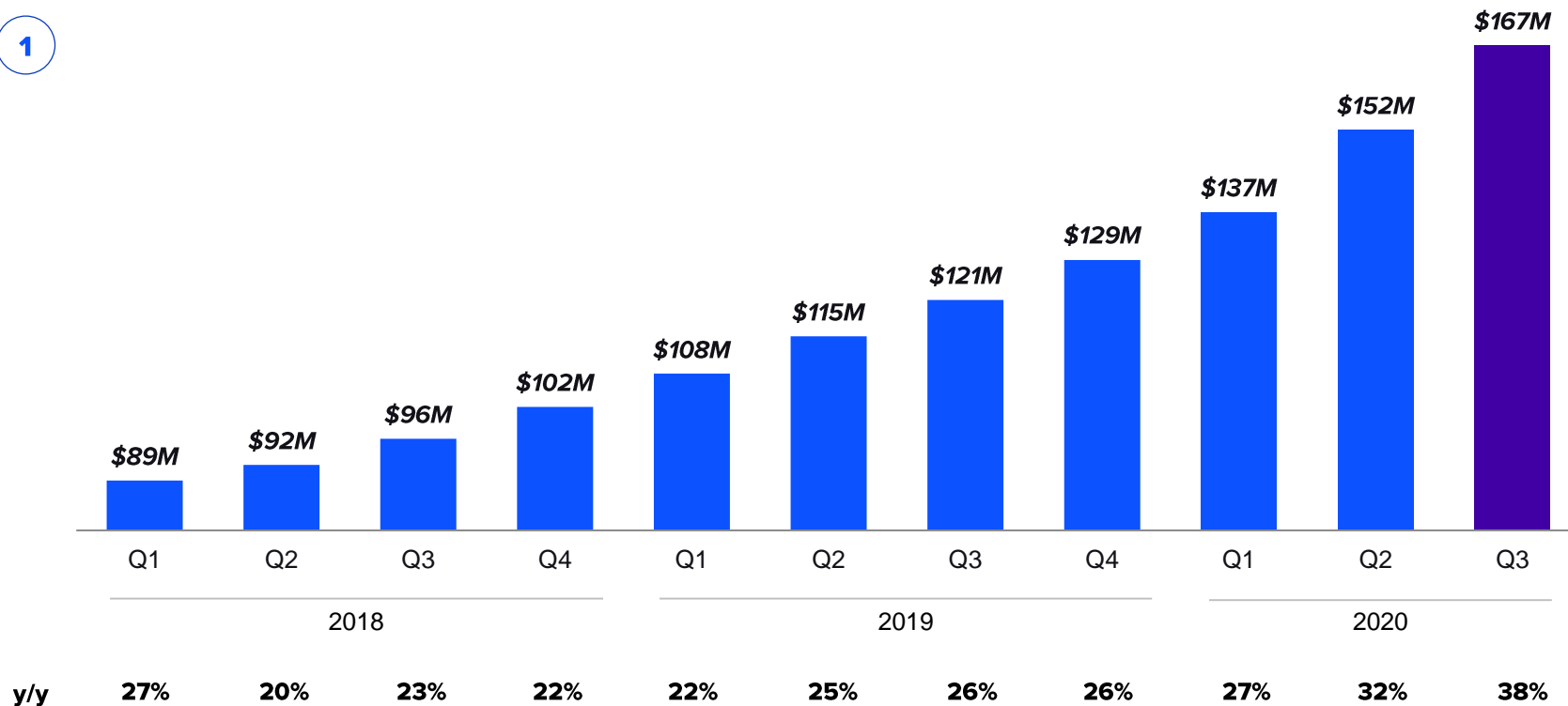
## Key Metrics

- 1 Annual revenue run-rate
- 2 Accounts with >\$2k in ACV as a percent of annual revenue run-rate
- 3 Average revenue per account >\$2k in ACV
- 4 Accounts with >\$2k in ACV

## Strong, consistent ARR growth

(as of 9/30/20)

1

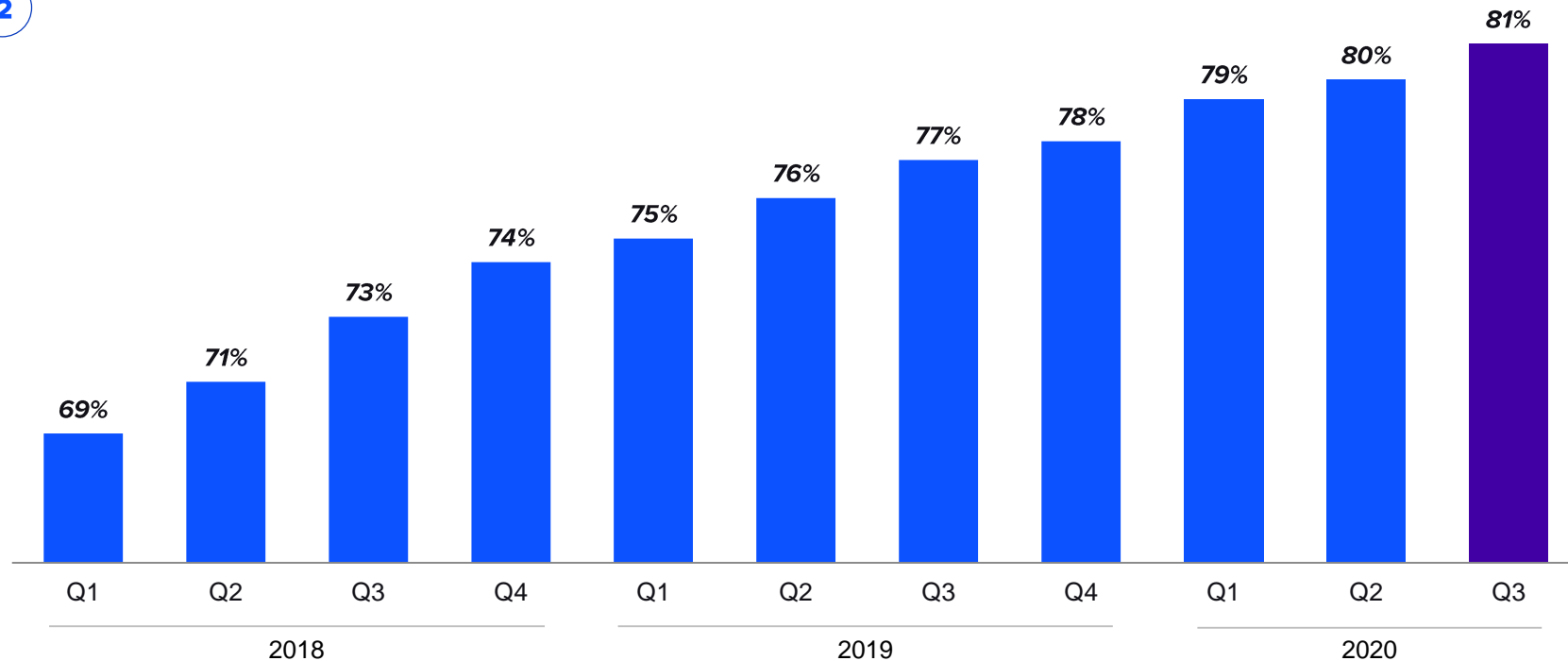


Note: Annual revenue run-rate ("ARR") is calculated as the sum of: (1) the product of the current month's monthly recurring revenue ("MRR") multiplied by twelve (to prospectively annualize subscription revenue), and (2) the trailing twelve-month partner and services revenue, including non-recurring services revenue.

## Increasing share of ARR driven by >\$2k accounts

(as of 9/30/20)

2

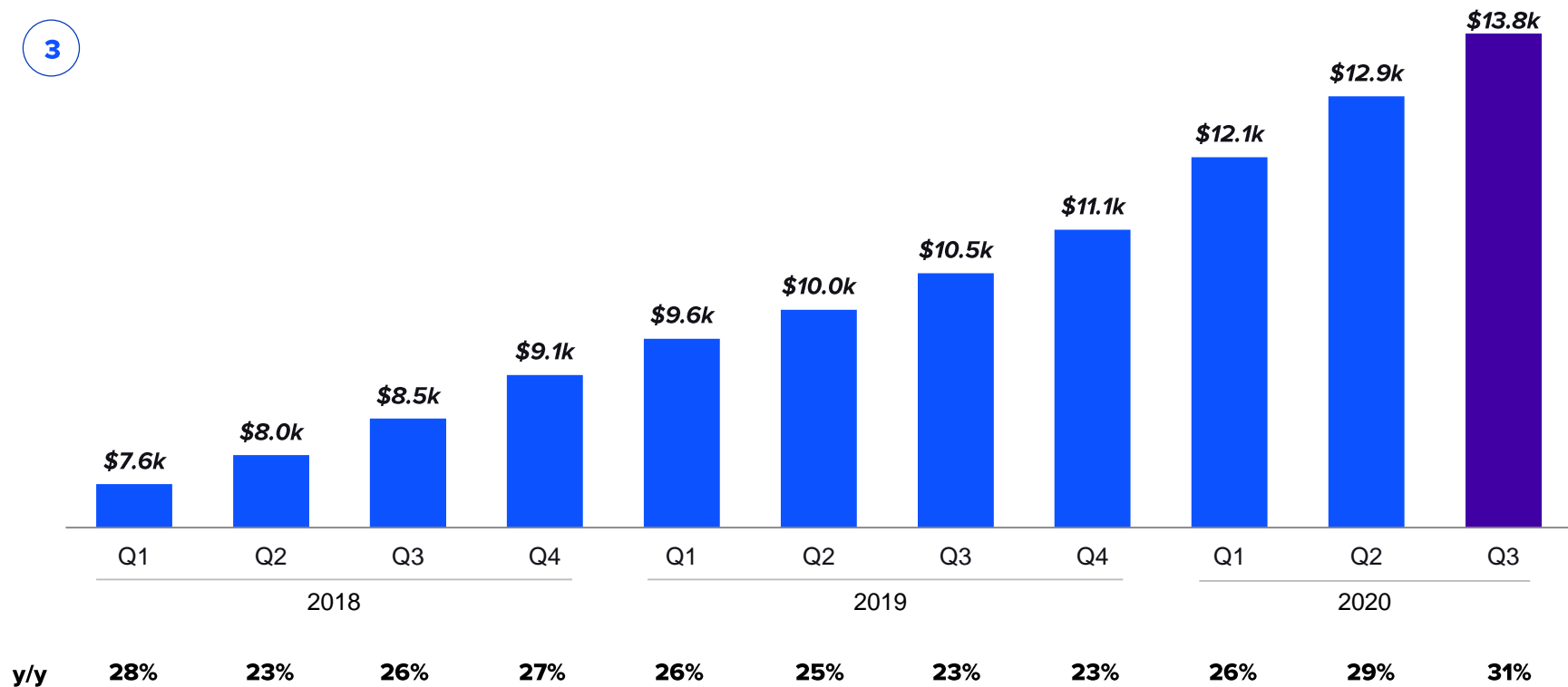


*Note: Accounts with greater than \$2,000 annual contract value ("ACV") is defined by only subscription plan revenue and excludes partner and services revenue and recurring services revenue.*

## Consistent growth in average revenue per >\$2k accounts

(as of 9/30/20)

3

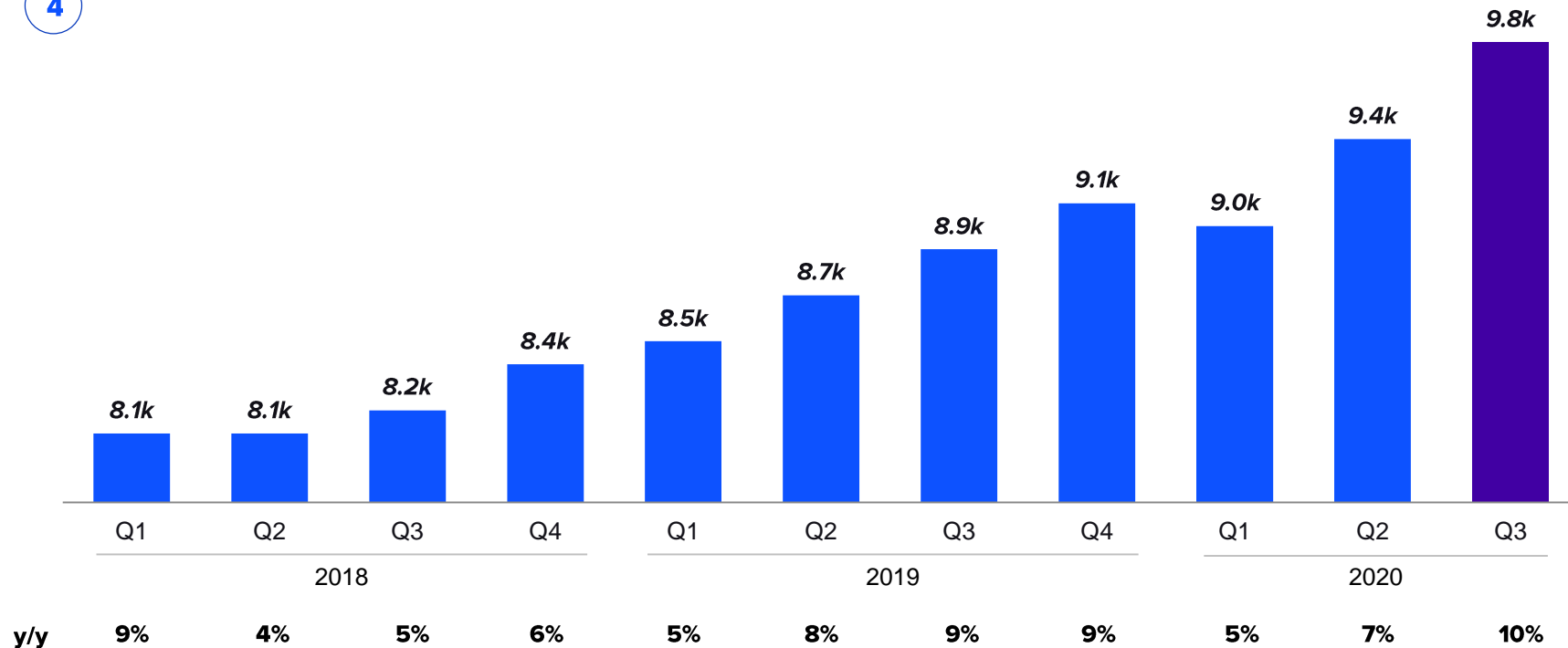


Note: Average revenue per account ("ARPA") for accounts above the ACV threshold is calculated at the end of a period by including customer-billed revenue from subscription solutions and professional services and an allocation of partner services revenue.

## B Number of accounts >\$2k in ACV

(as of 9/30/20)

4



Note: Accounts with greater than \$2,000 annual contract value ("ACV") is defined by only subscription plan revenue and excludes partner and services revenue and recurring services revenue. Year-over-year growth rates may not compute due to rounding.



# Investment highlights

- Large and growing addressable market
- Open SaaS
- Accelerating revenue growth
- Strong gross margins
- Increasing operating leverage



# Appendix

# GAAP income statement

Figures in thousands

	<u>Year Ended Dec 31,</u>		<u>Three Months Ended September 30,</u>	
	2018	2019	2019	2020
Revenue	\$91,867	\$112,103	\$28,264	\$39,735
Cost of Revenue <sup>(1)</sup>	21,937	27,023	6,806	8,593
Gross Profit	69,930	85,080	21,458	31,142
Operating Expenses				
Sales & Marketing <sup>(1)</sup>	45,928	60,740	15,346	19,328
Research & Development <sup>(1)</sup>	42,485	43,123	10,862	12,124
General & Administrative <sup>(1)</sup>	19,497	22,204	5,527	9,745
Total Operating Expenses	107,910	126,067	31,735	41,197
Loss from Operations	(37,980)	(40,987)	(10,277)	(10,055)
Interest Income	653	245	4	2
Interest Expense	(1,489)	(1,612)	(359)	(741)
Other Expense	(52)	(208)	(86)	(75)
Loss Before Provision for Income Taxes	(38,868)	(42,562)	(10,718)	(10,869)
Provision for Income Taxes	10	28	7	(14)
Net Loss	(\$38,878)	(\$42,590)	(\$10,725)	(\$10,855)

(1) Includes stock-based compensation.



# B Non-GAAP reconciliation

Figures in thousands

<b>Gross Profit</b>	<b>2018</b>	<b>Q1'19</b>	<b>Q2'19</b>	<b>Q3'19</b>	<b>Q4'19</b>	<b>2019</b>	<b>Q1'20</b>	<b>Q2'20</b>	<b>Q3'20</b>
GAAP Gross Profit	<b>\$69,930</b>	\$19,659	\$21,008	\$21,458	\$22,955	<b>\$85,080</b>	\$25,694	\$28,479	31,142
Stock-based Compensation	<b>82</b>	22	37	62	70	<b>191</b>	73	81	179
Non-GAAP Gross Profit	<b>\$70,012</b>	\$19,681	\$21,045	\$21,520	\$23,025	<b>\$85,271</b>	\$25,767	\$28,560	\$31,321
Non-GAAP Gross Margin	<b>76%</b>	77%	77%	76%	74%	<b>76%</b>	78%	79%	79%
<b>Sales &amp; Marketing</b>									
GAAP S&M Expense	<b>\$45,928</b>	\$14,136	\$15,963	\$15,346	\$15,295	<b>\$60,740</b>	\$15,762	\$16,803	\$19,328
Stock-based Compensation	<b>388</b>	133	198	241	266	<b>838</b>	289	352	871
Non-GAAP S&M Expense	<b>\$45,540</b>	\$14,003	\$15,765	\$15,105	\$15,029	<b>\$59,902</b>	\$15,473	\$16,451	\$18,457
Non-GAAP S&M as % of Revenue	<b>50%</b>	54%	58%	53%	48%	<b>53%</b>	47%	45%	46%
<b>Research &amp; Development</b>									
GAAP R&D Expense	<b>\$42,485</b>	\$10,832	\$10,468	\$10,862	\$10,961	<b>\$43,123</b>	\$10,921	\$11,345	\$12,124
Stock-based Compensation	<b>432</b>	71	158	186	251	<b>666</b>	305	330	582
Non-GAAP R&D Expense	<b>\$42,053</b>	\$10,761	\$10,310	\$10,676	\$10,710	<b>\$42,457</b>	\$10,616	\$11,015	\$11,542
Non-GAAP R&D as a % of Revenue	<b>46%</b>	42%	38%	38%	35%	<b>38%</b>	32%	30%	29%
<b>General &amp; Administrative</b>									
GAAP G&A Expense	<b>\$19,497</b>	\$4,999	\$5,222	\$5,527	\$6,456	<b>\$22,204</b>	\$6,466	\$7,714	\$9,745
Stock-based Compensation	<b>1,169</b>	369	428	326	338	<b>1,461</b>	359	381	1,236
Non-GAAP G&A Expense	<b>\$18,328</b>	\$4,630	\$4,794	\$5,201	\$6,118	<b>\$20,743</b>	\$6,107	\$7,333	\$8,509
Non-GAAP G&A as % of Revenue	<b>20%</b>	18%	18%	18%	20%	<b>19%</b>	18%	20%	21%
<b>Operating Income</b>									
GAAP Operating Income	<b>(\$37,980)</b>	(\$10,308)	(\$10,645)	(\$10,277)	(\$9,757)	<b>(\$40,987)</b>	(\$7,455)	(\$7,383)	(\$10,055)
Stock-based Compensation	<b>2,071</b>	595	821	815	925	<b>3,156</b>	1,026	1,144	2,868
Non-GAAP Operating Income	<b>(\$35,909)</b>	(\$9,713)	(\$9,824)	(\$9,462)	(\$8,832)	<b>(\$37,831)</b>	(\$6,429)	(\$6,239)	(\$7,187)
Non-GAAP Operating Margin	<b>(39%)</b>	(38%)	(36%)	(33%)	(28%)	<b>(34%)</b>	(19%)	(17%)	(18%)

# Adjusted EBITDA reconciliation

Figures in thousands

	<u>Year Ended Dec 31,</u>		<u>Three Months Ended September 30,</u>	
	2018	2019	2019	2020
Net Loss	(\$38,878)	(\$42,590)	(\$10,725)	(\$10,855)
Stock-based Compensation Expense	2,071	3,156	815	2,868
Depreciation and Amortization	1,844	2,569	635	699
Interest Income	(653)	(245)	(4)	(2)
Interest Expense	1,489	1,612	359	741
Provisions for Income Taxes	10	28	7	(14)
<b>Adjusted EBITDA</b>	<b>(\$34,117)</b>	<b>(\$35,470)</b>	<b>(\$8,913)</b>	<b>(\$6,563)</b>

## Non-GAAP net loss reconciliation

Figures in thousands

	<u>Year Ended Dec 31,</u>		<u>Three Months Ended September 30,</u>	
	2018	2019	2019	2020
Net Loss	(\$38,878)	(\$42,590)	(\$10,725)	(\$10,855)
Stock-based Compensation Expense	2,071	3,156	815	2,868
<b>Non-GAAP Net Loss</b>	<b>(\$36,807)</b>	<b>(\$39,434)</b>	<b>(\$9,910)</b>	<b>(\$7,987)</b>