



ROADSHOW PRESENTATION

March - 2022

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This presentation contains forward-looking statements about the Company and its industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this presentation, including statements regarding the Company’s strategy, future financial condition, future operations, projected costs, prospects, plans, objectives of management and expected market growth, are forward-looking statements. These forward-looking statements are based on the Company’s current expectations, estimates, forecasts and projections about future events and financial trends that the Company believes may affect its financial condition, results of operations, business strategy and financial needs. In light of the significant uncertainties in these forward-looking statements, you should not rely upon forward-looking statements as predictions of future events. Although the Company believes that it has a reasonable basis for each forward-looking statement contained in this presentation, it cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur at all. Furthermore, if forward-looking statements prove to be inaccurate, the inaccuracy may be material. Except as required by law, the Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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This presentation includes certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) because the Company believes they help investors understand its performance. Any non-GAAP financial measures presented are not, and should not be viewed as, substitutes for financial measures required by U.S. GAAP and may not be comparable to the calculation of similar measures of other companies. A reconciliation of these measures to GAAP is included in the Appendix this presentation.

We are in the process of finalizing our results as of and for the three months ended September 30, 2021 and we expect to complete our interim financial statements as of and for the three months ended September 30, 2021 subsequent to the completion of this offering. We have presented below certain preliminary results representing our estimates for the three months ended September 30, 2021, which are based solely on currently available information and do not present all necessary information for an understanding of our financial condition as of September 30, 2021 or our results of operations for the three months ended September 30, 2021. We have provided ranges, rather than specific amounts, for the preliminary estimates for the unaudited financial and other data described below primarily because our financial closing procedures for the three months ended September 30, 2021 are not yet complete. As a result, our actual results may differ from these estimates due to the completion of our financial closing procedures and final adjustments, including, but not limited to, purchase accounting adjustments in connection with our acquisition of FastPay during the three months ended September 30, 2021, as well as other developments that may arise between now and the time our final quarterly financial statements are completed, and such changes could be material. Accordingly, undue reliance should not be placed on these preliminary estimates.

In light of the foregoing, you are urged not to rely on any forward-looking statement or third-party data in reaching any conclusion or making any investment decision about any securities of the Company.

TODAY'S HOSTS PRESENTING AVIDXCHANGE



MICHAEL PRAEGER

Chief Executive Officer and
Co-Founder



JOEL WILHITE

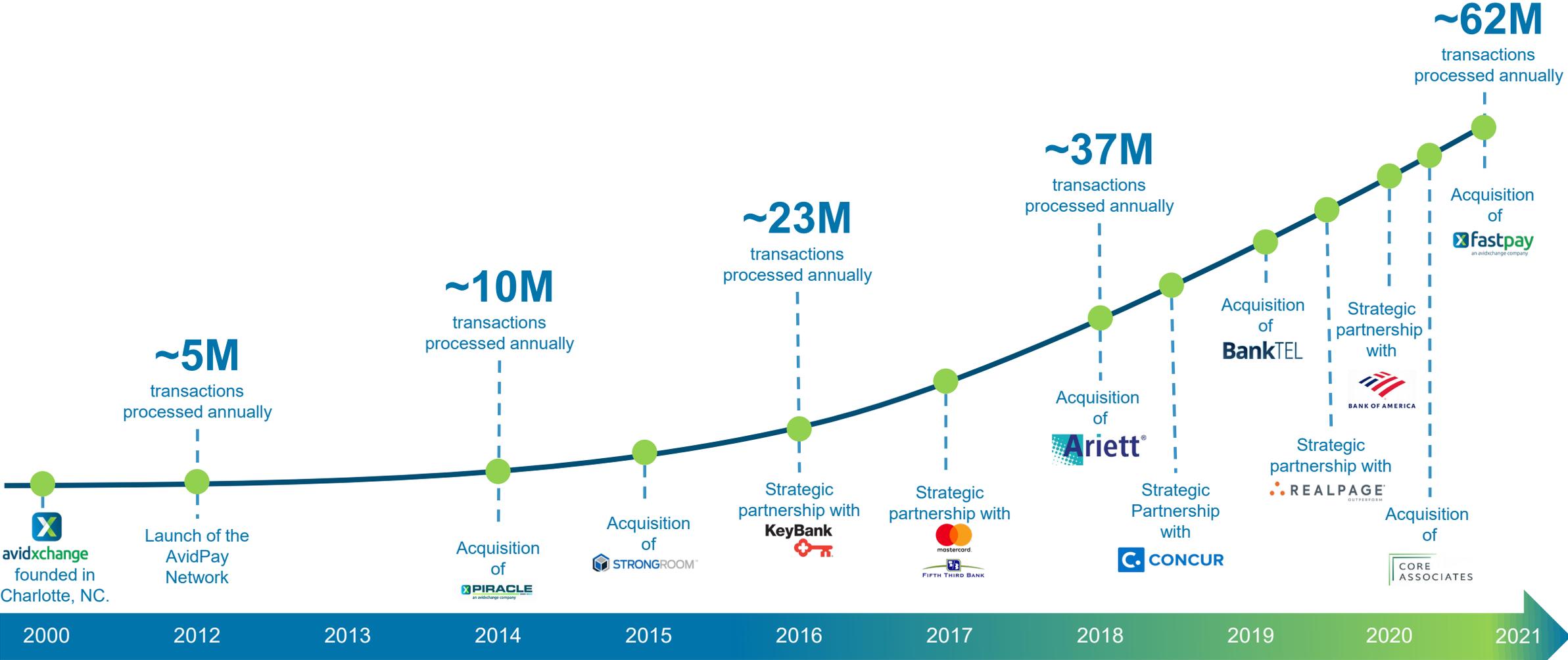
Chief Financial Officer



OUR MISSION

To transform how middle market companies receive, manage, and pay their bills

KEY MILESTONES IN OUR JOURNEY TO LEAD THE MIDDLE MARKET



AVIDXCHANGE AT A GLANCE

PERFORMANCE

\$248mm

2021 Revenue

34%

2021
Revenue Growth

107%

2021 Net Transactions
Processed Retention

SCALE

8,000

AP Software
Customers

~\$180bn

2021 Spend
Under Management

~62mm

2021 Transactions Processed

DIFFERENTIATION

825,000

Suppliers paid via
our B2B Network²

180

Referral
Relationships

220

Accounting System
Integrations

OUR SECRET SAUCE

GROWTH OF OUR AVIDPAY NETWORK

SUPPLIERS PAID VIA THE AVIDPAY NETWORK OVER THE PAST 6 YEARS



ENTERPRISE



MIDDLE MARKET



SMB



WE ARE PURPOSE BUILT FOR THE MIDDLE MARKET



INDUSTRY LEADING AP AUTOMATION & PAYMENT SERVICES

Build for both the **vertical** and **horizontal** industry needs of middle market companies



THE LARGEST NETWORK OF UNIQUE SUPPLIERS

825,000 suppliers of all sizes nationwide.



DEEP DOMAIN EXPERTISE & STRATEGIC PARTNERSHIPS

Strategic partnerships with industry leaders like **Mastercard, Oracle NetSuite, MRI Software and RealPage**



220 INTEGRATIONS SUPPORTING BOTH VERTICAL INDUSTRY & HORIZONTAL CUSTOMERS

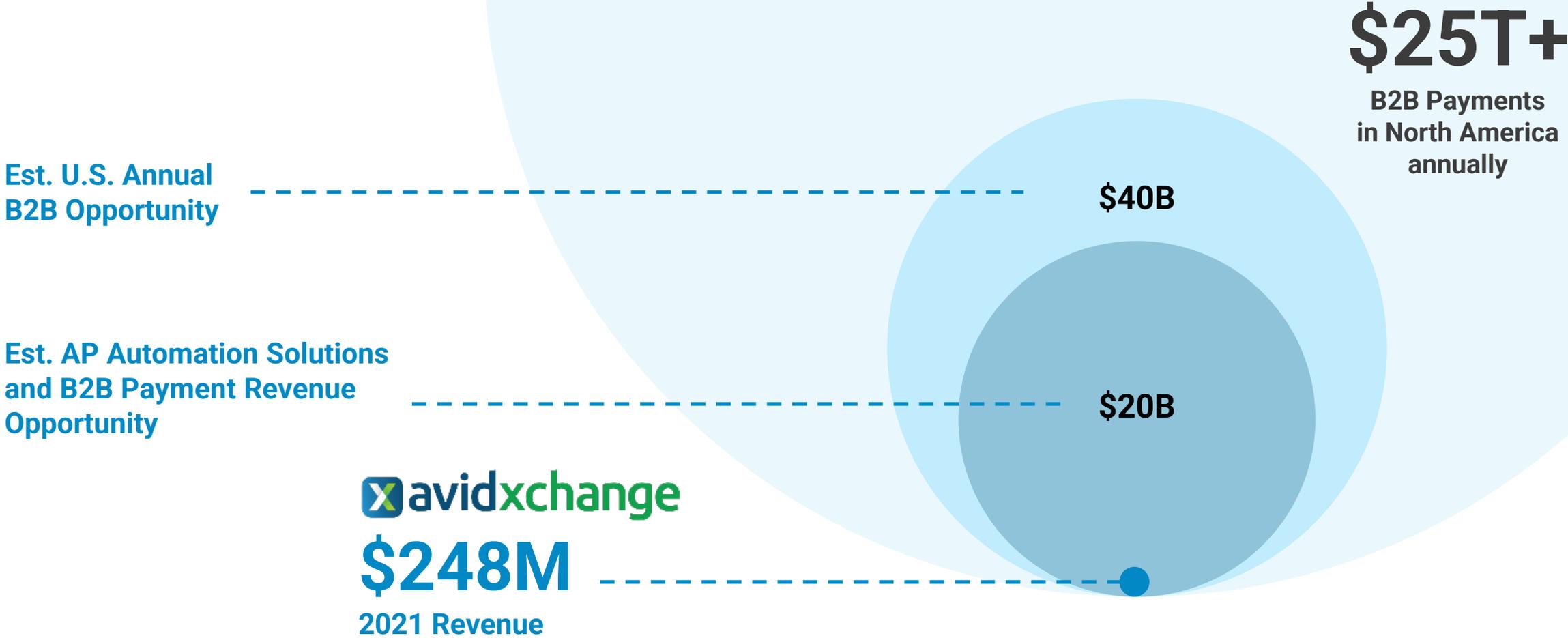
Our solutions are **highly integrated** to our customers core accounting / ERP systems supporting the business requirements of our **vertical and horizontal customers**

WE BELIEVE MIDDLE MARKET CUSTOMERS HAVE UNIQUE NEEDS

	SMB	MIDDLE MARKET	ENTERPRISE
ANNUAL REVENUE	< \$5mm	\$5mm-\$1bn	> \$1bn
EMPLOYEE SIZE	~1-50 employees	~50-1000 employees	1000+ employees
AVAILABLE US MARKET (COUNT OF BUSINESSES)	~23mm	~435k	~6k
ADOPTION OF AUTOMATION	Emerging	Early Adopter	Maturing
BACK OFFICE COMPLEXITY			
SUPPLY CHAIN COMPLEXITY			
ILLUSTRATIVE ACCOUNTING SYSTEMS	 	  	  
ILLUSTRATIVE AR/AP SOLUTIONS			



THE MIDDLE MARKET B2B PAYMENTS INDUSTRY IS MASSIVE...



... AND FACES UNIQUE CHALLENGES



Inefficient Legacy Solutions

42% of U.S. B2B payment volume still paid using **paper checks** requiring manual intervention



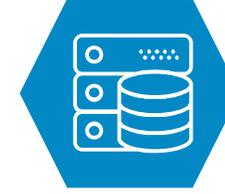
Complex Integration Requirements

Hundreds of accounting systems and integrations resulting in **complex and highly specific business, accounting and compliance requirements**



Underserved Target Market

Highly fragmented market of vertical focused ERP and software solutions



High Costs

Costs related to these complex AP workflows are a significant component of middle market companies' **administrative expenses**



Status Quo Mindset

Traditional long tenured finance leaders maintain **Status Quo Financial Processes**

Source: Association of Finance Professionals

WITH TAILWINDS ACCELERATING MIDDLE MARKET ADOPTION



Business Continuity

COVID-19 highlighted the importance of automation for business continuity and support “Work from Home” and Hybrid Models



Fraud Risk

Growing concerns over fraud risk and data privacy with paper invoices and paper checks



Familiar Tech

Users have experienced the benefits of SaaS / cloud solutions for automation in other areas of the business along with lower cost of ownership



Millennial Effect

Tech-savvy younger population taking on leadership roles in organizations

OUR VERTICAL & HORIZONTAL STRATEGY

Verticals

Real Estate	HOA	Construction	Financial Services	Media	Healthcare	Social Services	Education
RentManager®	CALIBER SOFTWARE	sage 300 Construction and Real Estate	jack henry & ASSOCIATES INC.	mediaocean	blackbaud®	blackbaud®	blackbaud®
mri REAL ESTATE SOFTWARE	TOPS [ONE]	sage 100 Contractor	fiserv.	dvantage	sage X3	sage X3	MIP
YARDI	Condo Manager	Vista™	FIS				

220+ Purpose Built Integrations with Different Accounting Systems

Horizontals

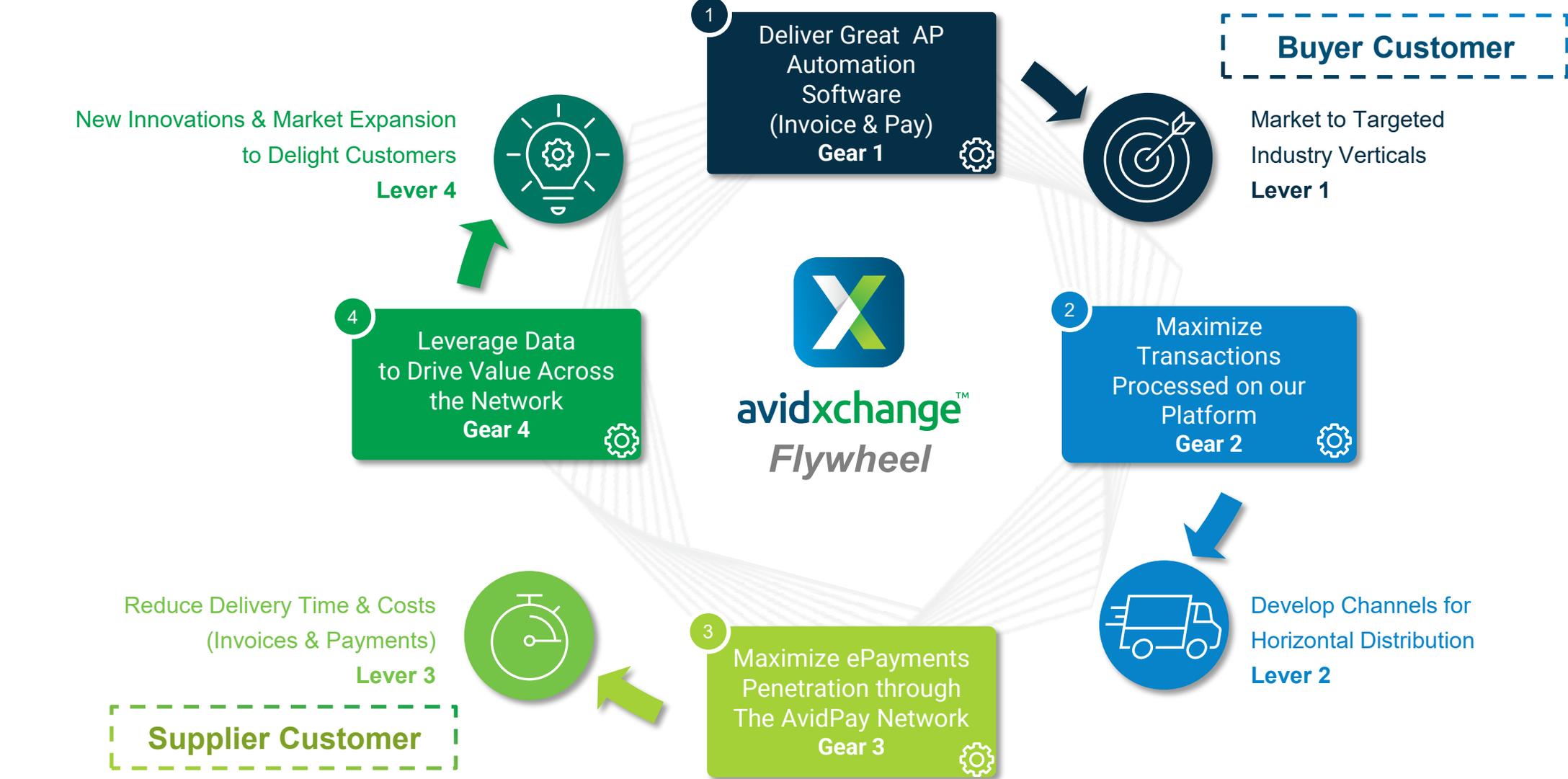
ORACLE®
NETSUITE

sage
Intacct

Microsoft
Dynamics® 365

intuit
quickbooks®

POWERFUL FLYWHEEL BUSINESS MODEL FOR LONG TERM GROWTH



OUR HYBRID GO-TO-MARKET STRATEGY UNDERPINS TOPLINE GROWTH



Direct Channel Strategy
Strategy built on vertical-specific business process configurations and accounting system integrations



Strategic Partnerships + Indirect Channel Strategy
Horizontal strategy built on key accounting system integrations, Mastercard partnership, and commercial partnerships with business solution providers

OUR STRONG PARTNER RELATIONSHIPS PROVIDE A COMPETITIVE ADVANTAGE



Bank Channel

Banks provide a wider suite of products to customers by offering AvidXchange's AP automation and payment software

Banks leverage their long-term business customer relationships to sell AvidXchange products

Reseller Partners



Referral Partners



PACIFIC PREMIER BANK



10+ Bank Referral Partnerships

Software Partner / Referral Partner Channel

Numerous resellers and referral partners with flexible revenue sharing / commission agreements

Training, implementation, account management, and customer support are provided by AvidXchange

Reseller Partners

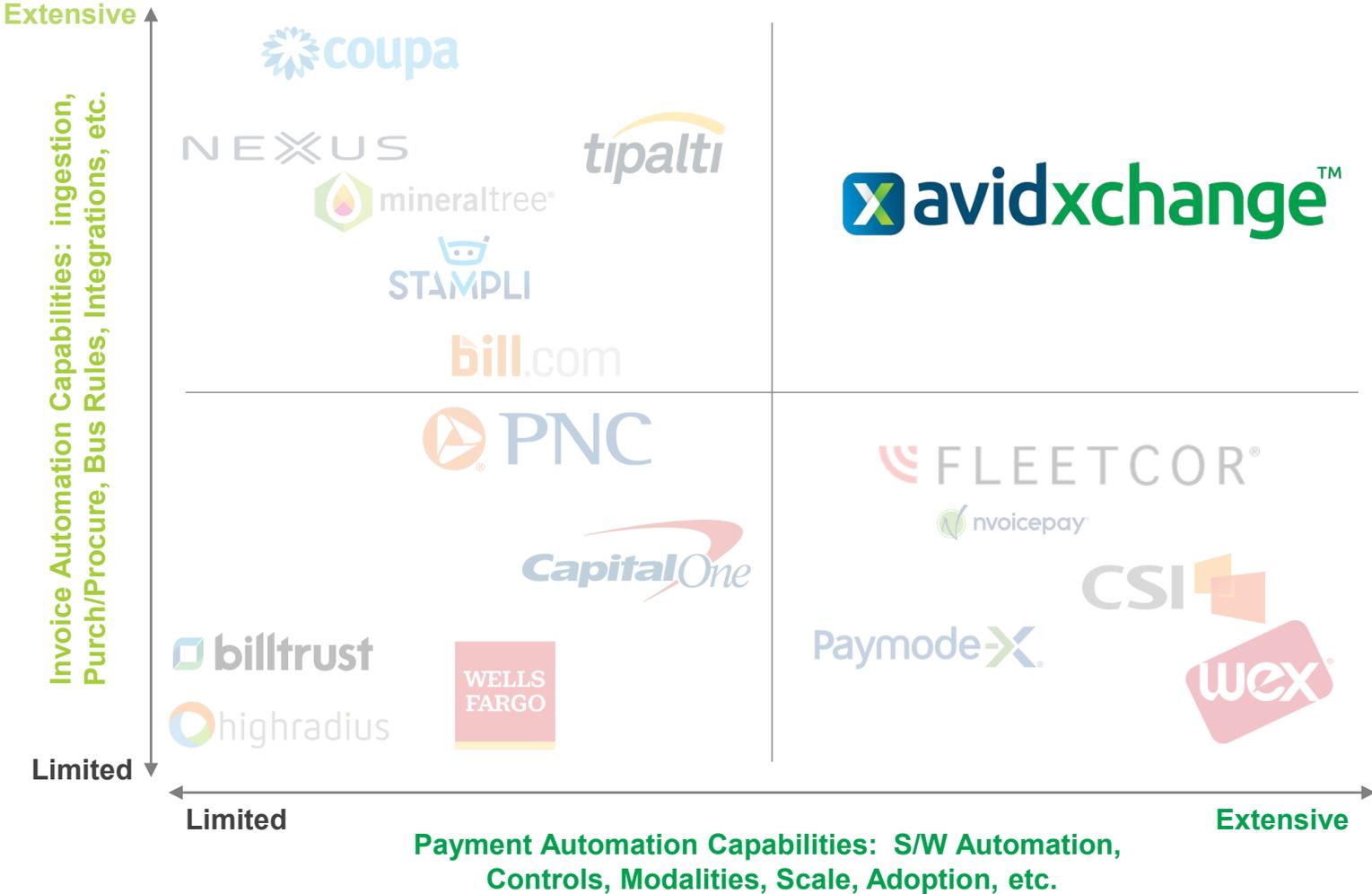


Referral Partners



120+ Referral Partners

DIFFERENTIATED IN OUR ABILITY TO CAPTURE MARKET SHARE



Competitive Landscape

- Payment centric competitors who offer various levels of payment automation software and or services
- Accounts Payable/Invoice software providers who target a specific verticals or accounting systems
- AvidXchange goes to market with Invoice, Payment, and Invoice Acceleration combined in one platform



INVESTMENTS FOR GROWTH AND MARGIN EXPANSION



1 Deliver Great AP Automation Software

- Enhanced Security
- Intelligent Data Capture
- Advanced Purchase Order (PO)
- Acquisitions

2 Maximize Transactions Processed on Platform

- Built-Inside NextGen Integrations
- Expansion of New Verticals & Partner Indirect Channels

3 Maximize ePayments Penetration through Supplier Relationships

- Cross Border Payments
- Multi-Processor Payment Platforms

4 Leverage Data to Drive Value Across the Network

- Cash Flow Manager (CFM) 2.0
- Invoice Accelerator

More Customers

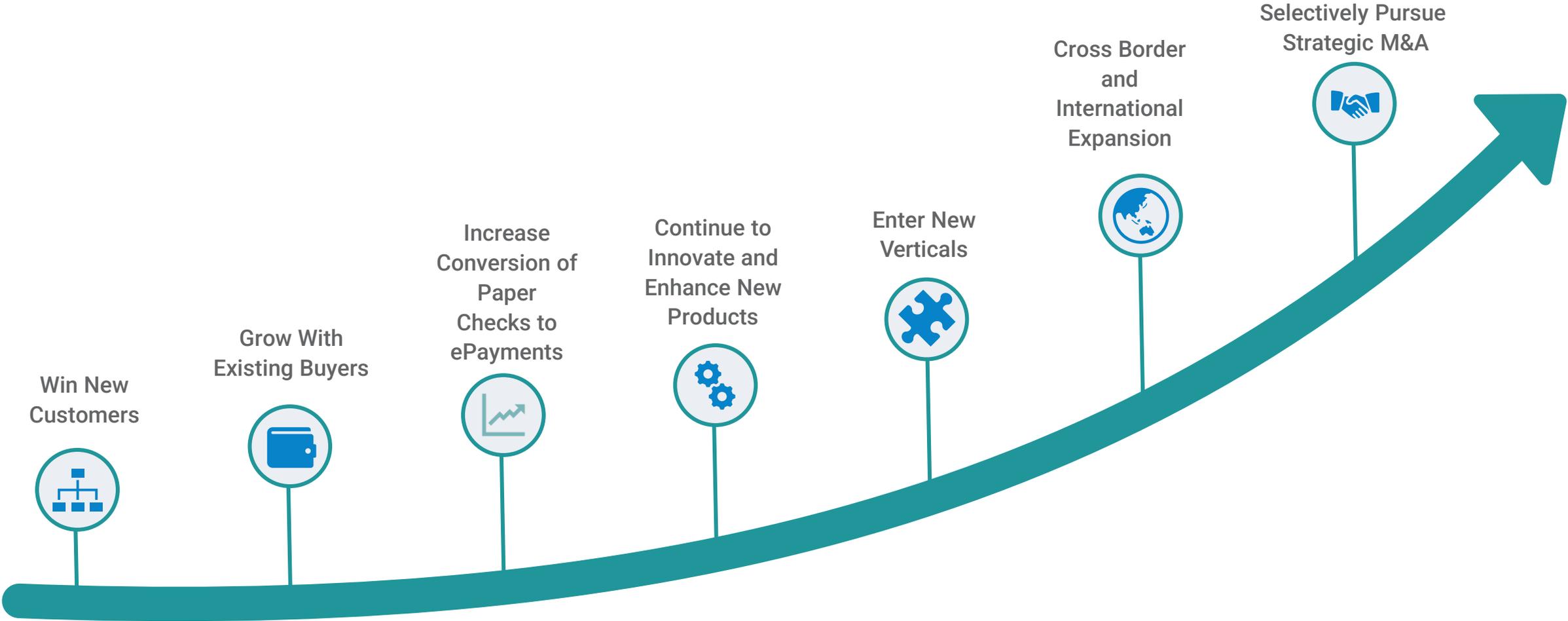
More Payments

Better Conversion

Accelerating Revenue Opportunities

Each revolution of our flywheel creates opportunity to accelerate growth and improve profitability

MULTIPLE STRATEGIC GROWTH DRIVERS





FINANCIAL OVERVIEW

Joel Wilhite, Chief
Financial Officer

OUR FINANCIAL MONETIZATION STORY VIA OUR AVIDXCHANGE FLYWHEEL



HIGHLIGHTS OF AVIDXCHANGE'S FINANCIAL GROWTH STORY

Significant
Scale



\$248M

2021 Revenue

High
Retention



107%

Net Transactions
Processed Retention

Rapid
Growth



34%

2020-2021
Revenue Growth

Attractive
Margins



61%

2021 Non-GAAP
Gross Margin

Q4 2021 HIGHLIGHTS

TOTAL REVENUE

\$69.3M

Q4 21

\$52.9M

Q4 20



31%

TOTAL TRANSACTIONS PROCESSED

16.5M

Q4 21

14.4M

Q4 20



15%

NON-GAAP GROSS PROFIT MARGIN

62%

Q4 21

58%

Q4 20



+400bps

TOTAL PAYMENT VOLUME

\$15.1B

Q4 21

\$11.0B

Q4 20



37%

OUR REVENUE MODEL

Software Revenue

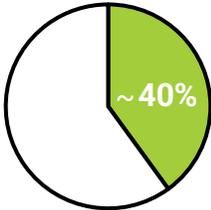
Transactions Processed



Transaction Fee



Software Revenue



Payments Revenue

Total Payment Volume



Net Take Rate



Payment Revenue



Total Revenue

Transactions Processed



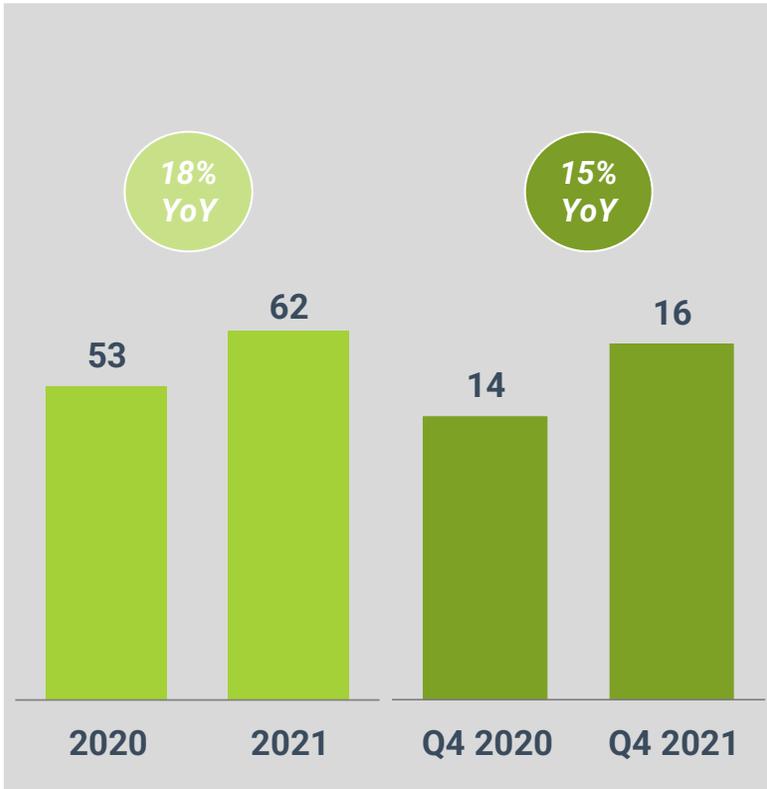
Transaction Yield



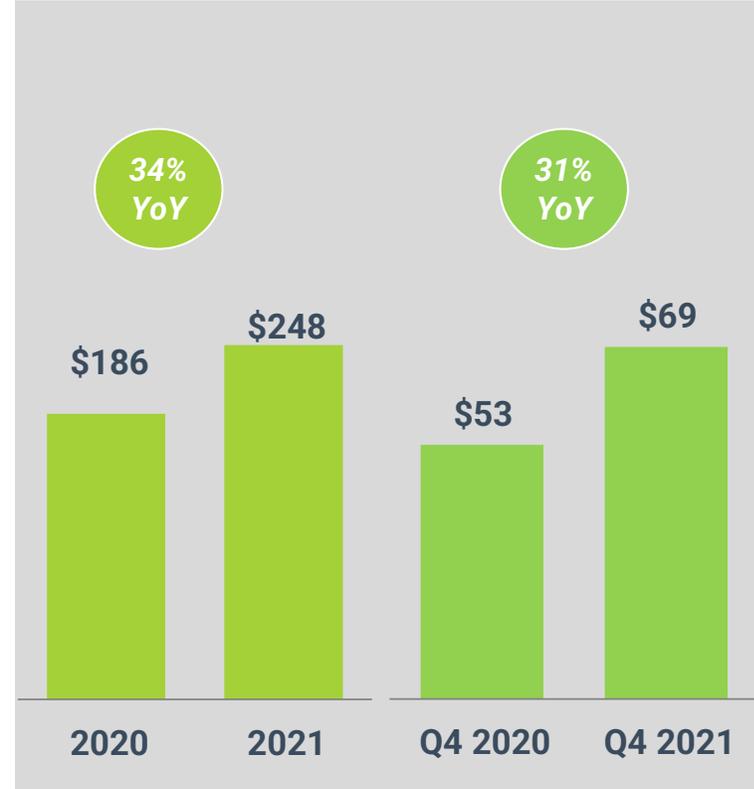
Total Revenue

AVIDXCHANGE'S COMPELLING FINANCIAL PROFILE

Transactions Processed (mm)



Revenue (\$mm)



Non-GAAP Gross Profit (\$mm)



LONG TERM TARGETS

Revenue Growth

20%+

Non-GAAP Gross Profit Margin

75%+

Adjusted EBITDA Margin

25%+

WE ARE TRANSFORMING THE MIDDLE MARKET FOR B2B PAYMENTS

1 We Are Purpose Built for the Middle Market

2 AvidPay Network is a Scaled, Two-Sided Network Leading the Industry in Payment Adoption

3 Comprehensive, AP Automation Platform Supporting Unique Middle Market Requirements



4 Deep Integration Layer Supporting Unique Business Process Across the Middle Market

5 Emerging Supplier Financing and Data Offerings Leveraging Invoice & Payment Data

6 Deep Leadership Team Driving “Win as a Team” Culture



APPENDIX

NON-GAAP TO GAAP RECONCILIATIONS

Reconciliation from Revenue to Non-GAAP Gross Profit and Non- (in thousands, except percentages)	Three Months Ended December 31,	
	2021	2020
Total revenues	\$ 69,265	\$ 52,863
Expenses:		
Cost of revenues (exclusive of depreciation and amortization exper	(28,747)	(22,117)
Depreciation and amortization expense	(5,327)	(4,219)
GAAP Gross profit	\$ 35,191	\$ 26,527
Adjustments:		
Stock-based compensation expense	2,545	43
Depreciation and amortization expense	5,327	4,219
Non-GAAP gross profit	\$ 43,063	\$ 30,789
GAAP Gross margin	50.8%	50.2%
Non-GAAP gross margin	62.2%	58.2%

Reconciliation from Revenue to Non-GAAP Gross Profit and Non- (in thousands, except percentages)	Year Ended December 31,	
	2021	2020
Total revenues	\$ 248,409	\$ 185,928
Expenses:		
Cost of revenues (exclusive of depreciation and amortization exper	(100,090)	(83,755)
Depreciation and amortization expense	(19,498)	(16,783)
GAAP Gross profit	\$ 128,821	\$ 85,390
Adjustments:		
Stock-based compensation expense	2,775	169
Depreciation and amortization expense	19,498	16,783
Non-GAAP gross profit	\$ 151,094	\$ 102,342
GAAP Gross margin	51.9%	45.9%
Non-GAAP gross margin	60.8%	55.0%