

ncino®

March 31, 2021

# Cautionary Note Regarding Forward-Looking Statements, Disclaimers and Financial Measures



This presentation contains forward-looking statements about nCino's financial and operating results, including statements regarding nCino's future performance and outlook, the assumptions underlying those statements, the benefits from the use of nCino's solutions, our strategies, and general business conditions. Forward-looking statements generally include actions, events, results, strategies and expectations and are often identifiable by use of the words "believes," "expects," "intends," "anticipates," "plans," "seeks," "estimates," "projects," "may," "will," "could," "might," or "continues" or similar expressions and the negatives thereof. Any forward-looking statements contained in this presentation are based upon nCino's historical performance and its current plans, estimates, and expectations and are not a representation that such plans, estimates, or expectations will be achieved. These forward-looking statements represent nCino's expectations as of the date of this presentation. Subsequent events may cause these expectations to change and, except as may be required by law, nCino does not undertake any obligation to update or revise these forward-looking statements.

These forward-looking statements are subject to known and unknown risks and uncertainties that may cause actual results to differ materially including, but not limited to: (i) risks associated with the impact of the COVID-19 pandemic, including the impact to the financial services industry, the impact on general economic conditions and the impact of government responses, restrictions, and actions; (ii) breaches in our security measures or unauthorized access to our customers' or their clients' data; (iii) the accuracy of management's assumptions and estimates; (iv) our ability to attract new customers and succeed in having current customers expand their use of our solutions; (v) competitive factors, including pricing pressures, consolidation among competitors, entry of new competitors, the launch of new products and marketing initiatives by our competitors, and difficulty securing rights to access or integrate with third party products or data used by our customers; (vi) the rate of adoption of our newer solutions and the results of our efforts to sustain or expand the use and adoption of our more established solutions; (vii) fluctuation of our results of operations, which may make period-to-period comparisons less meaningful; (viii) our ability to manage our growth effectively including expanding outside of the United States; (ix) adverse changes in our relationship with Salesforce; (x) our ability to successfully acquire new companies and/or integrate acquisitions into our existing organization; (xi) the loss of one or more customers, particularly any of our larger customers, or a reduction in the number of users our customers purchase access and use rights for; (xii) system unavailability, system performance problems, or loss of data due to disruptions or other problems with our computing infrastructure or the infrastructure we rely on that is operated by third parties; (xiii) our ability to maintain our corporate culture and attract and retain highly skilled employees; (xiv) adverse changes in the financial services industry, including as a result of customer consolidation; (xv) adverse changes in economic, regulatory, or market conditions; and (xvi) the outcome and impact of legal proceedings and related expenses.

Additional risks and uncertainties that could affect nCino's business and financial results are included in our reports filed with the U.S. Securities and Exchange Commission (available on our web site at [www.ncino.com](http://www.ncino.com) or the SEC's web site at [www.sec.gov](http://www.sec.gov)). Further information on potential risks that could affect actual results will be included in other filings nCino makes with the SEC from time to time.

In addition to financial information presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation includes certain non-GAAP financial measures, including Non-GAAP Operating Loss. Any non-GAAP measure is presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. Non-GAAP measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of other GAAP financial measures. A reconciliation of these measures to the most directly comparable GAAP measures is included at the end of this presentation.

This presentation also contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to such information. We have not independently verified the accuracy or completeness of the information contained in the industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that information nor do we undertake to update such information after the date of this presentation.

## BUILT BY BANKERS FOR BANKERS

### KEY HIGHLIGHTS



Leading provider of cloud-based banking software



Headquarters: Wilmington, NC



Founded: Late 2011



Employees: >1,100



>\$100K Customers: 224,  
including 36 > \$1M in FY 2021

### FINANCIAL HIGHLIGHTS

~\$12B

Serviceable  
Addressable Market  
(SAM)

\$204.3M

FY 2021  
Revenues

155%

FY 2021  
Subscription  
Revenue Retention  
Rate<sup>(1)</sup>

58.7%

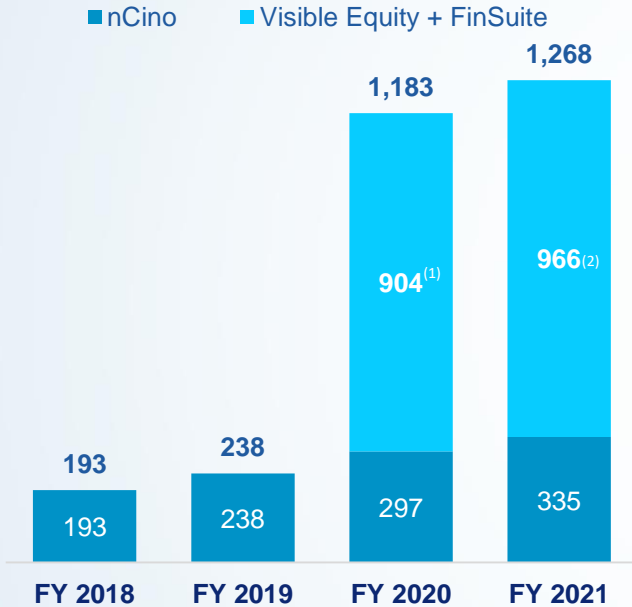
FY 2019 – FY 2021  
Subscription  
Revenues CAGR

Note: Fiscal year end is January 31, 2021. (1) Subscription revenue retention rate is calculated as total subscription revenues in a fiscal year from customers who contracted for any of our solutions as of January 31 of the prior fiscal year, expressed as a percentage of total subscription revenues for the prior fiscal year. Subscription revenues from customers obtained through an acquisition will be included in the calculation for the periods they were a customer of nCino. Year-over-year increases in subscription revenues from existing customers reflect both the effect of phased activations of originally contracted for seats as well as additional sales to these customers.

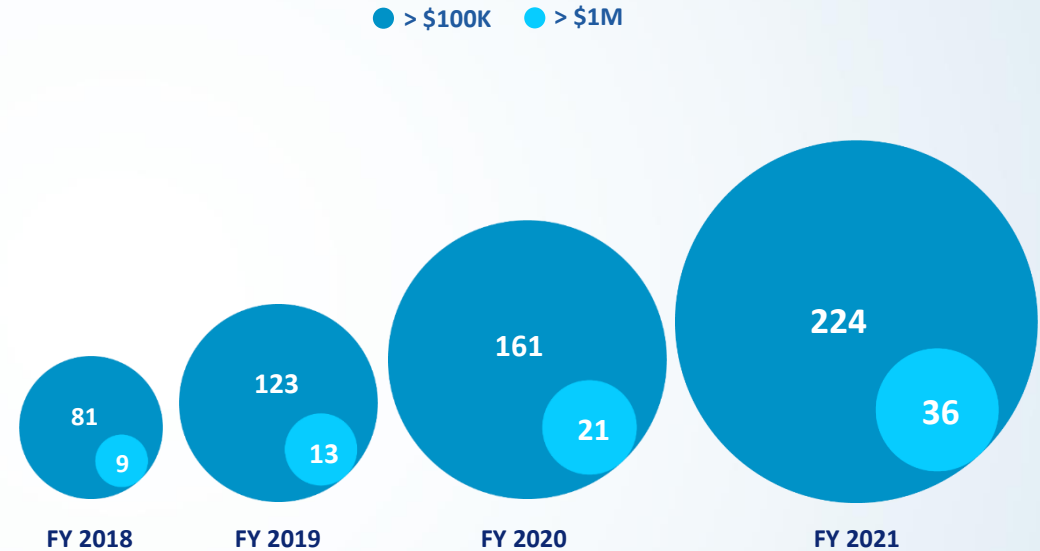
# Underpinned by an Expanding Customer Base...



### Total Customers



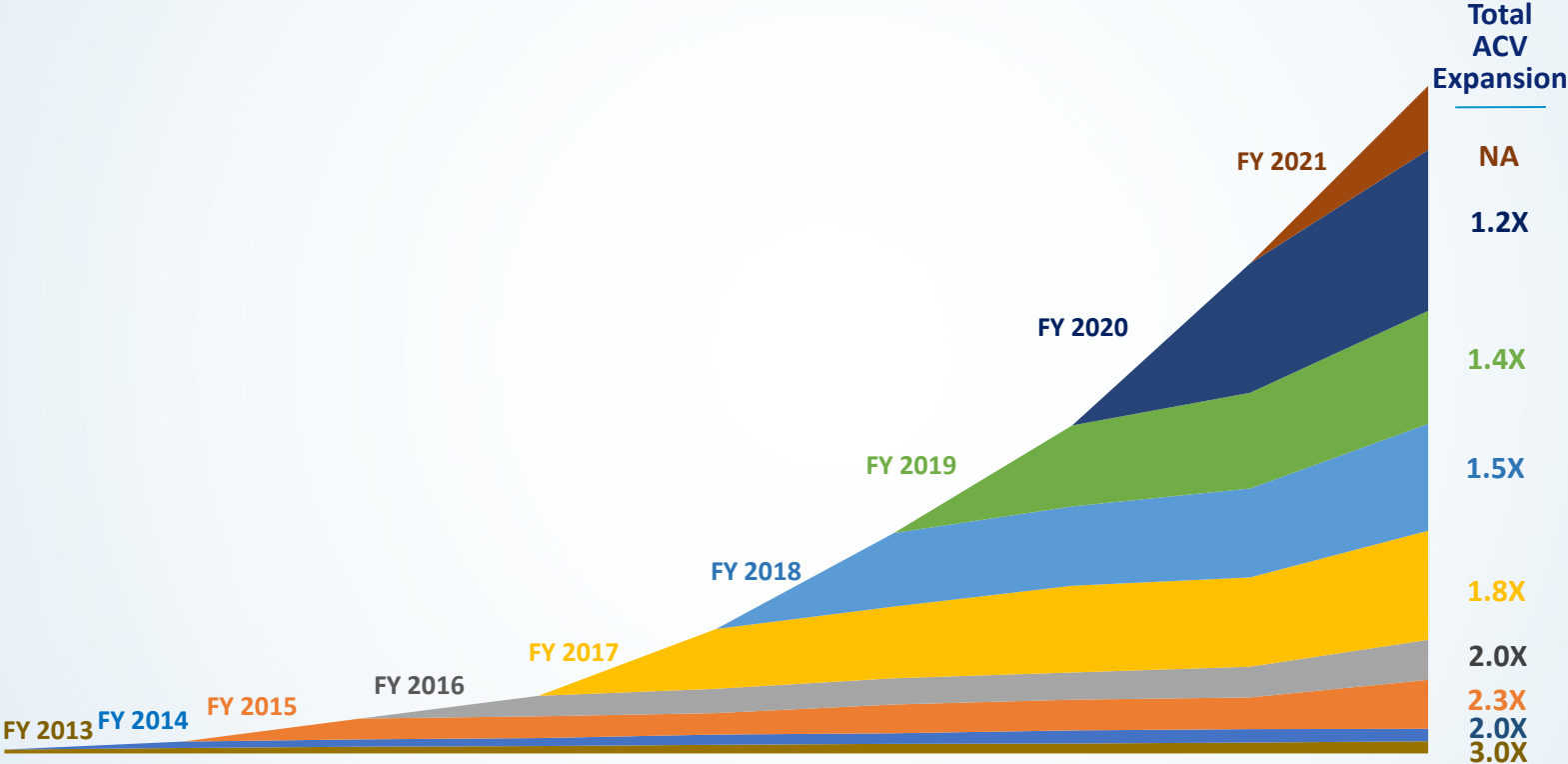
### Customers w/ Subscription Revenues Over \$100K & \$1M



Note: (1) 900 of these customers that use the portfolio analytics solution, which is now a part of nIQ, were Visible Equity customers, and 4 were FinSuite customers. Of the 900 Visible Equity customers, 18 were already nCino customers. (2) Of the 966 Visible Equity and FinSuite customers, 33 are also nCino customers.

# ...and a Powerful Land and Expand Model

## ACV EXPANSION BY COHORT



Note: In any given period, ACV for a customer represents the annualized subscription fees from the fully activated subscription contracts in effect for such customers at the end of the applicable period.

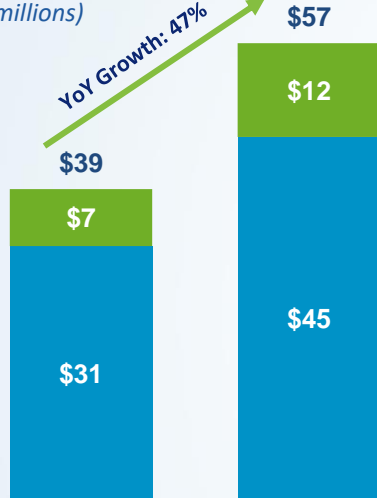
# Fourth Quarter FY 2021 Financial Results



## Quarterly Revenues

(\$ in millions)

YoY Growth: 47%

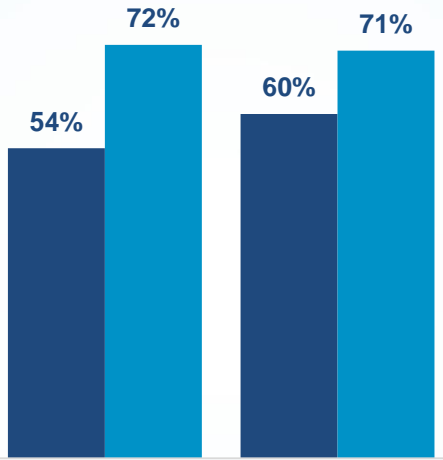


Subscription YoY Growth: 43%

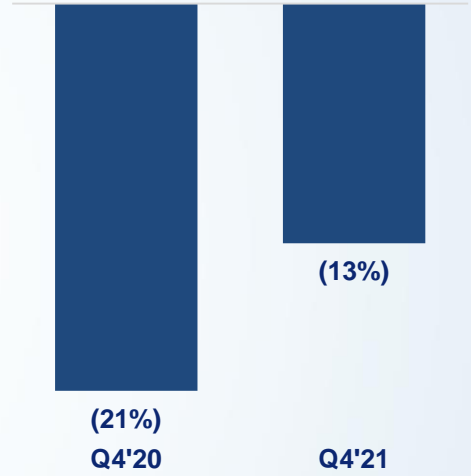
Subscription % of Total

Q4'20	82%
Q4'21	79%

## Overall & Subscription Non-GAAP Gross Margins



## Non-GAAP Operating Margin



■ Overall ■ Subscription ■ Professional Services

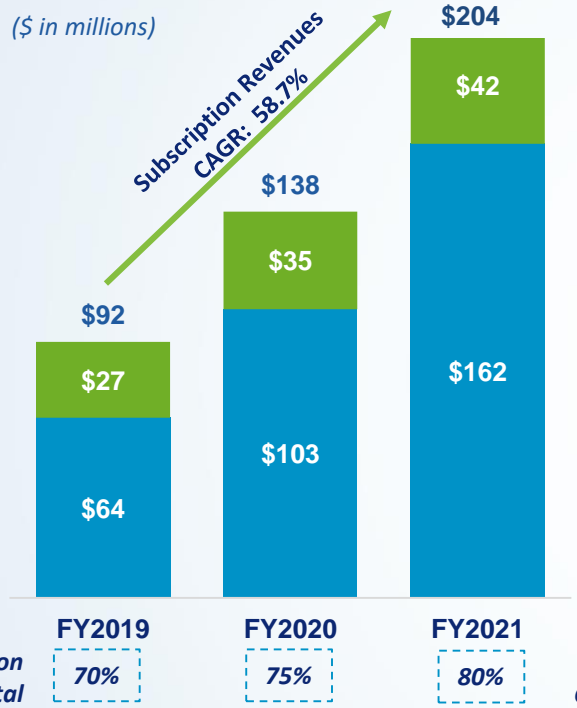
Note: Non-GAAP Financials adjusted to exclude stock-based compensation and amortization. See Appendix for GAAP reconciliation.

# Revenue Growth at Scale

### Annual Revenues

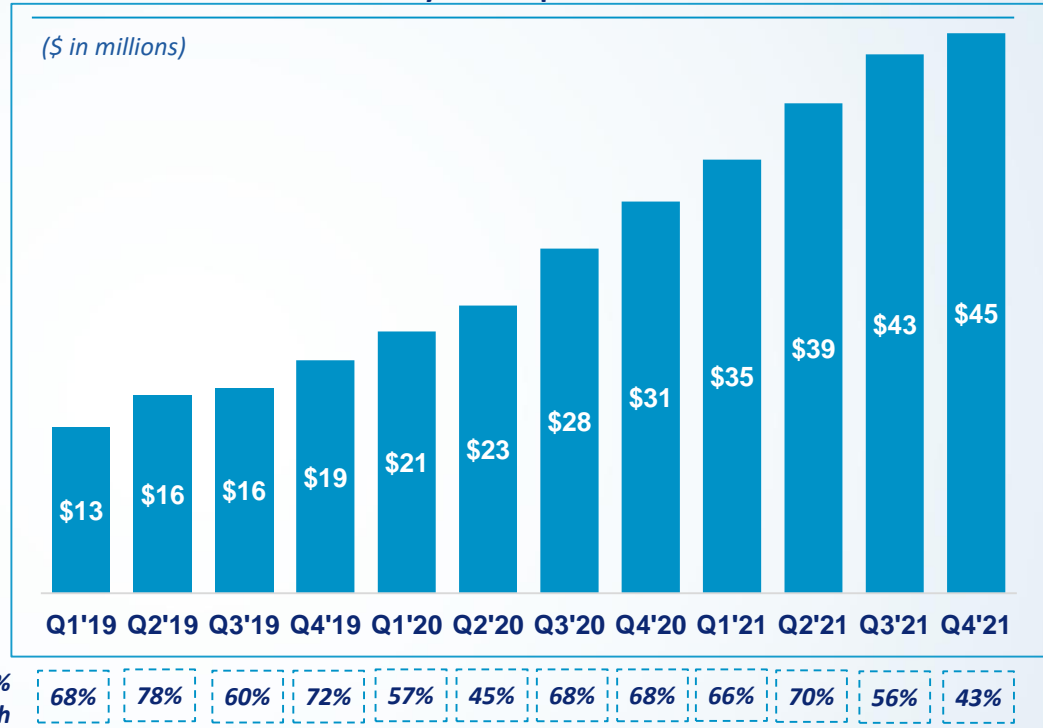
(\$ in millions)

Subscription Revenues  
CAGR: 58.7%



### Quarterly Subscription Revenues

(\$ in millions)

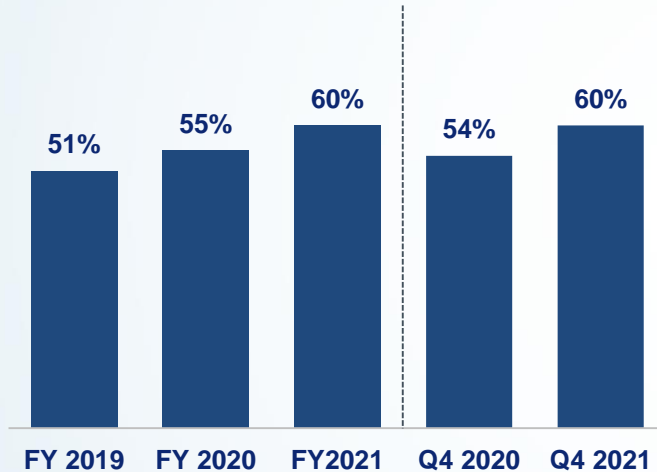


■ Subscription ■ Professional Services

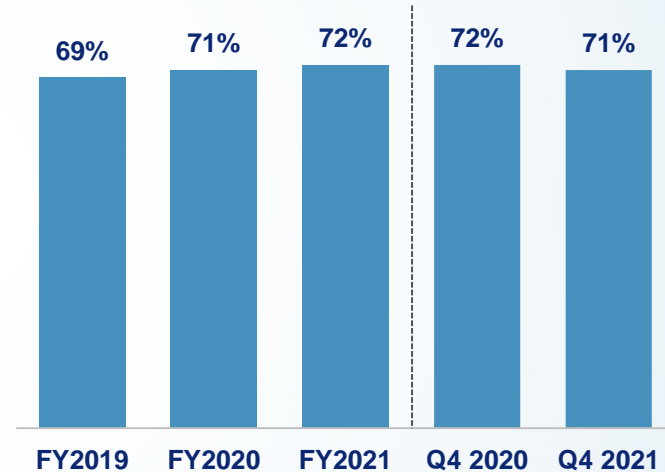
# Gross Margins

*Strong subscription software margins and profitable professional services*

Overall Non-GAAP Gross Margin



Non-GAAP Subscription Gross Margin



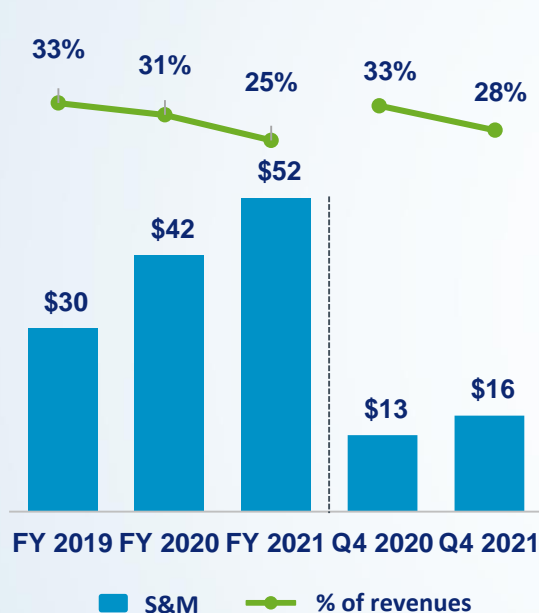
Note: Non-GAAP Financials adjusted to exclude stock based compensation and amortization. See Appendix for GAAP reconciliation.



# Responsibly Investing in Growth

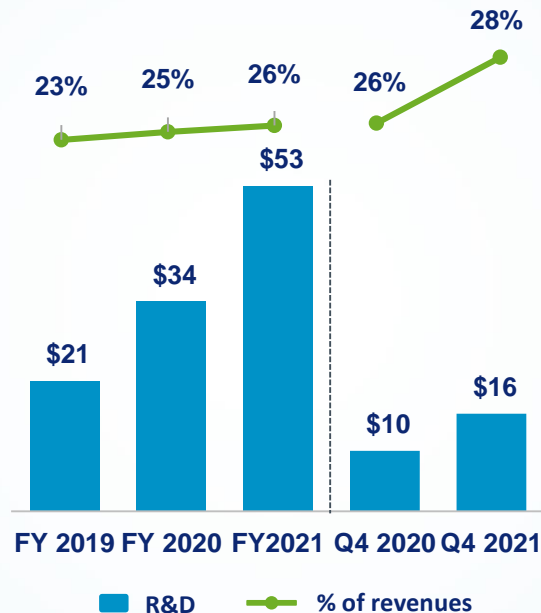
## Non-GAAP Sales & Marketing

(\$ in millions)



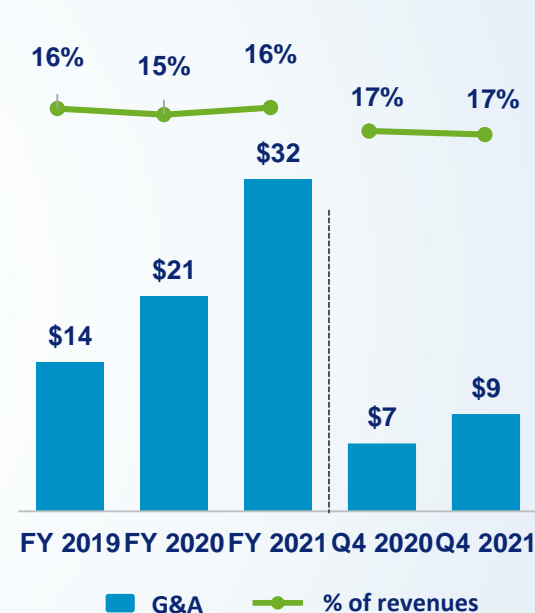
## Non-GAAP Research & Development

(\$ in millions)



## Non-GAAP General & Administrative

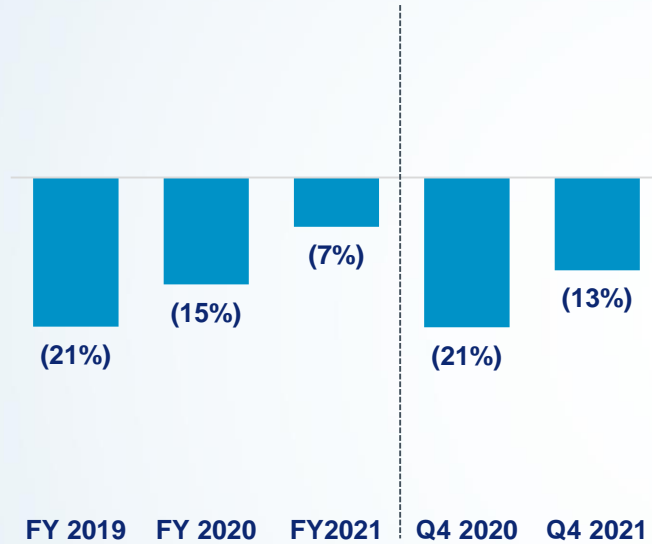
(\$ in millions)



Note: Non-GAAP Financials adjusted to exclude stock-based compensation and amortization. See Appendix for GAAP reconciliation.

# Path to Profitability

## Non-GAAP Operating Margin



Non-GAAP  
Operating Income  
(\$mm)

(\$19.1)

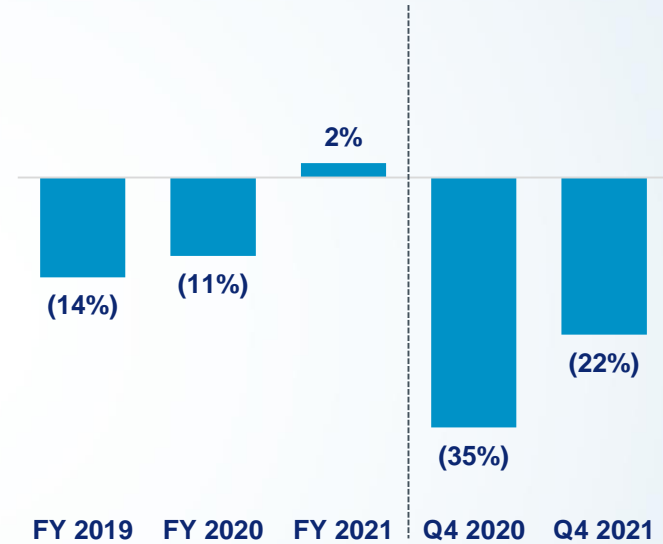
(\$20.7)

(\$14.2)

(\$8.1)

(\$7.5)

## Free Cash Flow Margin



FCF  
(\$mm)

(\$12.6)

(\$14.8)

\$4.9

(\$13.6)

(\$12.5)

Note: Non-GAAP Financials adjusted to exclude stock-based compensation and amortization. See Appendix for GAAP reconciliation.

# APPENDIX

- FY 19 in accordance with ASC 605, FY 20 and FY 21 in accordance with ASC 606
  - The impact to total revenues is not material
- Gross margin, research & development expense, sales & marketing expense, general & administrative expense, Operating Margin and free cash flow margin are presented on a Non-GAAP basis
  - Reconciliations to the relevant GAAP metrics can be found on the following pages
- Revenues are presented on a GAAP basis

# Subscription Revenues Pricing Model

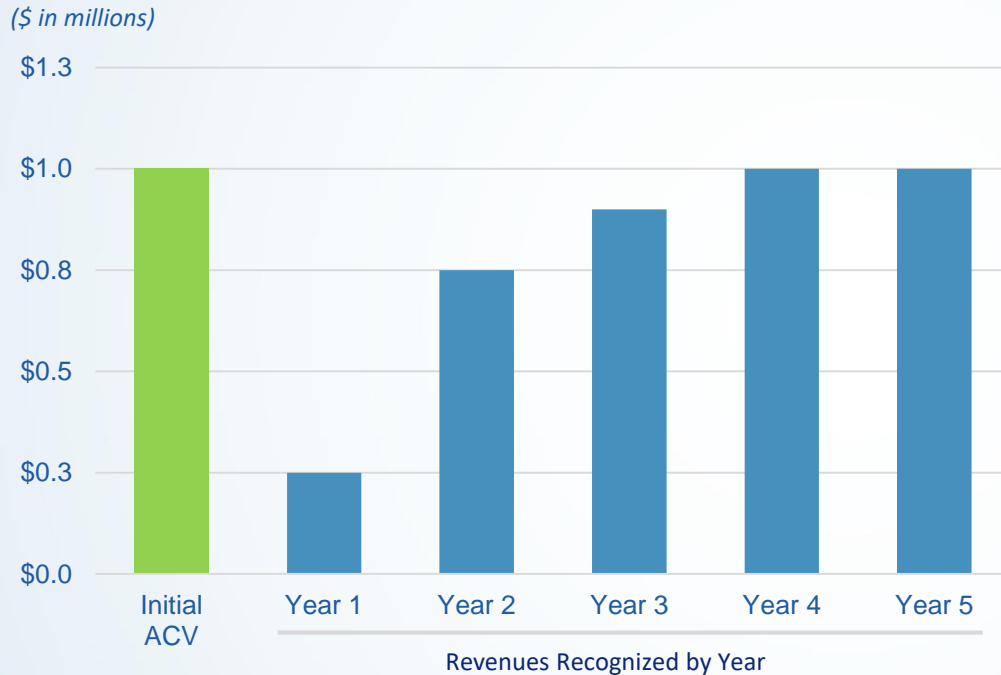


\* Average Contract Length of 3.77 Years <sup>(1)</sup> | Non-cancellable

(1) Represents average contract length as of FY 2021; excludes Visible Equity contracts

# How the Revenue Model Works

## Illustrative Contract Waterfall



## Commentary

### These are generational buying decisions

- Phased seat activations:
  - Maintain price integrity
  - Maximize Total Contract Value<sup>(1)</sup>
  - Definitive seat activation dates

## Assumptions

- 5-year contract
- Booking ACV \$1M
- Seat activations are phased
- Activations result in recognized revenues

(1) "Total Contract Value" or "TCV" refers to the total value of all subscription and professional services fees associated with a customer contract.

# GAAP to Non-GAAP Reconciliation



(\$ in thousands)

Subscription Gross Margin	FY19A	FY20A	FY21A	Q4'20	Q4'21
Subscription Revenues	\$64,458	\$103,265	\$162,439	\$31,450	\$44,978
GAAP Subscription Gross Profit	44,463	72,203	114,470	22,216	31,408
(+) Amortization	--	697	1,525	378	392
(+) Stock Based Compensation	243	277	576	69	138
<b>Non-GAAP Subscription Gross Profit</b>	<b>\$44,706</b>	<b>\$73,177</b>	<b>\$116,571</b>	<b>\$22,663</b>	<b>\$31,938</b>
<b>Non-GAAP Subscription Gross Margin</b>	<b>69%</b>	<b>71%</b>	<b>72%</b>	<b>72%</b>	<b>71%</b>

Professional Services Gross Margin	FY19A	FY20A	FY21A	Q4'20	Q4'21
Professional Services Revenues	\$27,076	\$34,915	\$41,854	\$7,054	\$11,609
GAAP Professional Services Gross Profit	620	1,907	1,688	(2,085)	1,011
(+) Amortization	--	--	--	--	--
(+) Stock Based Compensation	1,244	1,240	4,232	302	874
<b>Non-GAAP Professional Services Gross Profit</b>	<b>\$1,864</b>	<b>\$3,147</b>	<b>\$5,920</b>	<b>(\$1,783)</b>	<b>\$1,885</b>
<b>Non-GAAP Professional Services Gross Margin</b>	<b>7%</b>	<b>9%</b>	<b>14%</b>	<b>(25%)</b>	<b>16%</b>

Overall Gross Margin	FY19A	FY20A	FY21A	Q4'20	Q4'21
Total Revenues	\$91,534	\$138,180	\$204,293	\$38,504	\$56,587
GAAP Gross Profit	45,083	74,110	116,158	20,131	32,419
(+) Amortization	--	697	1,525	378	392
(+) Stock Based Compensation	1,487	1,517	4,808	371	1,012
<b>Non-GAAP Gross Profit</b>	<b>\$46,570</b>	<b>\$76,324</b>	<b>\$122,491</b>	<b>\$20,880</b>	<b>\$33,823</b>
<b>Non-GAAP Gross Margin</b>	<b>51%</b>	<b>55%</b>	<b>60%</b>	<b>54%</b>	<b>60%</b>

# GAAP to Non-GAAP Reconciliation



(\$ in thousands)

S&M Expense	FY19A	FY20A	FY21A	Q4'20	Q4'21
GAAP S&M	\$31,278	\$44,440	\$59,731	\$13,370	\$17,704
(-) Amortization	--	937	1,670	\$417	418
(-) Stock Based Compensation	1,078	1,260	6,190	\$314	1,372
<b>Non-GAAP S&amp;M</b>	<b>\$30,200</b>	<b>\$42,243</b>	<b>\$51,871</b>	<b>\$12,639</b>	<b>\$15,914</b>
% of Revenues	33%	31%	25%	33%	28%

R&D Expense	FY19A	FY20A	FY21A	Q4'20	Q4'21
GAAP R&D	\$22,230	\$35,304	\$58,263	\$10,132	\$16,929
(-) Amortization	--	--	--	--	--
(-) Stock Based Compensation	1,056	1,245	5,463	319	1,057
<b>Non-GAAP R&amp;D</b>	<b>\$21,174</b>	<b>\$34,059</b>	<b>\$52,800</b>	<b>\$9,813</b>	<b>\$15,872</b>
% of Revenues	23%	25%	26%	25%	28%

G&A Expense	FY19A	FY20A	FY21A	Q4'20	Q4'21
GAAP G&A	\$14,791	\$22,536	\$40,772	\$6,640	\$11,642
(-) Amortization	--	114	10	50	--
(-) Stock Based Compensation	474	1,723	8,747	59	2,154
<b>Non-GAAP G&amp;A</b>	<b>\$14,317</b>	<b>\$20,699</b>	<b>\$32,015</b>	<b>\$6,531</b>	<b>\$9,488</b>
% of Revenues	16%	15%	16%	17%	17%



# GAAP to Non-GAAP Reconciliation



(\$ in thousands)

Non-GAAP Operating Income	FY19A	FY20A	FY21A	Q4'20	Q4'21
GAAP Operating Income	(\$23,216)	(\$28,170)	(\$42,608)	(\$10,011)	(\$13,856)
(+) Amortization of Acquired Intangibles	--	1,748	3,205	845	810
(+) Stock Based Compensation	4,095	5,745	25,208	1,063	5,595
<b>Non-GAAP Operating Income</b>	<b>(\$19,121)</b>	<b>(\$20,677)</b>	<b>(\$14,195)</b>	<b>(\$8,103)</b>	<b>(\$7,451)</b>
Non-GAAP Operating Income Margin	(21%)	(15%)	(7%)	(21%)	(13%)

Free Cash Flow	FY19A	FY20A	FY21A	Q4'20	Q4'21
GAAP Cash Flow From Operations	(\$4,589)	(\$8,998)	\$9,222	(11,168)	(\$11,925)
(-) Capital Expenditures	(7,965)	(5,760)	(4,338)	(2,386)	(583)
<b>Free Cash Flow</b>	<b>(\$12,554)</b>	<b>(\$14,758)</b>	<b>\$4,884</b>	<b>(\$13,554)</b>	<b>(\$12,508)</b>
Free Cash Flow Margin	(14%)	(11%)	2%	(35%)	(22%)