



PROCORE[®]

2022 Investor Day

New Orleans, LA | November 9, 2022

PROCORE[®]

Welcome

Agenda

Wednesday, November 9 | 9:00am - 1:00pm CST

9:00a - 9:05a

Opening Remarks

Matthew Puljiz - VP, FP&A & Investor Relations

Vivian Wu - Senior Manager of Investor Relations

9:05a - 9:30a

Procore's Opportunity

Tooey Courtemanche - Founder, President, & CEO

9:30a - 10:15a

Business & Financial Evolution

Paul Lyandres - CFO

10:15a - 10:25a

Our Next Evolution

Tooey Courtemanche - Founder, President, & CEO

10:25a - 10:40a

Break

10:40a - 11:00a

Connected Platform

Wyatt Jenkins - SVP, Product

11:00a - 11:20a

Deep Dive: Specialty Contractors

Will Lehrmann - VP, Product

11:20a - 11:40a

Deep Dive: Owners

Geoff Lewis - VP, Product

11:40a - 12:40p

Executive Q&A

Tooey Courtemanche - Founder, President, & CEO

Paul Lyandres - CFO

Howard Fu - SVP, Finance

Disclaimer

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, about Procore Technologies, Inc. (“Procore”) and its industry that involve substantial risks and uncertainties. All statements in this presentation, other than statements of historical fact, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or future financial or operating performance, and may be identified by the use of words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” or “would,” or the negative of these words, or other similar terms or expressions that concern Procore’s expectations, strategy, plans, or intentions.

Procore has based the forward-looking statements contained in this presentation primarily on its current expectations and projections about future events and trends that Procore believes may affect its business, financial condition, and operating results. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors that could cause results to differ materially from Procore’s current expectations, including, but not limited to, our expectations regarding our financial performance, including revenues, expenses, and margins, and our ability to achieve or maintain future profitability, economic, and industry trends (in particular, the rate of adoption of construction management software and digitization of the construction industry, inflation, and challenging geopolitical conditions), our ability to attract new customers and retain and increase sales to existing customers, the performance of our corporate investments, our ability to expand internationally, our estimated total addressable market, and as set forth in Procore’s filings with the Securities and Exchange Commission, and further described in the section titled “Risk Factors” in our most recently filed Quarterly Report on Form 10-Q. You should not place undue reliance on Procore’s forward-looking statements. Procore assumes no obligation to update any forward-looking statements to reflect events or circumstances that exist or change after the date on which they were made, except as required by law.

Non-GAAP Financial Measures

This presentation includes 'non-GAAP financial measures. These non-GAAP financial measures are not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”), and may not be comparable to similarly-titled measures presented by other companies or to third-party expectations, nor should they be construed as an alternative to other financial measures determined in accordance with GAAP. Refer to the Appendix for a reconciliation of those non-GAAP financial measures to the most directly comparable GAAP measures.

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— INVESTOR DAY 2022

Procore's Opportunity

Tooe Courtemanche | Founder, President, & CEO

PROCORE[®]

The Construction Industry Is Massive ...

\$11T

global construction
spend in 2020

13%

of global GDP
in 2017

7%

of global workforce
in 2017

2.5T_{ft²}

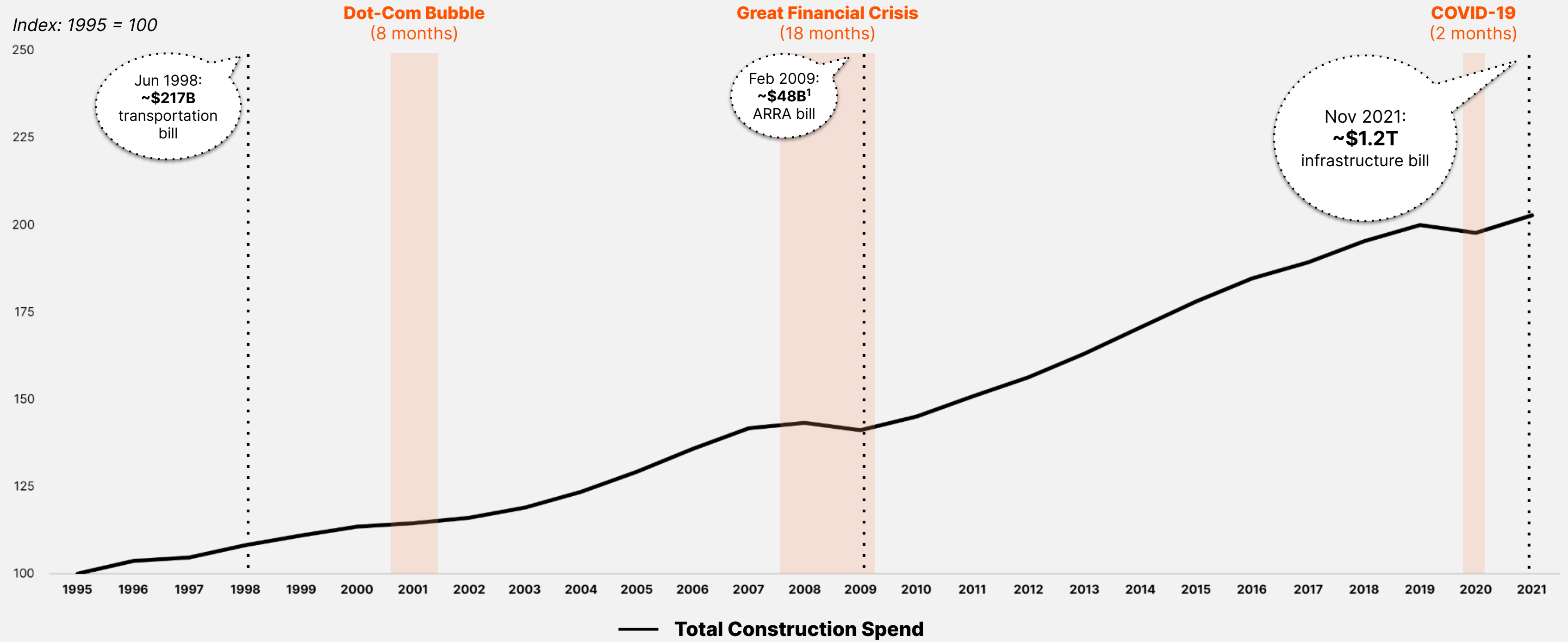
est. square footage of
new construction in the
next 40 years

\$15T

est. global construction
spend in 2030

... And Has Continued to Grow

Global Construction Spend (Indexed)



Construction Is Not a Monolith

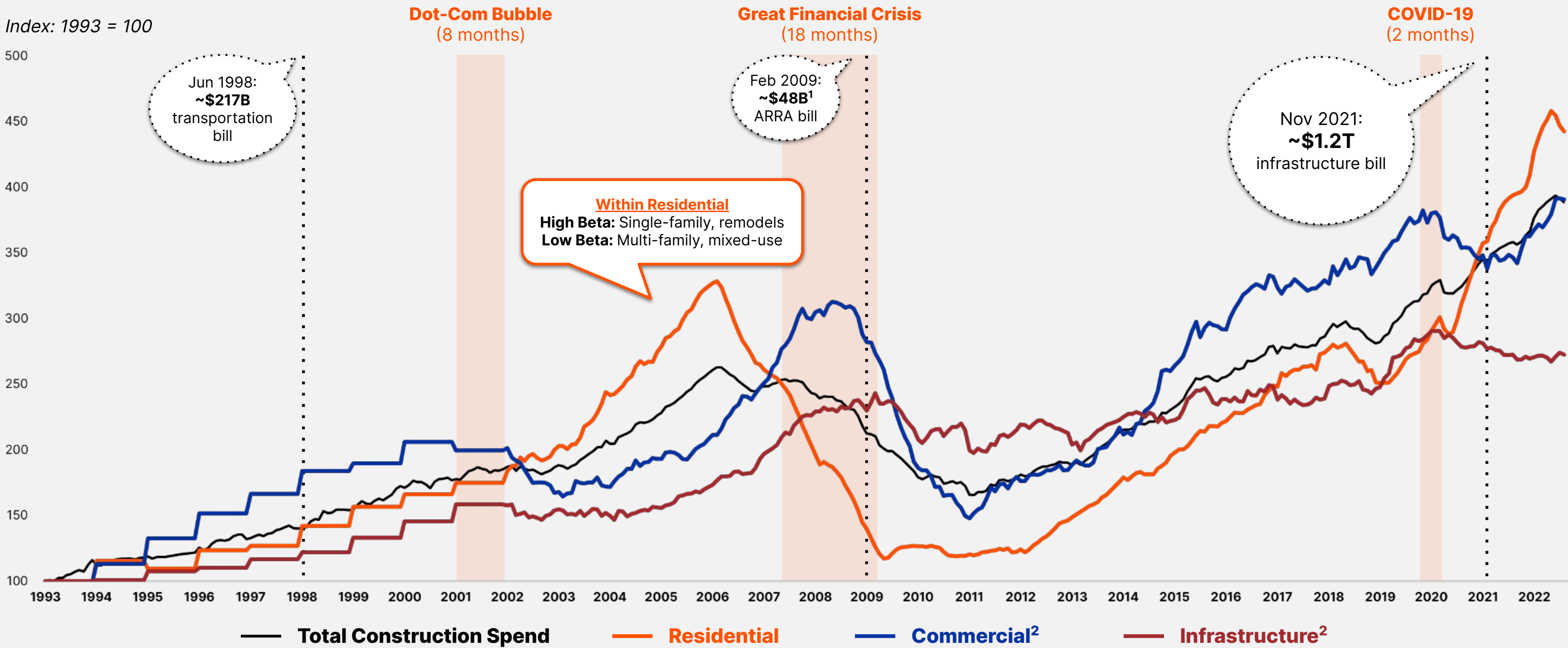
Procore Focus Areas

Commercial

Infrastructure

Multi-Family / Mixed-Use Residential

U.S. Construction Spend (Indexed)



Note: U.S. construction spend data as of August 2022. As of September 30, 2022, U.S. construction spend data for September 2022 was not available. Prior to 2002, U.S. construction spend data by sector only available on an annual basis. ¹Amount invested in transportation infrastructure as part of the American Recovery and Reinvestment Act (ARRA). ²Commercial spend is defined as commercial, office, lodging, amusement & recreation, and manufacturing. Infrastructure spend is defined as all non-Residential and non-Commercial construction spend (e.g., healthcare, education, transportation, power, water). Source: U.S. Census Bureau | National Bureau of Economic Research.

GCs & SCs Manage Diverse Portfolios

U.S. General Contractor Based in the Northeast



Historic building renovation for a hospital campus



300-unit luxury residential high-rise in Southern CA



47-story commercial office building in Miami, FL



Renovation and expansion of a fully occupied retail center



Data center buildout for one of the largest cloud providers in the world

Electrical Specialty Contractor in Western Canada



Outdoor university stadium with 1,800 capacity seating



14k-ft² expansion of a private regional airport



New seven-acre green residential development



Multi-level commercial office tower



Expansion of a bulk shipping terminal at a major BC port

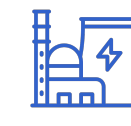
Multinational Fortune 500 Retail Owner



Ground-up construction of new retail store location



Commercial office tower for new headquarters



Industrial distribution warehouse facility



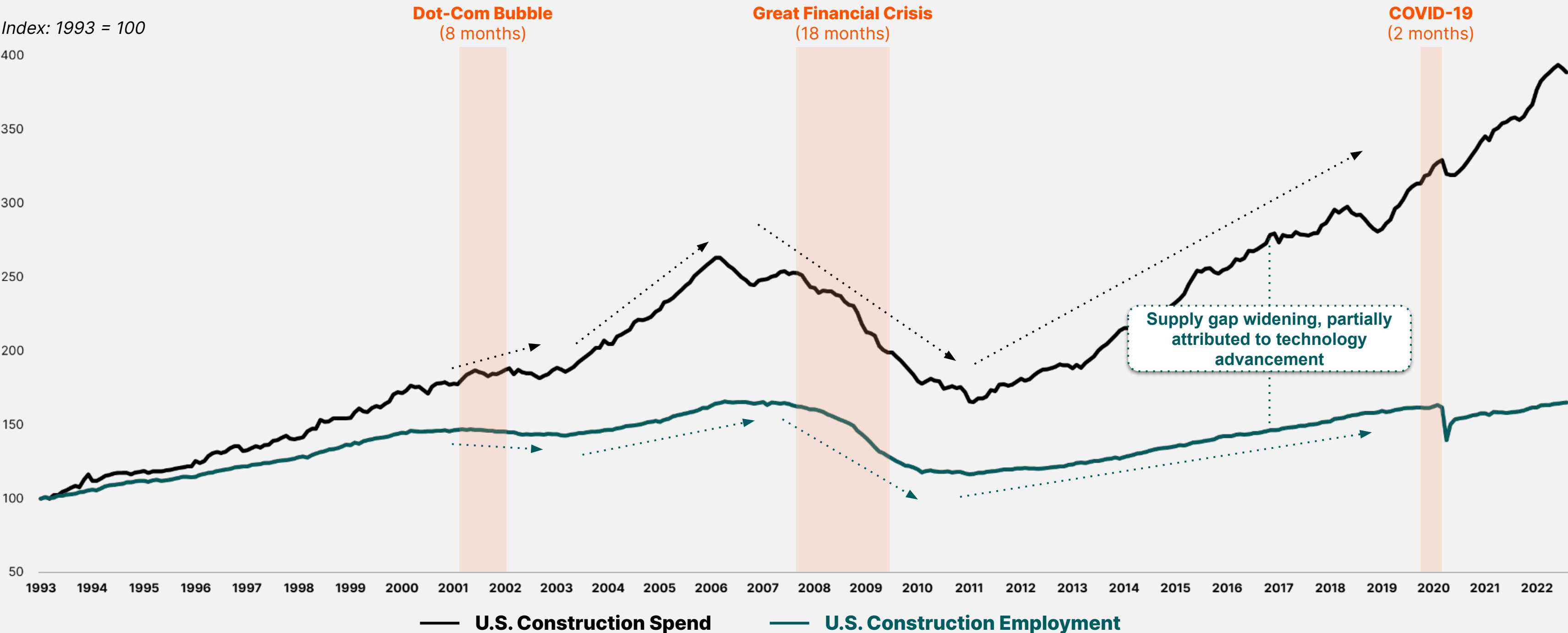
Expansion of a regional office park with addition of new buildings



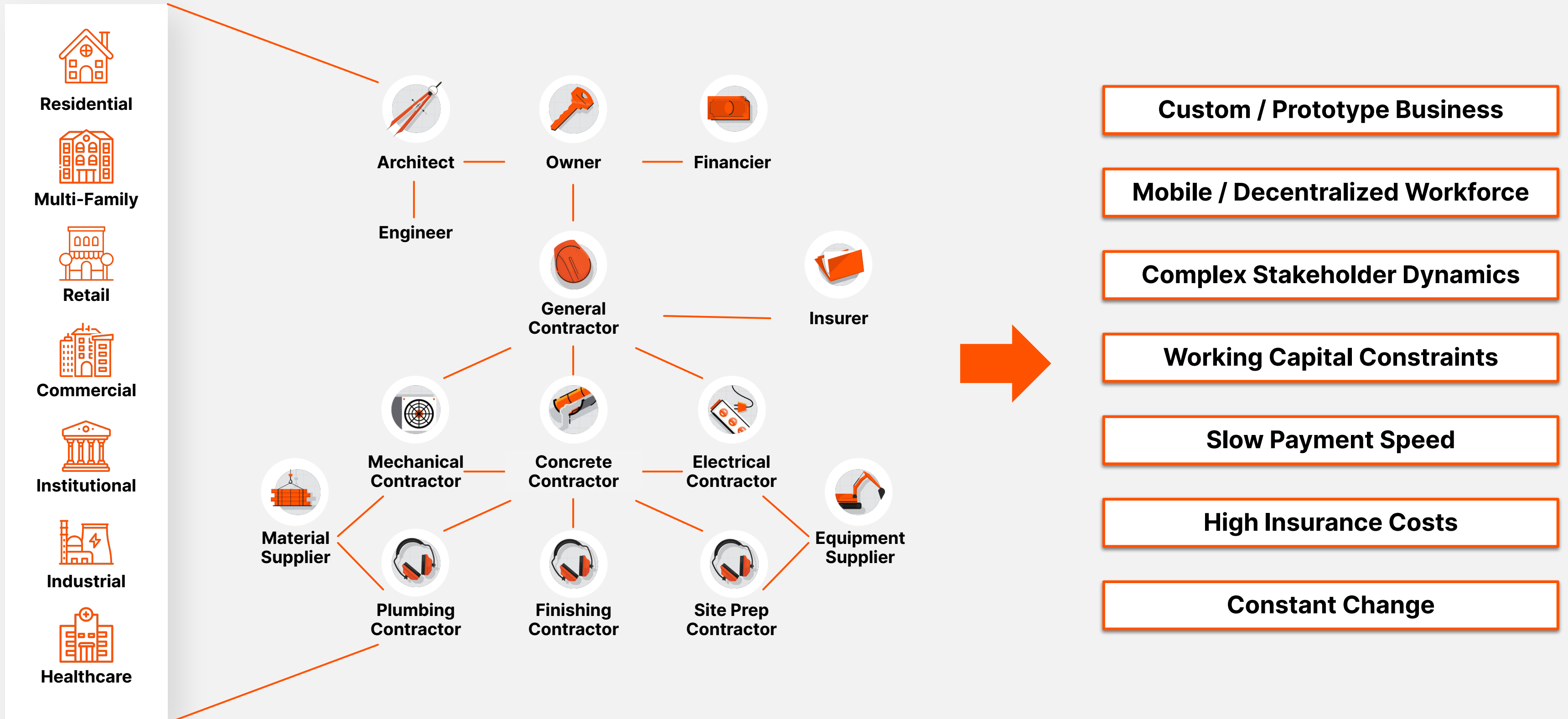
Open-air remodel of an existing retail store location

End Demand > Industry Supply

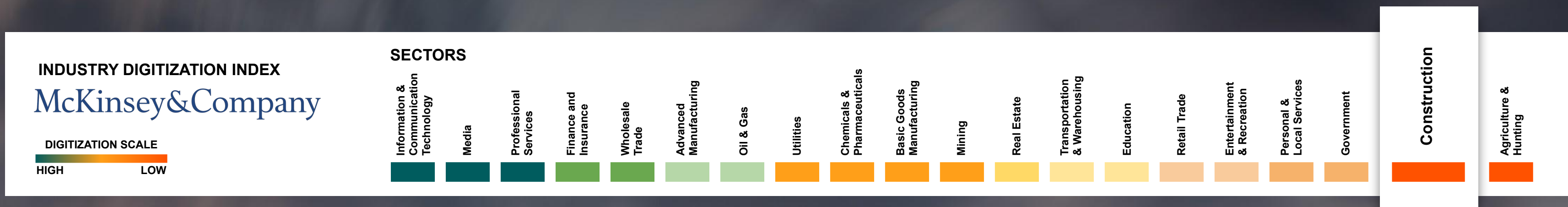
U.S. Construction Spend vs. U.S. Construction Employment



Construction Is Highly Complex & Dynamic



We Are Still in the Early Stages of Digitization



<2%

construction & infrastructure IT budget as a % of revenue, less than half of the total industry average of 3.6%¹

<1%

annual growth rate in construction labor productivity over the past two decades, less than half the cross-industry average of 2.8%

\$1.6T

potential to add \$1.6T of global GDP annually from productivity gains

Lack of Digitization Has Led to Inefficiencies

\$500B+

cost of rework spent globally in 2018, **52%** of which was caused by poor data & miscommunication

35%

time construction professionals spend on non-optimal tasks

20 mo.

avg. delay beyond original schedule for a typical large non-residential construction project¹

80%

avg. budget overrun for a typical large non-residential construction project¹

47%

of global CO2 emissions generated by buildings and construction in 2020²

Note: ¹Large infrastructure, mining, and oil and gas projects. ²Based on UN Environment Programme estimate for 2020 and include building operations, building materials, and other construction-related emissions. Source: FMI 2018 Industry Report: Construction Disconnected | McKinsey: Imagining Construction's Digital Future (June 2016) | UN Environment Programme: 2021 Global Status Report for Buildings & Construction.

Catalysts Driving Construction to Digitize



Widespread Mobile Accessibility



~91%

of construction workers surveyed use a smartphone every day¹



Labor Shortage Necessitates Increased Productivity



**~375K
~650K**

unfilled U.S. construction jobs²
additional workers needed on top of normal pace of hiring in 2022 to meet demand³

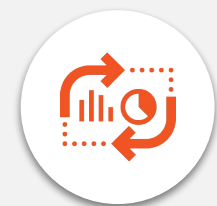


Increasing Regulatory & Contractual Complexities



~11x

construction-related regulations, up from 463 in 1970 to 5,198 in 2017



Data is Underutilized



~96%

of all data goes unused in the engineering & construction industry⁴



COVID Accelerates Our Industry's Digitization



~2/3

of respondents believe that COVID-19 will accelerate industry transformation⁵

Note: ¹Based on JBKnowledge 2021 estimate. ²Based on Associated Builders and Contractors analysis of data from the U.S. Bureau of Labor Statistics' Job Openings and Labor Turnover Survey for July 2022. ³Based on Associated Builders and Contractors 2022 estimate. ⁴Based on FMI 2018 estimate. ⁵Based on a May 2020 McKinsey survey of 100 C-level construction executives. Source: JBKnowledge 2021 Construction Technology Report | Associated Builders and Contractors and U.S. Bureau of Labor Statistics | McKinsey: Strategy in the Face of Disruption - A Way Forward for the North American Building-Products Industry (February 2019) | FMI: Big Data = Big Questions for the Engineering and Construction Industry (2018) | McKinsey: The Next Normal in Construction (June 2020).

It All Starts With Our Mission & Vision

OUR MISSION + VISION

Improve the lives of **everyone** in construction

Connect **everyone** in construction on a global platform

Business Model Designed for the Industry



VOLUME-BASED SUBSCRIPTION PRICING

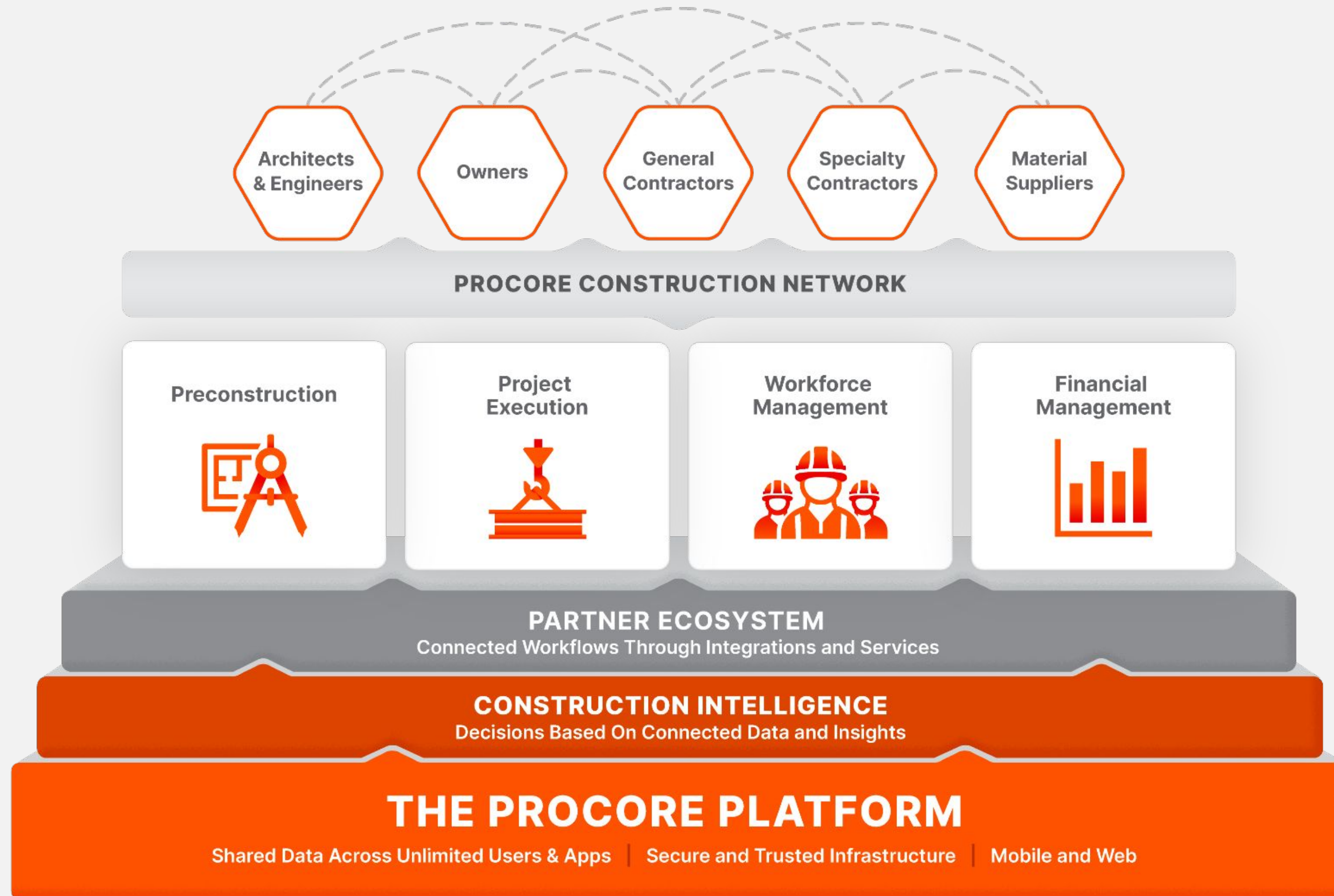
- + **Subscription basis for a fixed fee** with pricing based on:
 - + **Number** and **mix of products**
 - + **Annual construction volume** contracted on our platform
- + **Annual or multi-year terms**



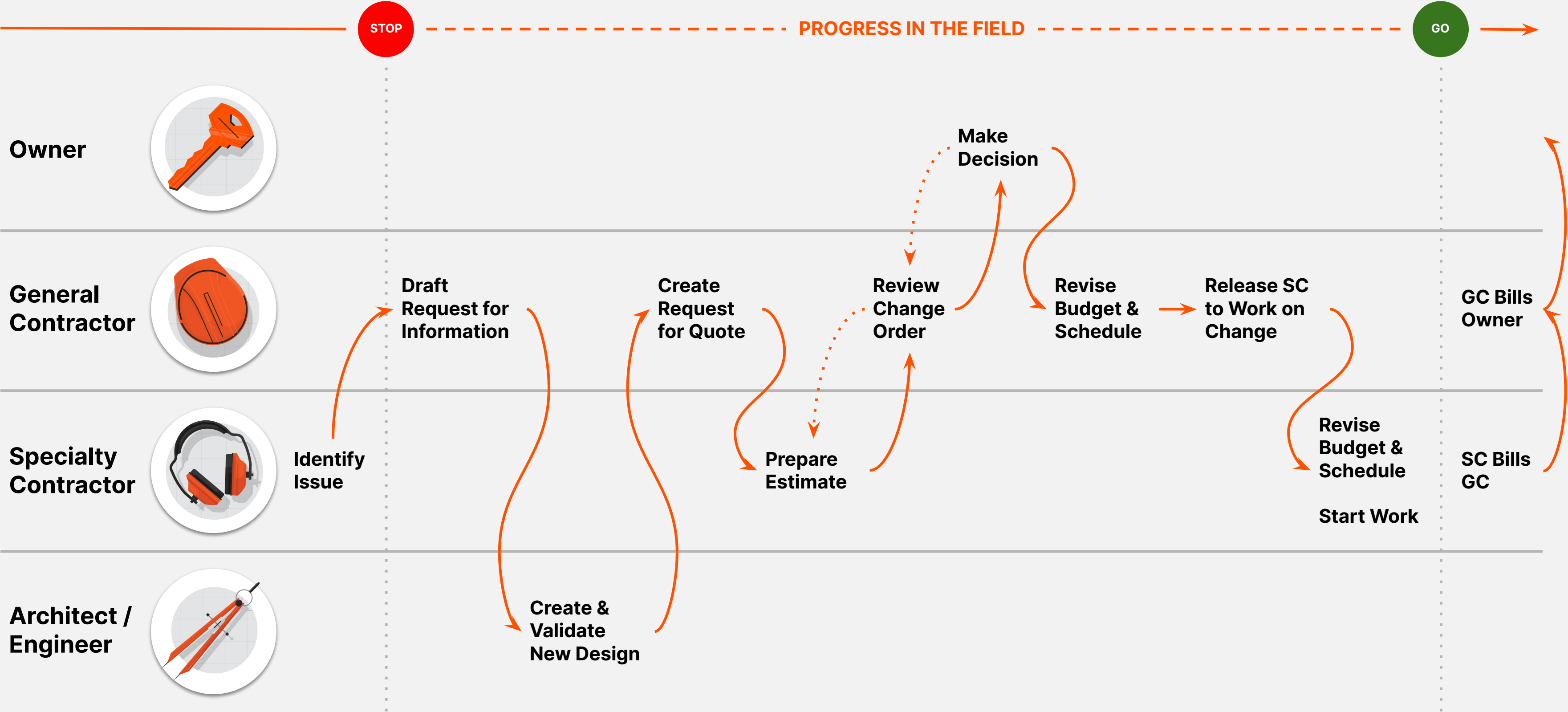
UNLIMITED USER MODEL

- + No per-seat or per-user fee, **so customers can invite all project participants** to our platform
- + Encourages **rapid, widespread adoption** of our products and captures project information

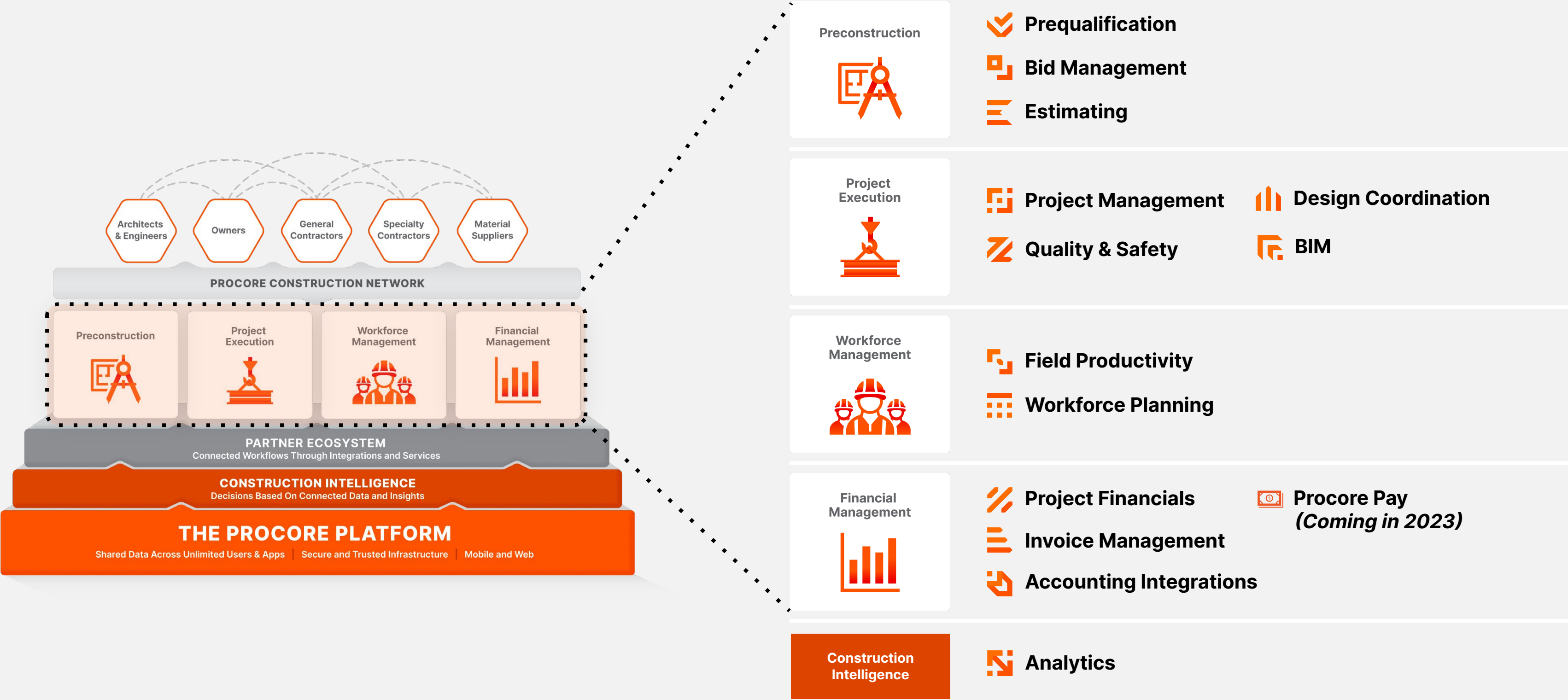
The Construction Management Platform



Change Orders Illustrate the Need for Connectivity



Connecting Everyone on a Single Platform



Open API
access for customers
and developers

400+
App Marketplace
integrations

95%
of customers use at
least one integration

81%
of customers use at
least two integrations

Accounting



Analytics

 Power BI

BIM

 revizto


Climate Tech



CRM




Devices



Document Management



Drones



Facilities Management

 AkitaBox

Field Productivity

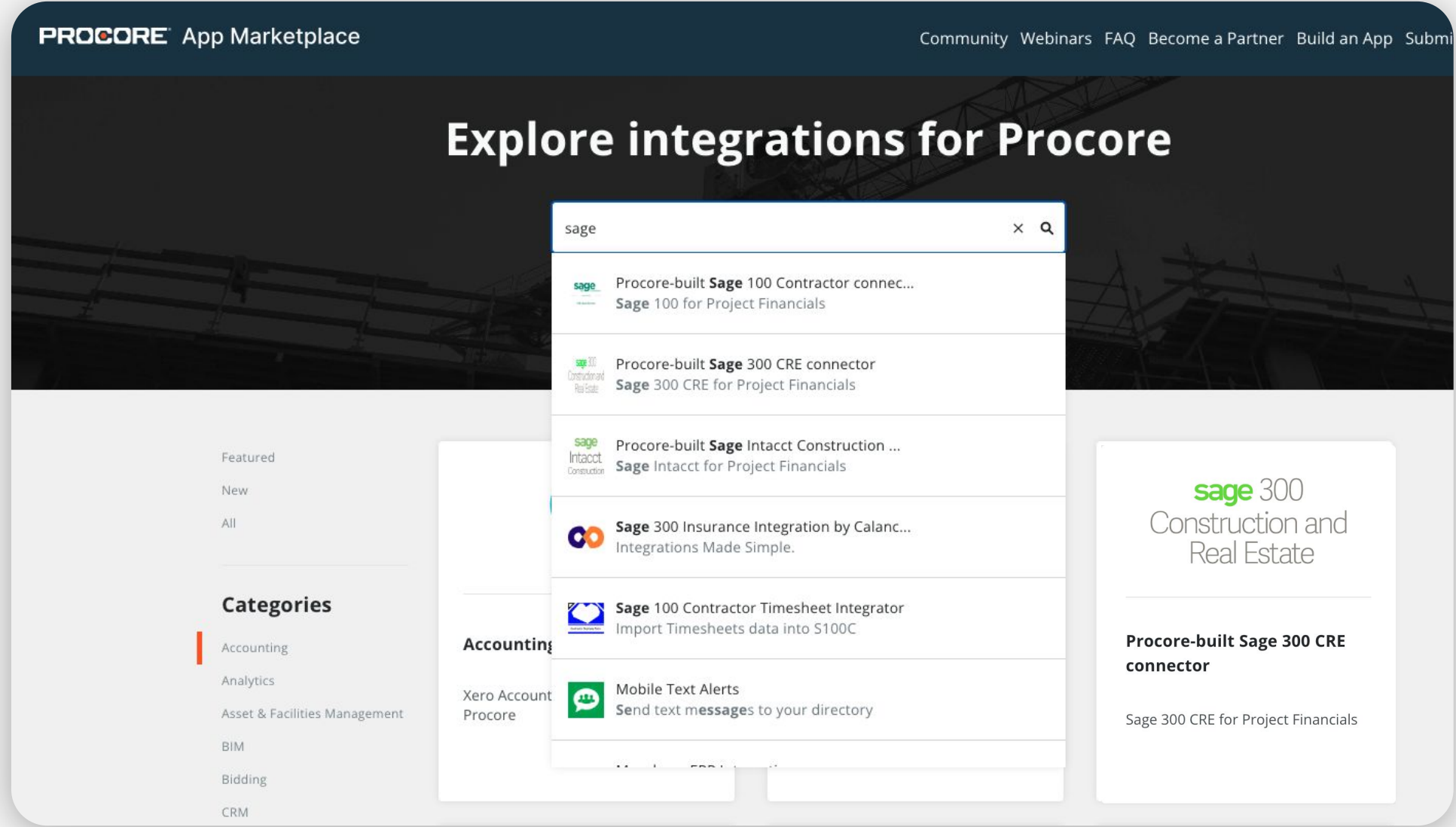


Legal & Compliance




Procurement & Materials





Estimating & Takeoff



Field Communications




IT



Portfolio Management




Progress Documentation



Quality & Safety



Scheduling

 ProPlanner

Site Cameras



Time Tracking



Tools & Equipment



Our Commitment to the Industry

Investing through advocacy, education, and technology

PROCORE.ORG

**Prepare The Future
Workforce**

97%

of accredited construction
undergraduate programs
in the U.S. use Procore¹

**Advocate For
Inclusion**

13K+

WiC champions
engaged to make
construction a global leader
in workforce equality

**Provide Free
Construction Education**

100K+

on-demand Continuing
Education courses have been
completed by construction
professionals to date

**Donate
Product + Services**

800+

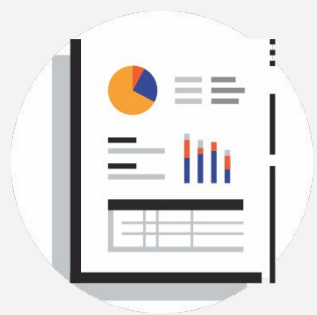
nonprofit builders,
educational institutions,
and training centers have
free access to Procore

Why Construction Chooses Procore



Delivering Powerful Customer Value

Improving the Lives of Everyone in Construction



75%

of customers surveyed agree **Procore** helps reduce rework



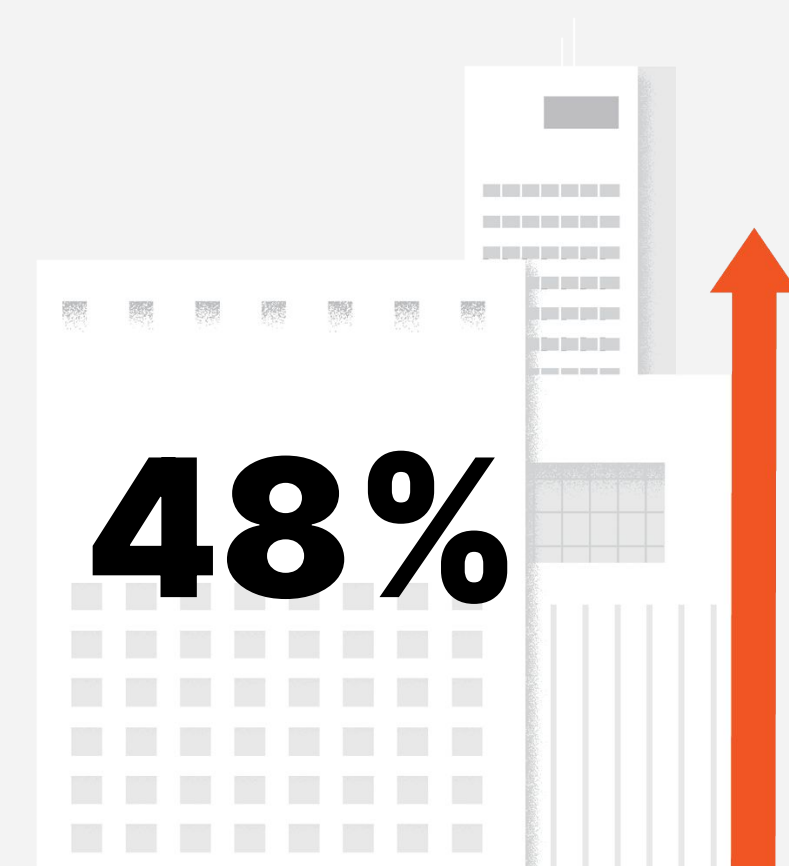
90%

of customers agree **Procore** improves field-to-office communication



15 days

saved on the overall schedule of a typical project on average



**average increase in
construction volume
managed per person**

Best-In-Class Across the Board



**TrustRadius 2022
Top Rated Award**



**#1 in Project
Management
in 2021**



**2022 Best Construction
Management
Software**

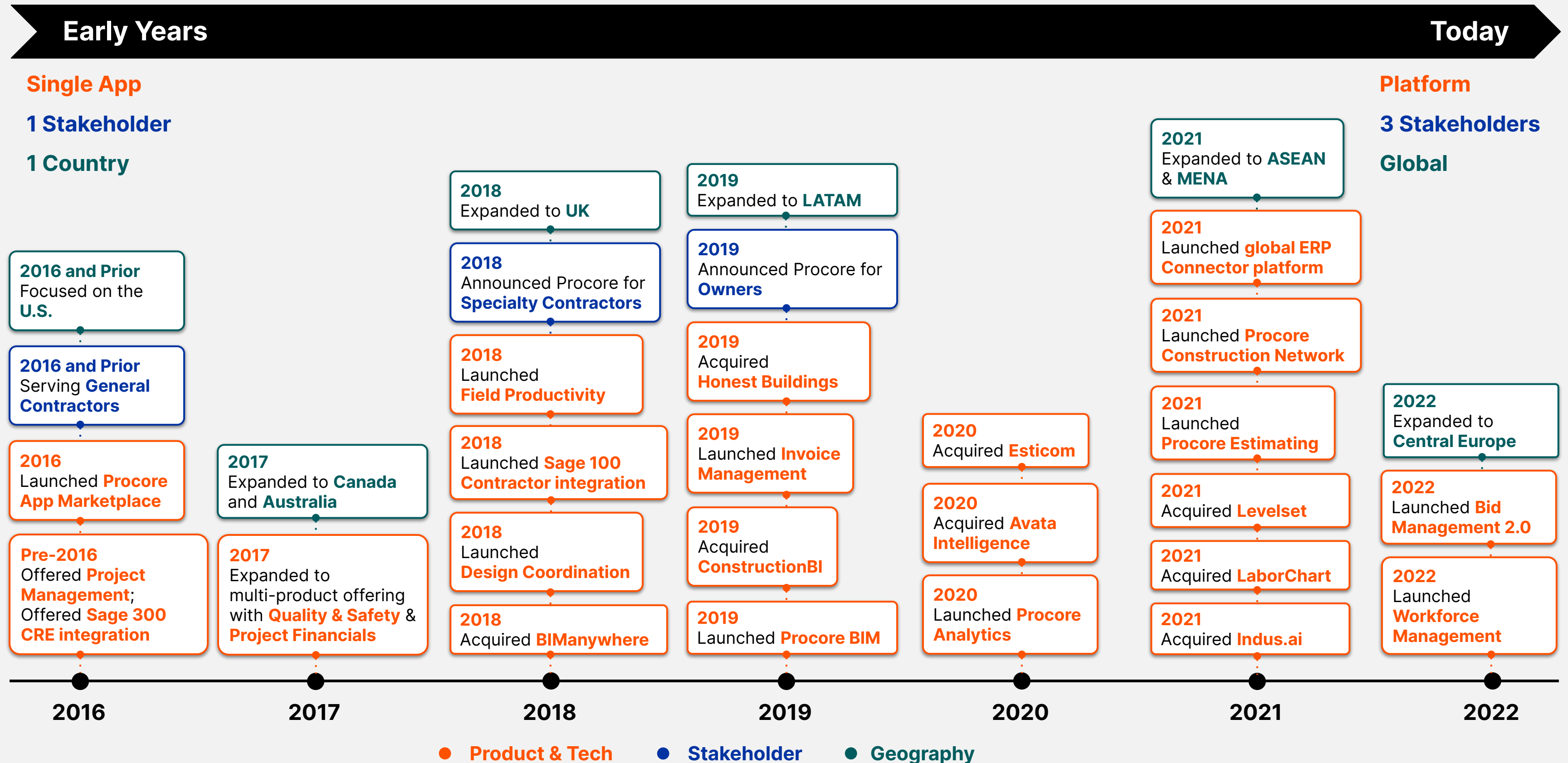


**Top 100 Software
Companies of 2022**



**2022 Best Places to
Work**

Procore's Evolution



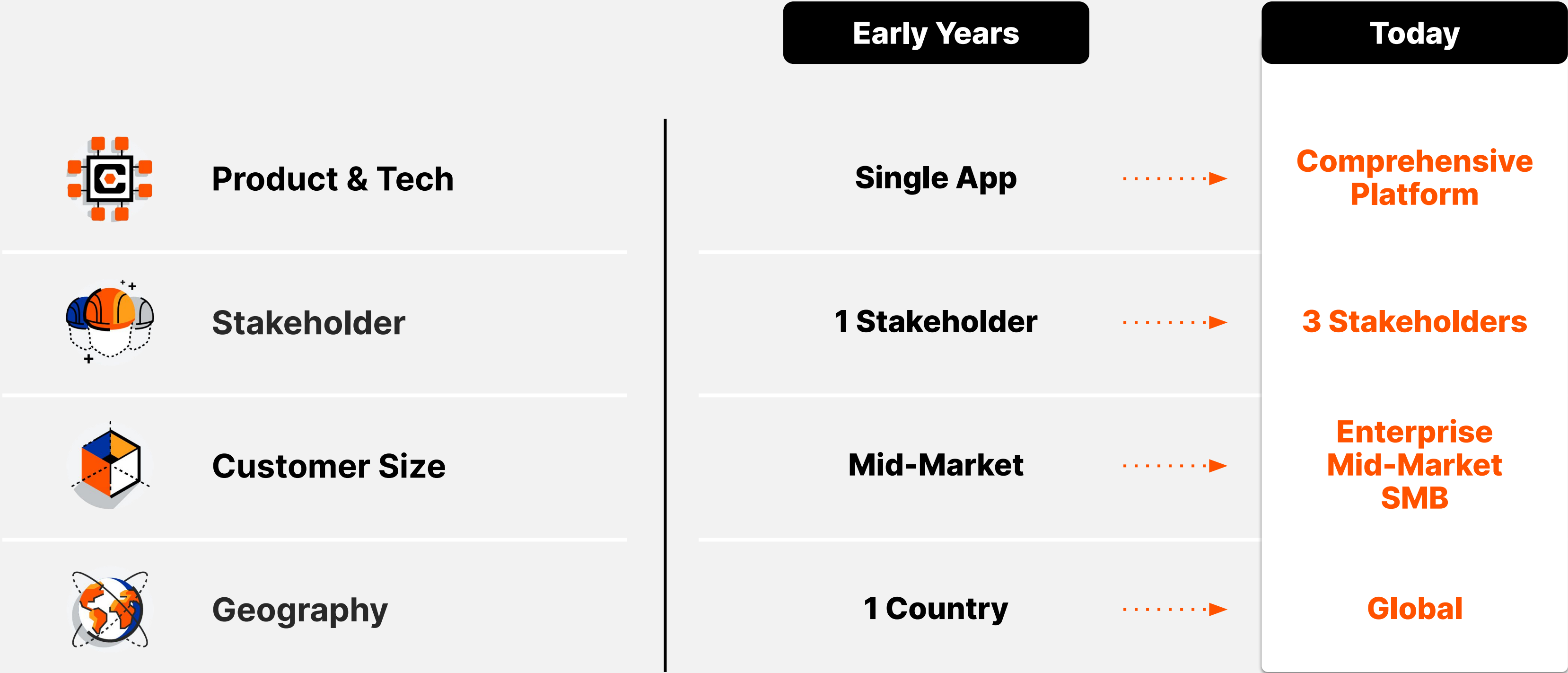
— INVESTOR DAY 2022

Business & Financial Evolution

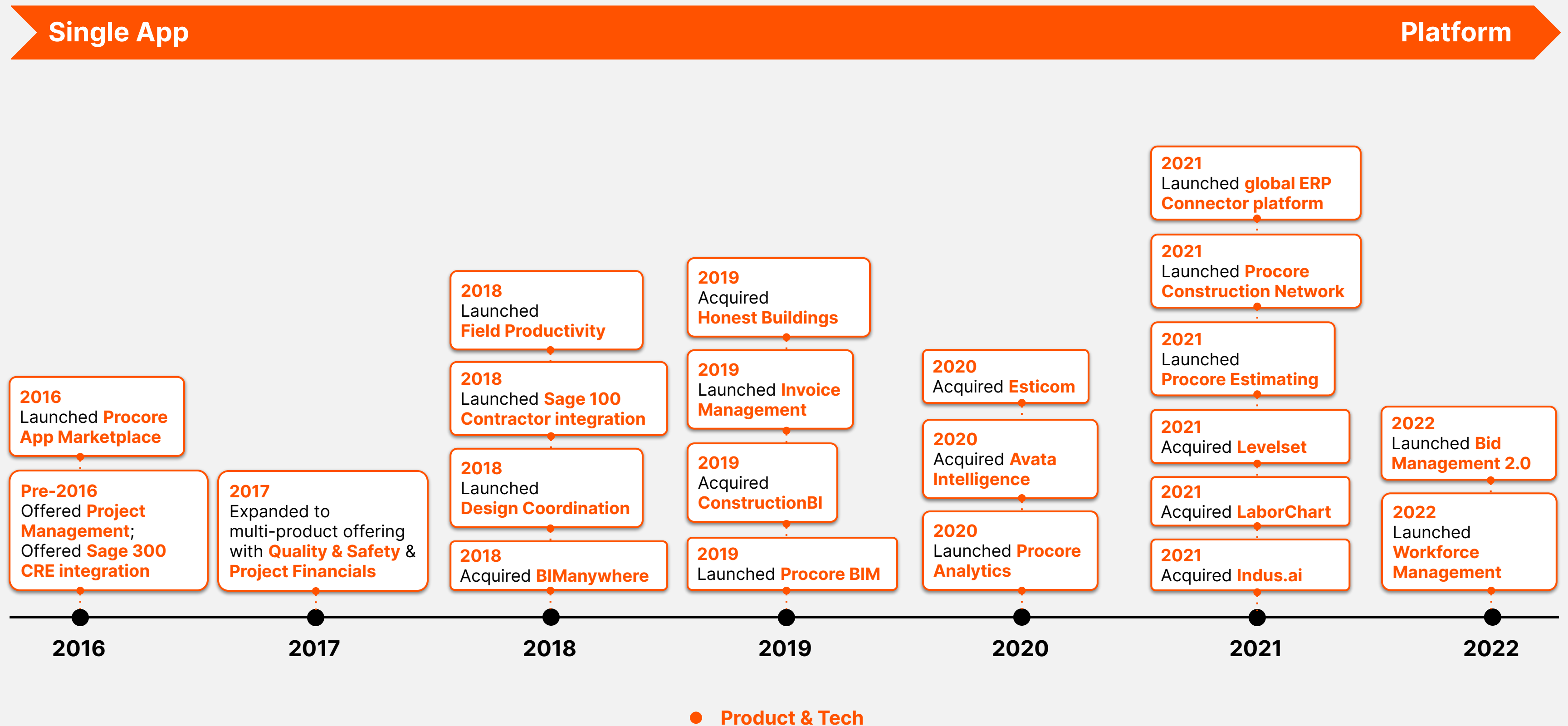
Paul Lyandres | CFO

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Business Evolution



Product & Technology Evolution



Our Platform Investments...

\$500M+

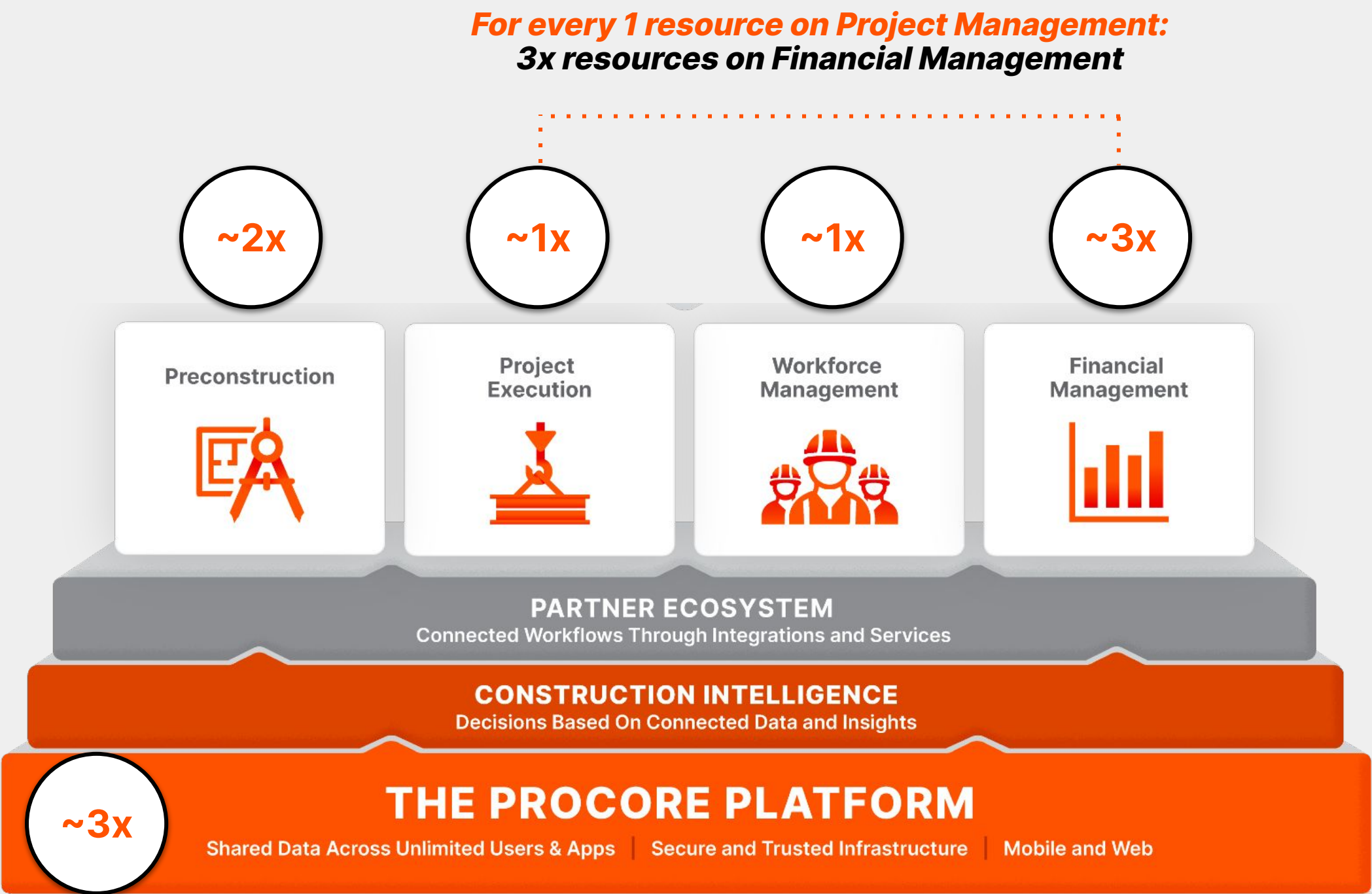
Cumulative Non-GAAP R&D expense since 2017

8

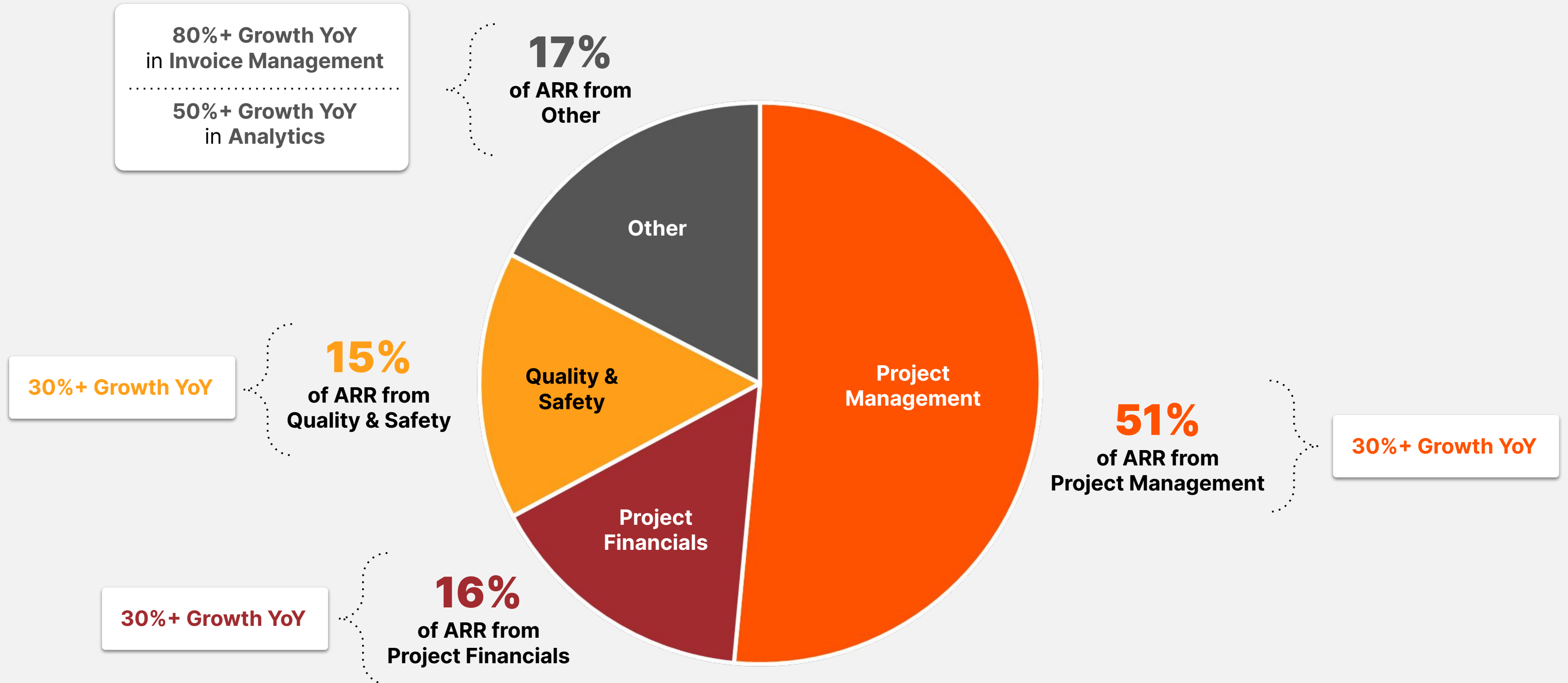
Acquisitions over five years

Note: All statistics as of September 30, 2022. All financial figures are non-GAAP. Non-GAAP operating expenses are calculated as operating expenses excluding stock-based compensation expense and amortization of acquired technology intangible assets. See the appendix at the end of this presentation for a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures.

2022 Product & Technology Resource Allocation

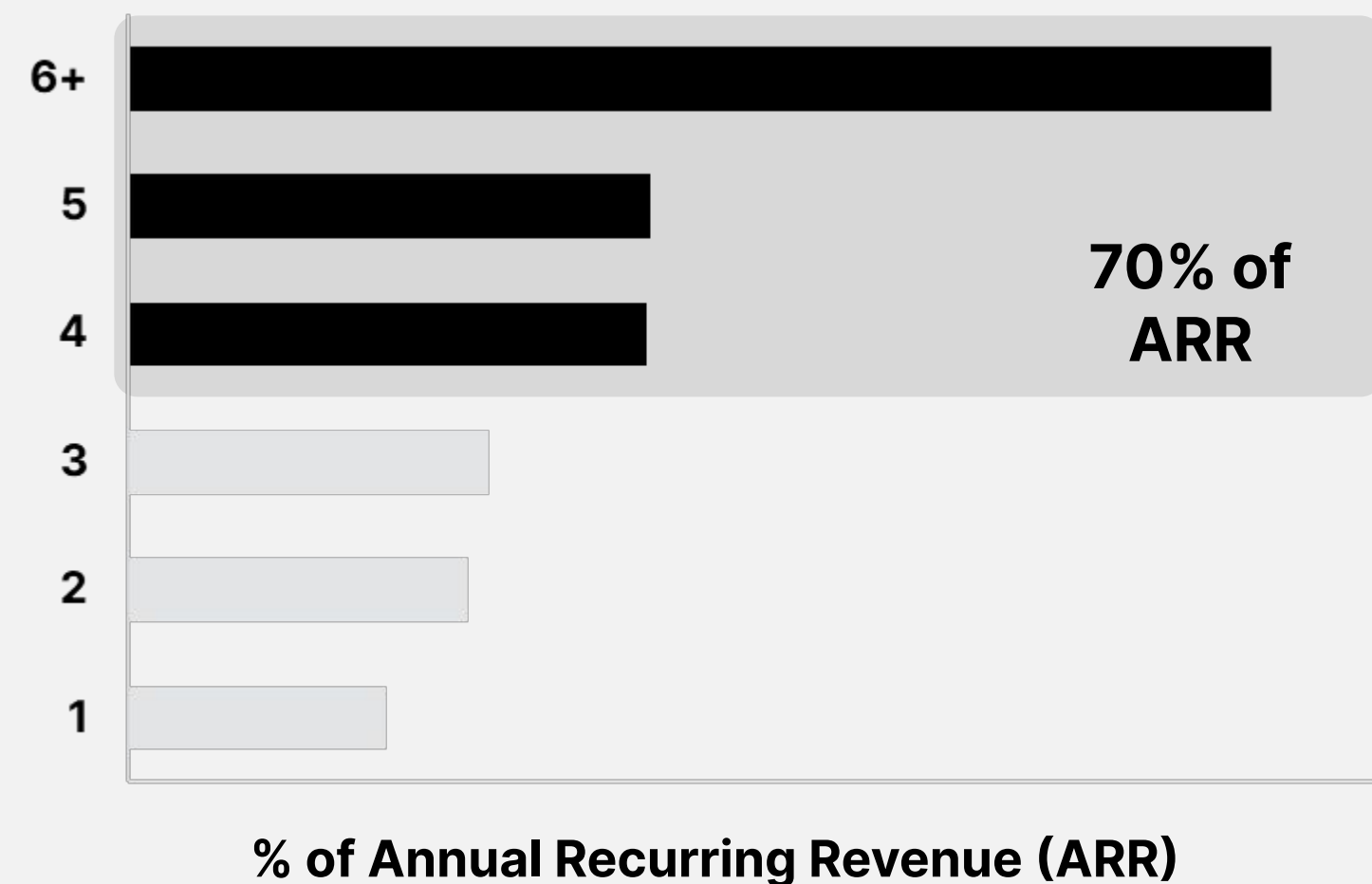
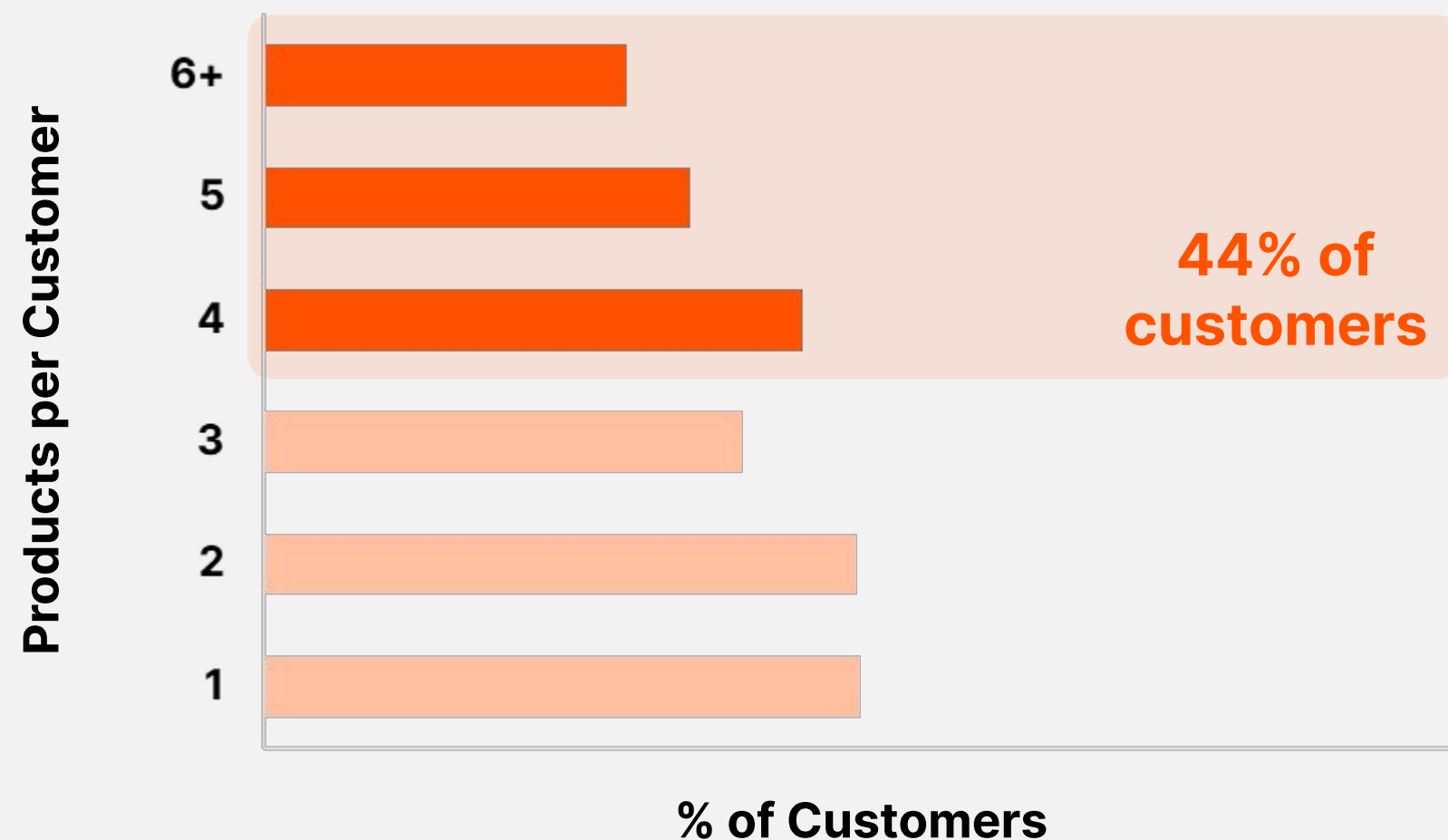


... Have Evolved Our ARR Mix



Customers Adopting More Products

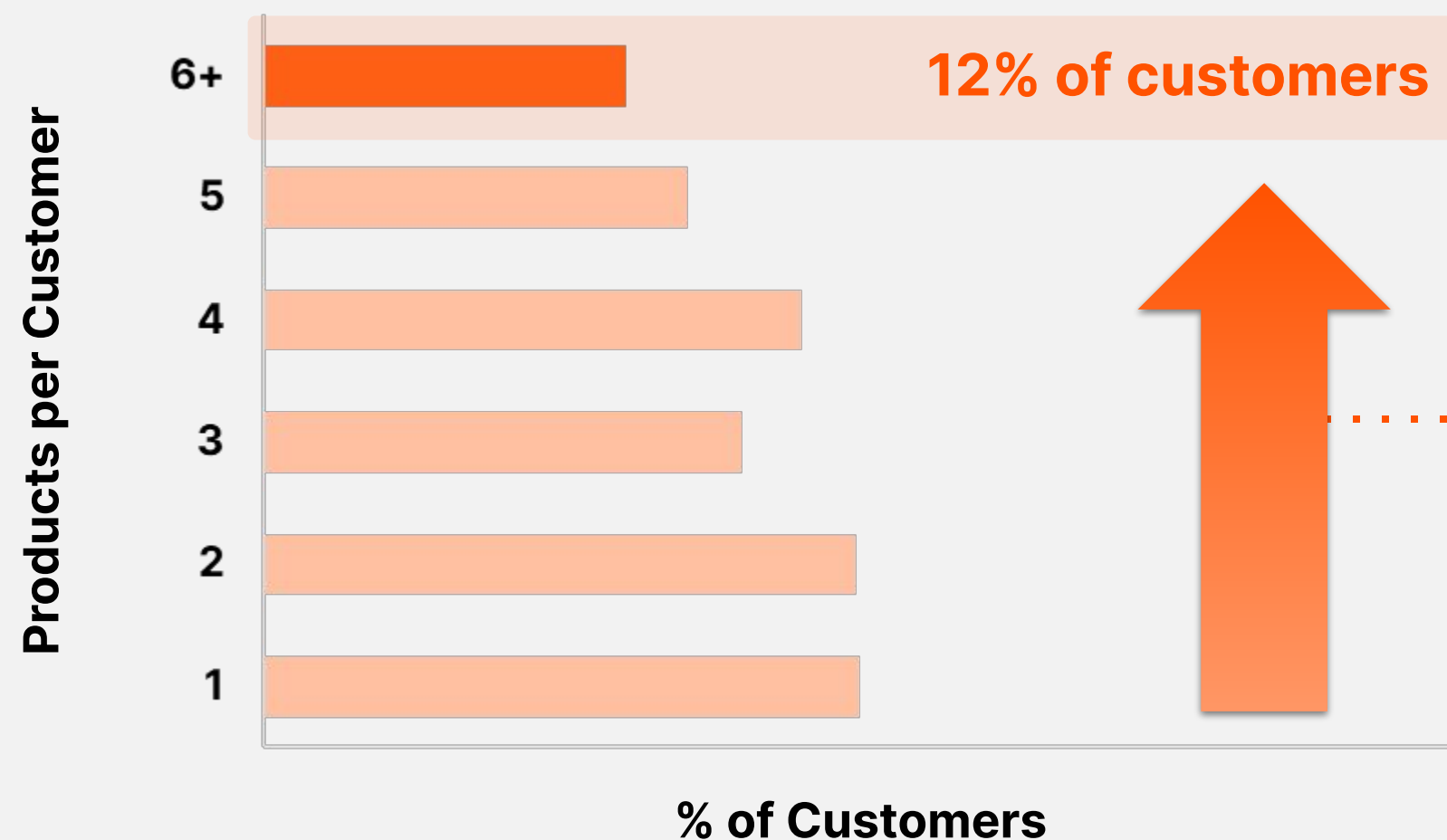
Customers with 4+ Products Represent 44% of Total Customers, Driving 70% of ARR



Note: All statistics as of September 30, 2022. Percent of customers adopting products is based on “organic” customer count, which excludes the customers acquired from Levelset and Esticom. Levelset and Esticom customers will be included in our customer metrics when they are renewed onto standard Procore annual contracts or upon integration of the sales process. Levelset has more than 3,000 customers as of September 30, 2022. See the appendix at the end of this presentation for definition of customer count and ARR.

Higher ARR via Additional Products

Assuming No Additional Volume, No New Logos, No New Countries...



Potential to Increase
Total Annual Recurring
Revenue (ARR) by

50%+

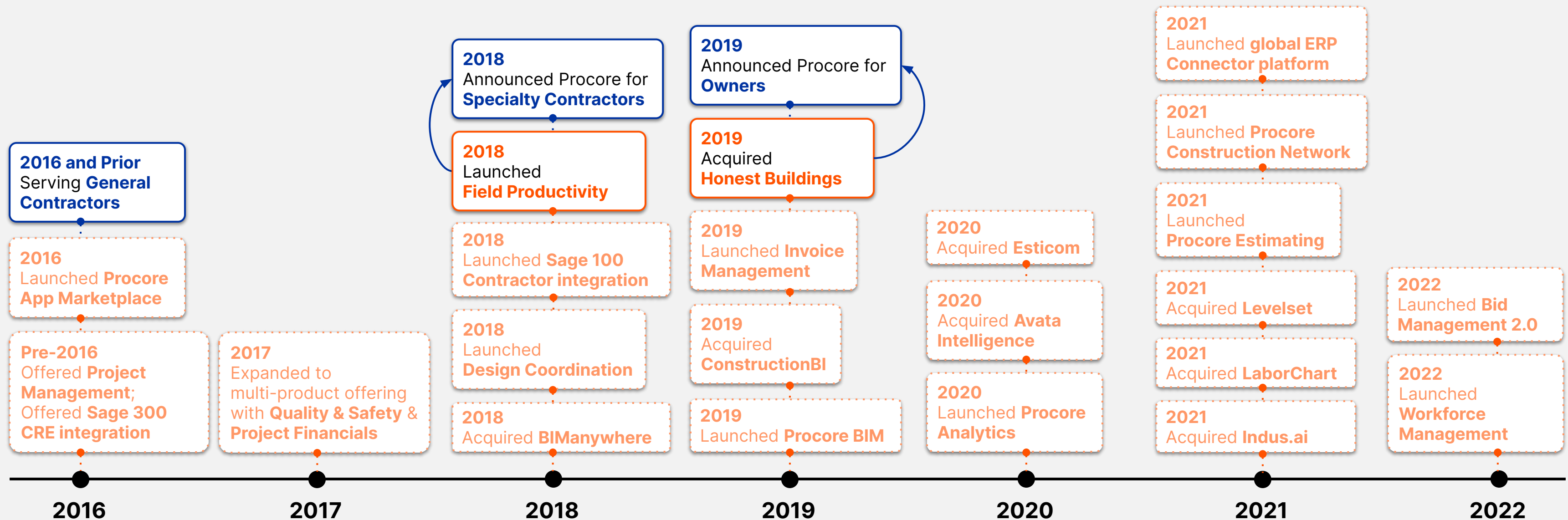
By Moving Customers
from 1-5 Products to
6+ Products

Note: All statistics as of September 30, 2022. Percent of customers adopting products is based on “organic” customer count, which excludes the customers acquired from Levelset and Esticom. Levelset and Esticom customers will be included in our customer metrics when they are renewed onto standard Procore annual contracts or upon integration of the sales process. Levelset has more than 3,000 customers as of September 30, 2022. See the appendix at the end of this presentation for definition of customer count and ARR.

Stakeholder Evolution

1 Stakeholder

3 Stakeholders



New Products Attract New Stakeholders

General Contractors

*Delivering projects on time
and on budget*

Specialty Contractors

*Getting labor, equipment, and materials in
the right place at the right time*

Owners

*Creating value across
a portfolio of investments*

Top 5 Pain Points Addressed by Procore Products

1

 **Project Management** (Pre-2016)

 **Field Productivity** (2018)

 **Project Financials** (2017)

2

 **Project Financials** (2017)

 **Workforce Planning** (2022) *

 **Analytics** (2020) *

3

 **Quality & Safety** (2017)

 **Estimating** (2021) *

 **Project Management** (Pre-2016)

4

 **Invoice Management** (2019)

 **Project Management** (Pre-2016)

 **Bid Management 2.0** (2022)

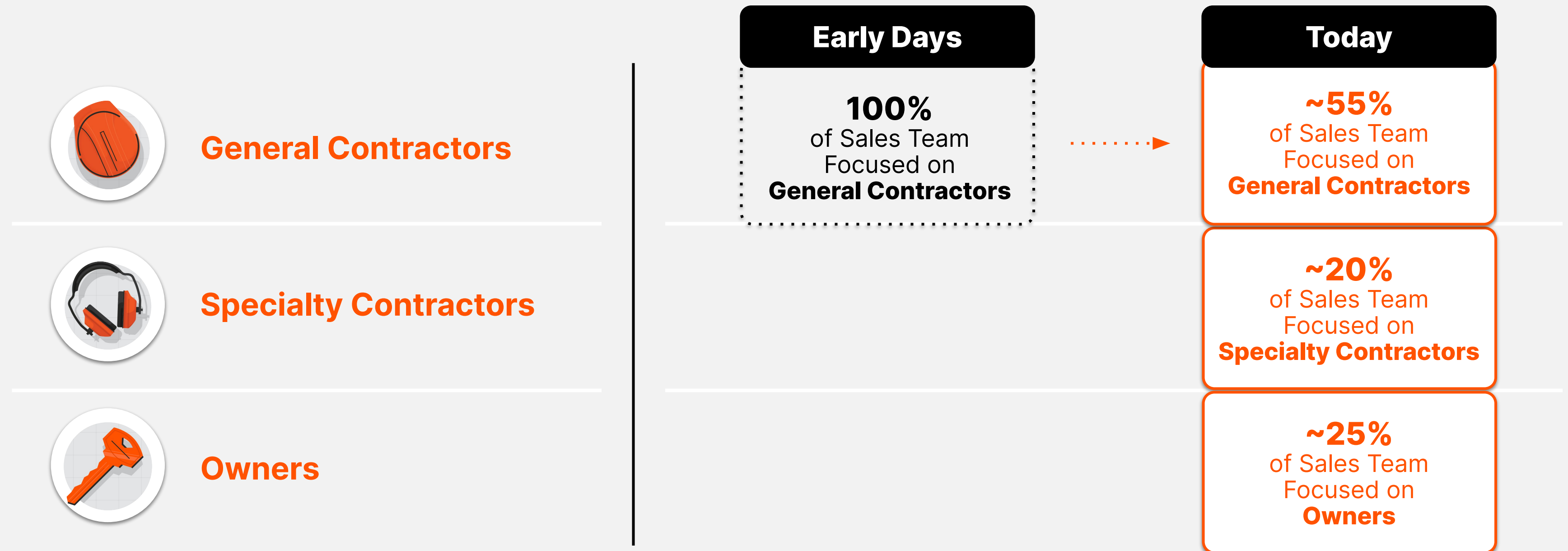
5

 **Analytics** (2020) *

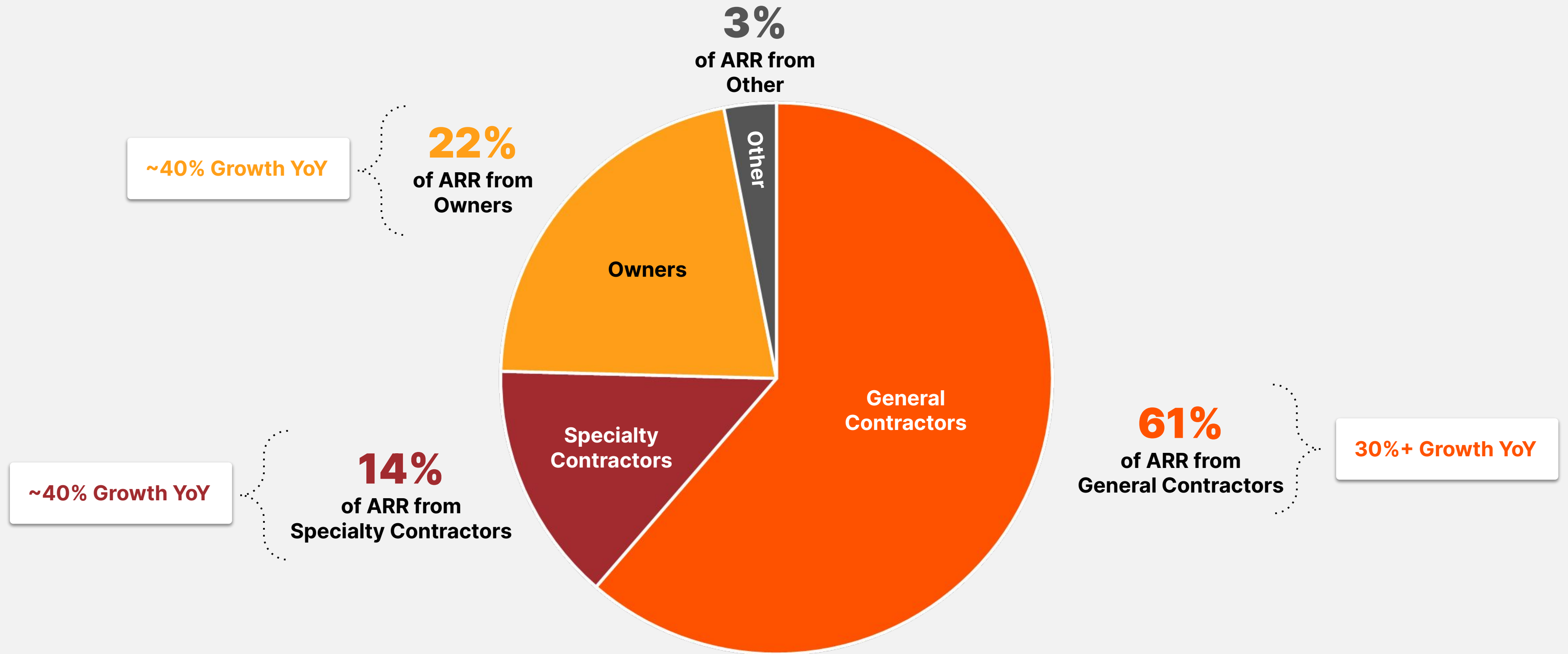
 **Project Financials** (2017)

 **Quality & Safety** (2017)

GTM Investments in Stakeholders ...



... Have Evolved Our ARR Mix



Connecting All Stakeholders in Construction

GENERAL CONTRACTORS



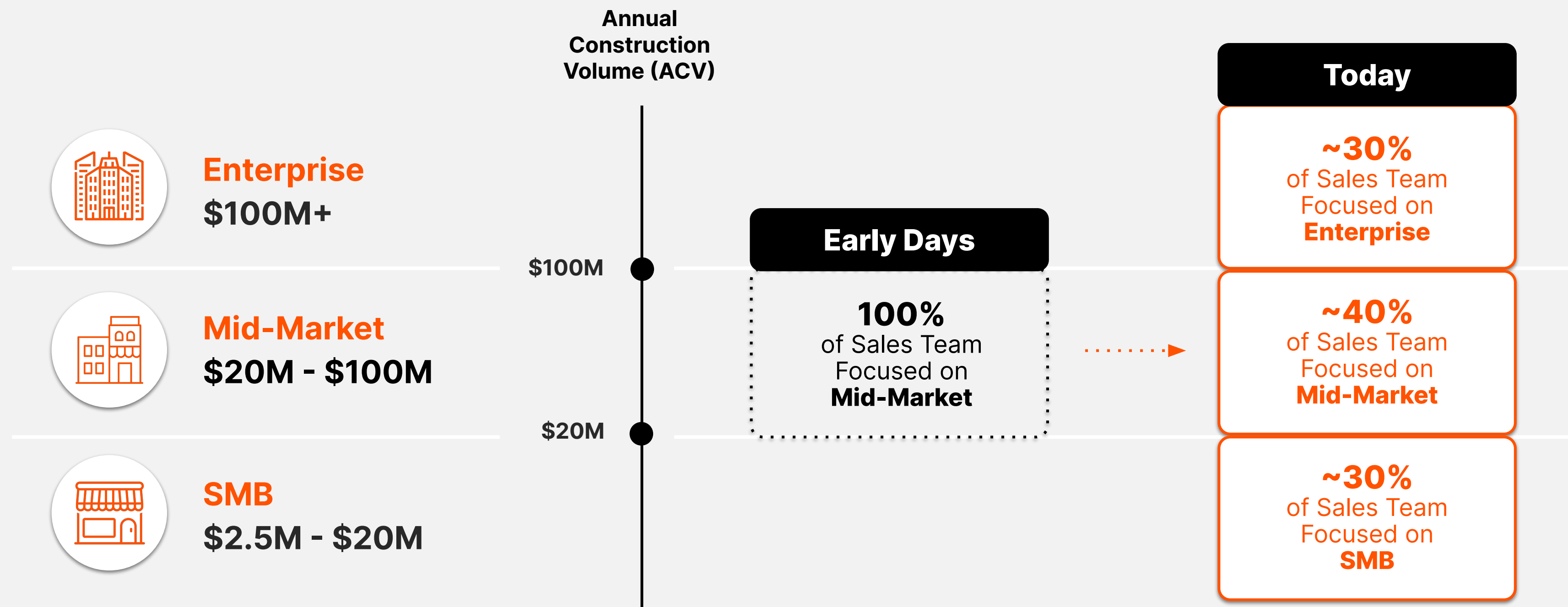
SPECIALTY CONTRACTORS



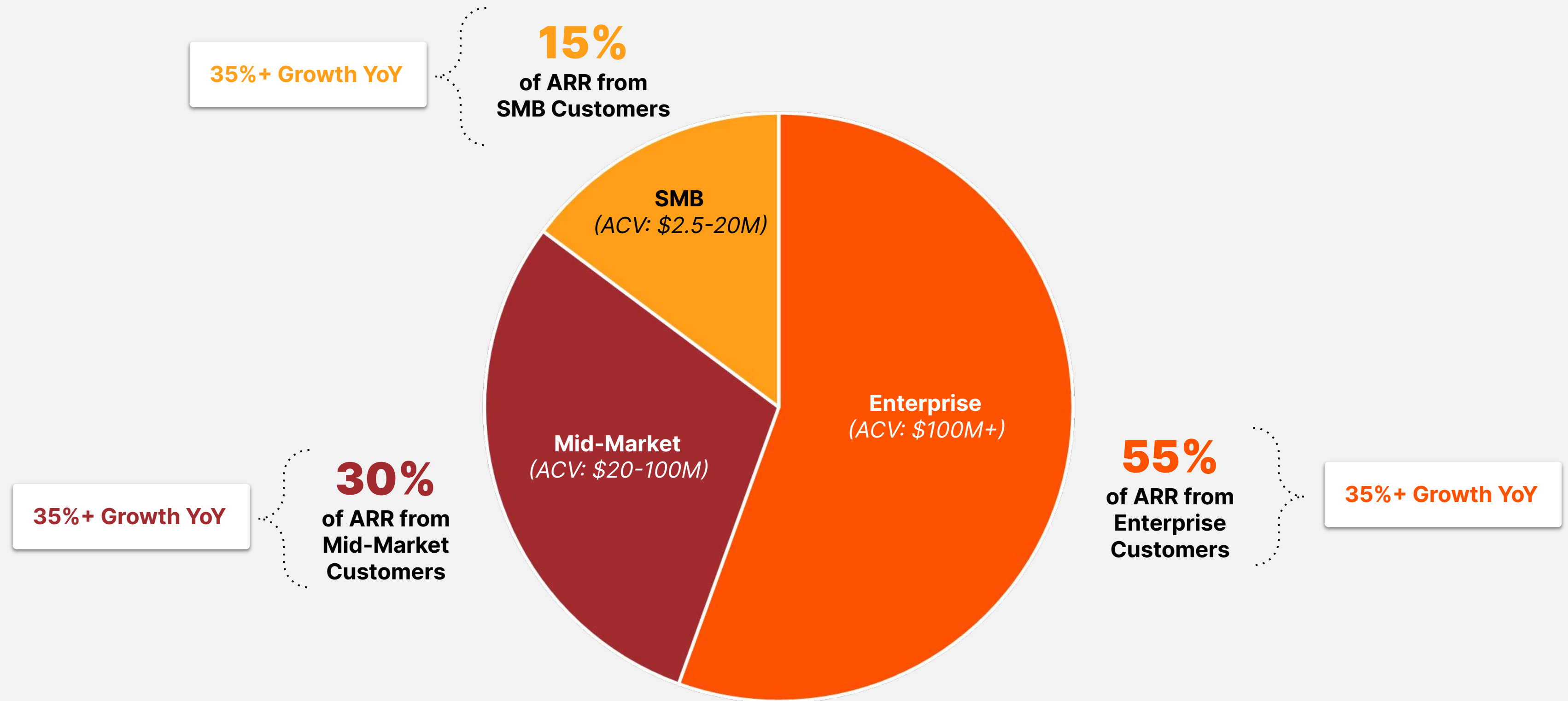
OWNERS



GTM Investments Upmarket & Downmarket ...

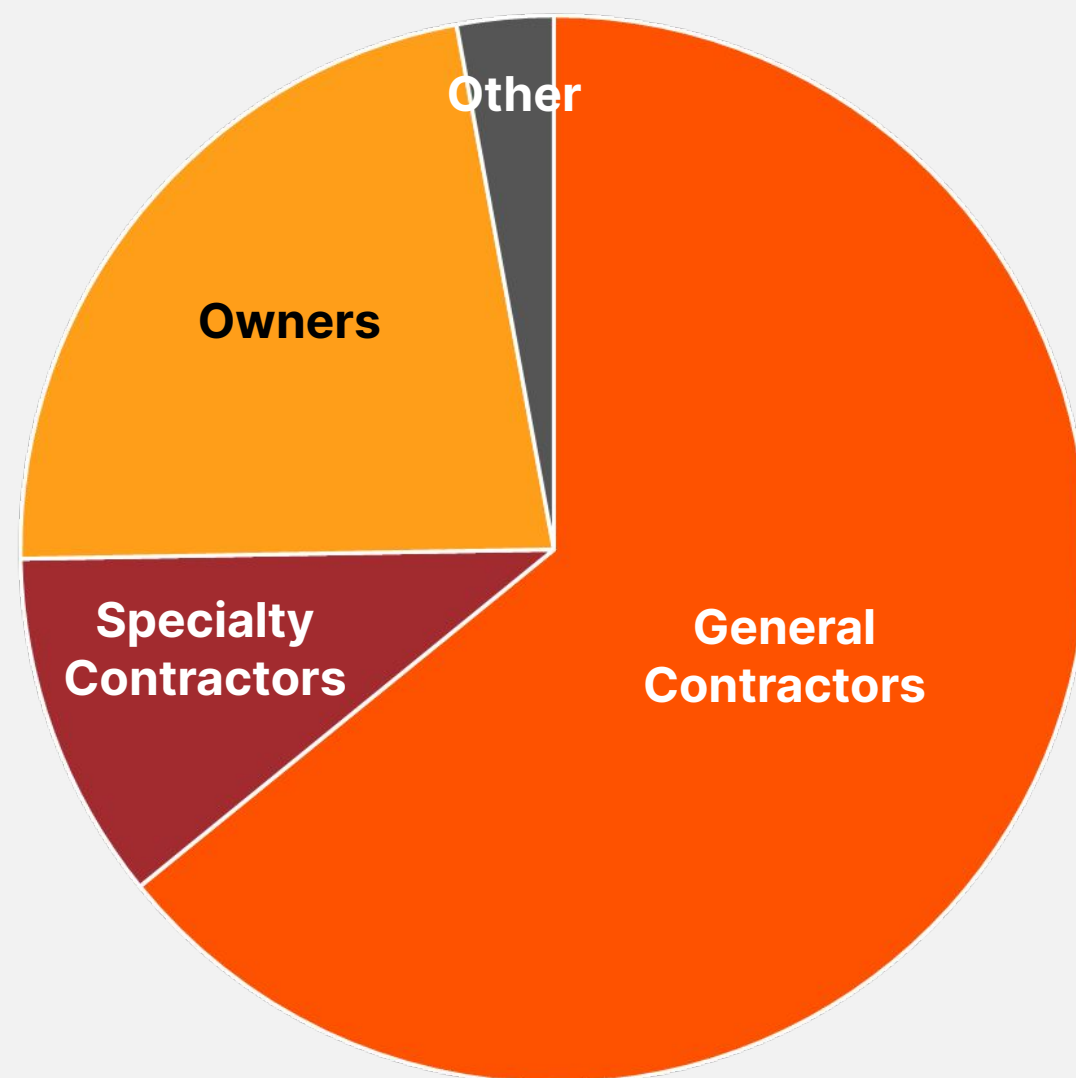


... Have Evolved Our ARR Mix ...



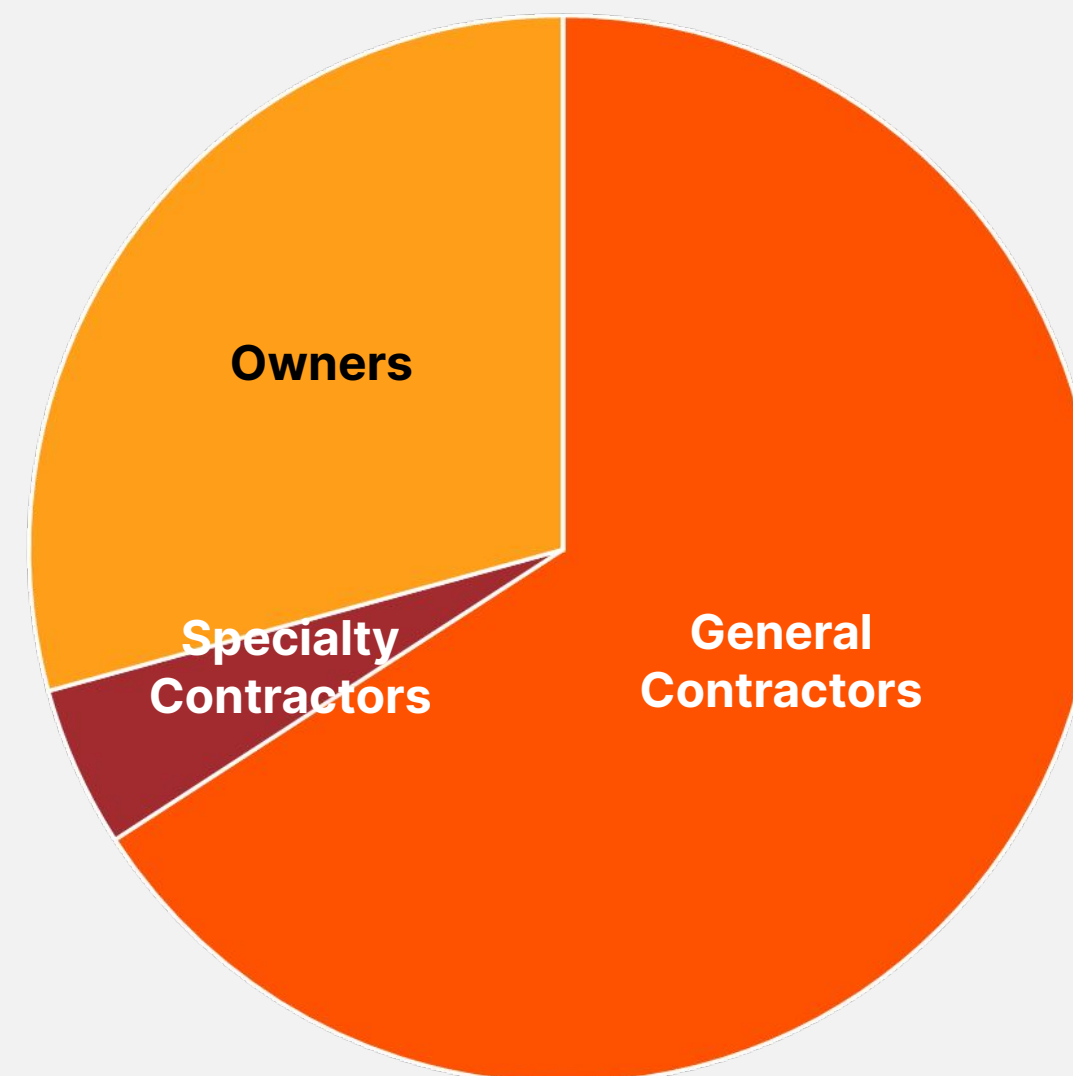
... And Expanded Large Customers

1,436 \$100K+ ARR Customers



Growing **40%+ YoY**
Comprising **~10%** of Total Customers

41 \$1M+ ARR Customers



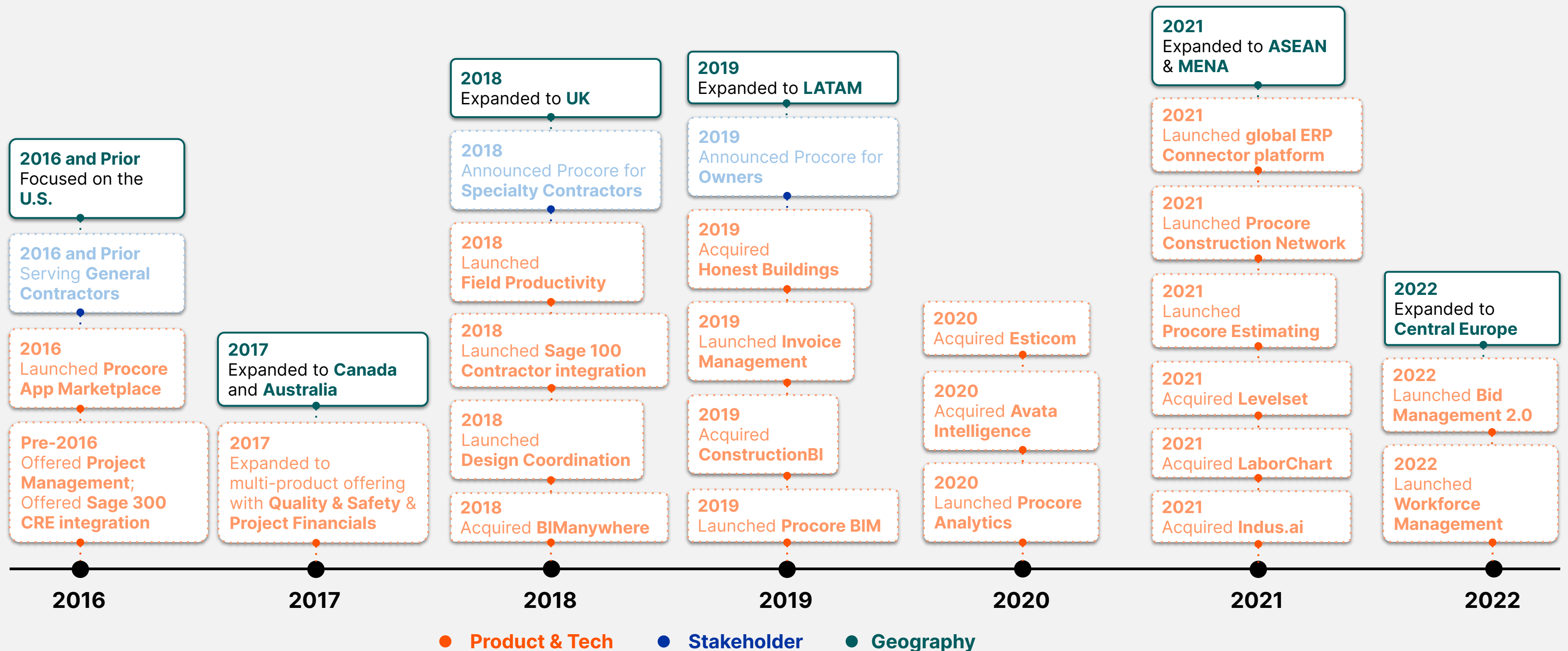
Growing **70%+ YoY**
Comprising **<1%** of Total Customers

Note: All statistics as of September 30, 2022. Growth rates reflect year-over-year growth for the quarter ending September 30, 2022. Number of \$100K+ and \$1M+ ARR customers is based on "organic" customer count, which excludes the customers acquired from Levelset and Esticom. Levelset and Esticom customers will be included in our customer metrics when they are renewed onto standard Procore annual contracts or upon integration of the sales process. Levelset has more than 3,000 customers as of September 30, 2022. See the appendix at the end of this presentation for definition of customer count and ARR.

Geographic Evolution

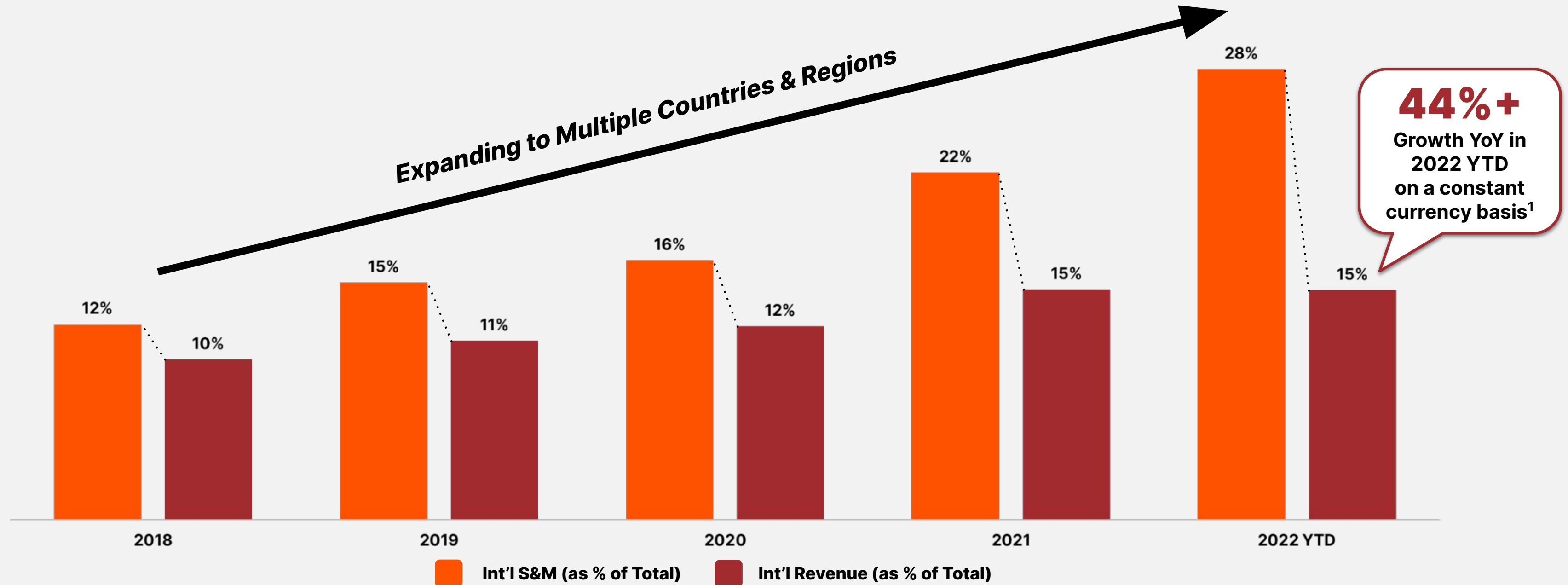
1 Country

Global



GTM Investments to Expand Internationally ...

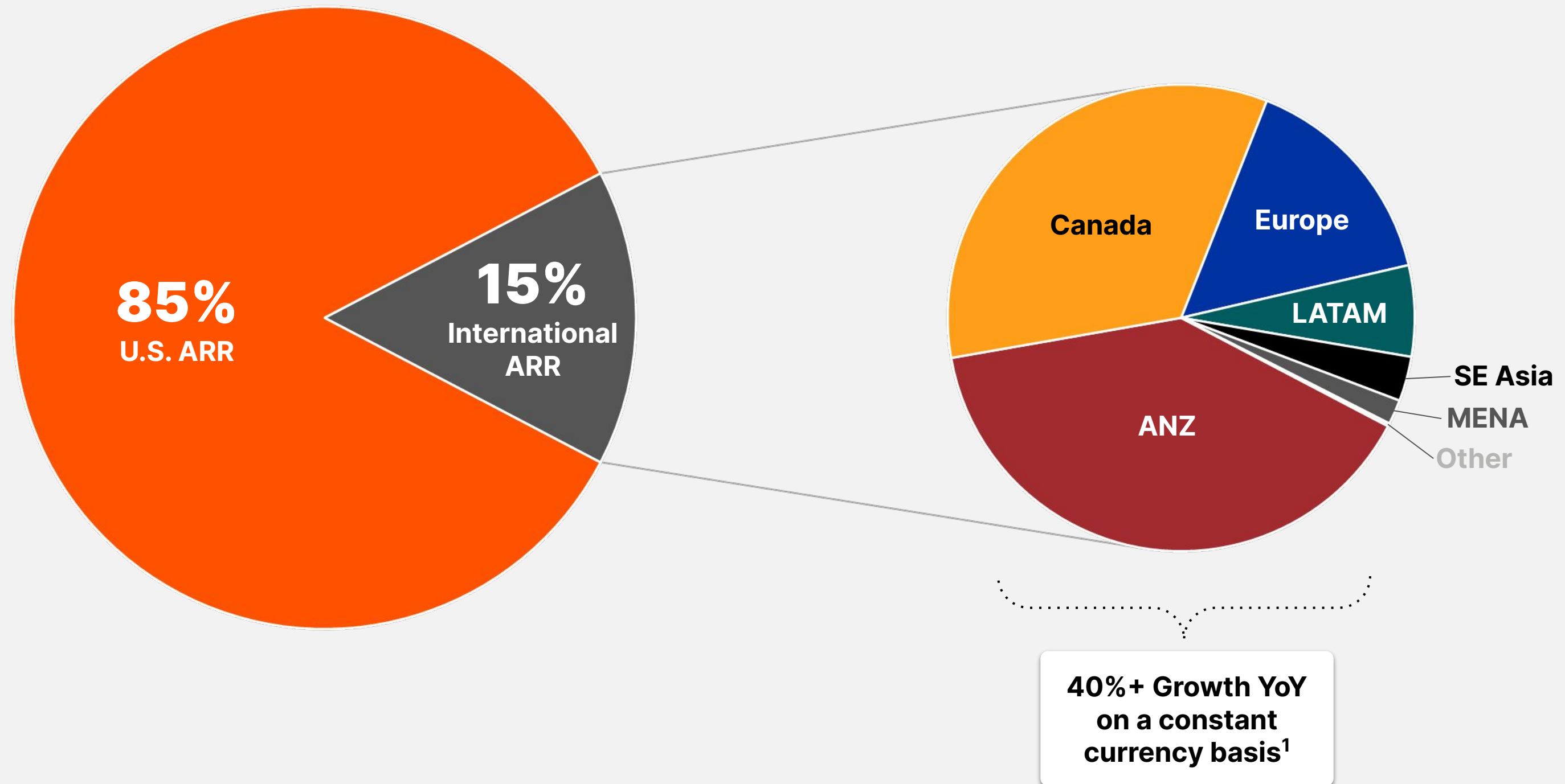
International Non-GAAP Sales & Marketing (S&M) Expense and Revenue (as % of Total)



Note: All financial figures are non-GAAP. Shows fiscal year international non-GAAP Sales & Marketing expense as a % of total non-GAAP Sales & Marketing expense, and international revenue as a % of total revenue. Non-GAAP operating expenses are calculated as operating expenses excluding stock-based compensation expense and amortization of acquired technology intangible assets. See the appendix at the end of this presentation for a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures.





























¹Growth rate reflects year-over-year growth for 2022 year-to-date ending September 30, 2022. Constant currency international revenue growth is derived by applying the current period average quarterly exchange rate to the prior period results, rather than the actual exchange rates in effect during that period.

... Have Evolved Our ARR Mix



Note: All statistics as of September 30, 2022. ARR breakdown by geography excludes Levelset. See the appendix at the end of this presentation for definition of ARR. ¹Growth rate reflects year-over-year growth for the quarter ending September 30, 2022. Constant currency international revenue growth is derived by applying the current period average quarterly exchange rate to the prior period results, rather than the actual exchange rates in effect during that period.

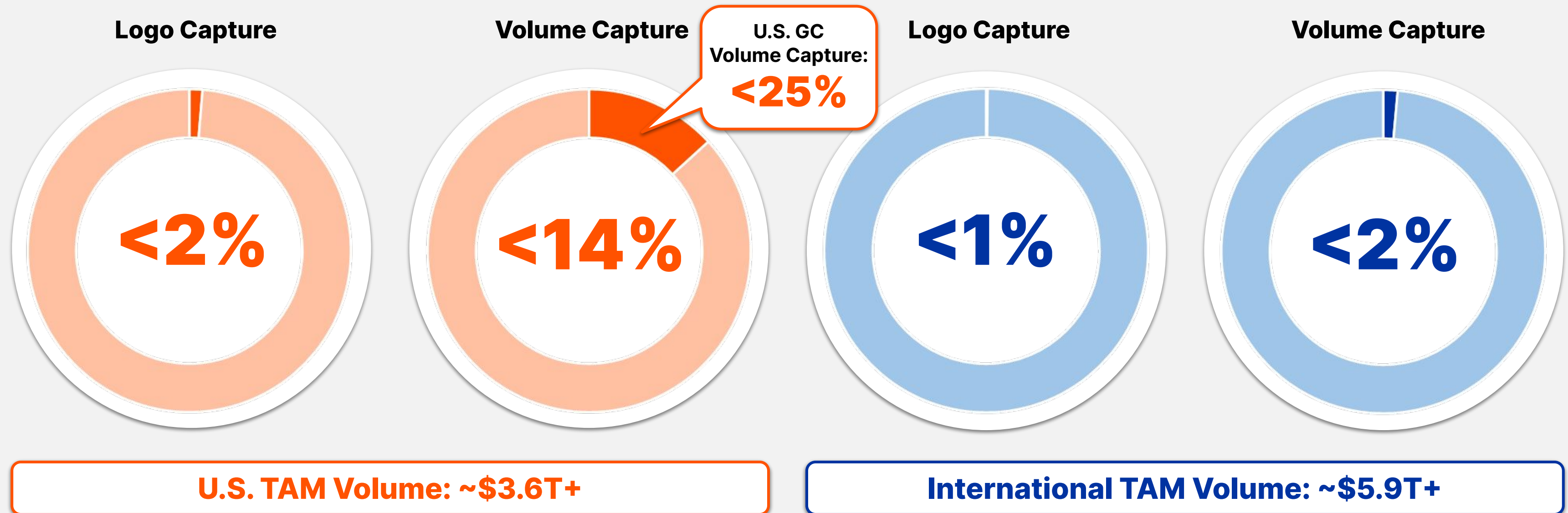
Significant Market Opportunity

Pursuing a \$9T+ Annual Construction Volume (ACV) Opportunity						
Region	U.S.	Europe	APAC	Canada	LATAM	MENA
Primary Countries Served*		          	     		     	  
Annual Construction Volume	\$1.4T+	\$1.1T+	\$740B+	\$180B+	\$150B+	\$150B+
"Triple TAM" (GC + SC + Owner)	X 2.5 (Majority of Spend Flows Through All Three Stakeholders)					
Total TAM Volume	U.S.: ~\$3.6T+	International: ~\$5.9T+				

* Excludes markets to which Procore is selling via inbound demand. Additionally, Procore has projects running on the platform in 150+ countries.

Early Innings of Market Penetration

<1% of Logos and <6% of Annual Construction Volume (ACV) Captured in Primary Countries Served

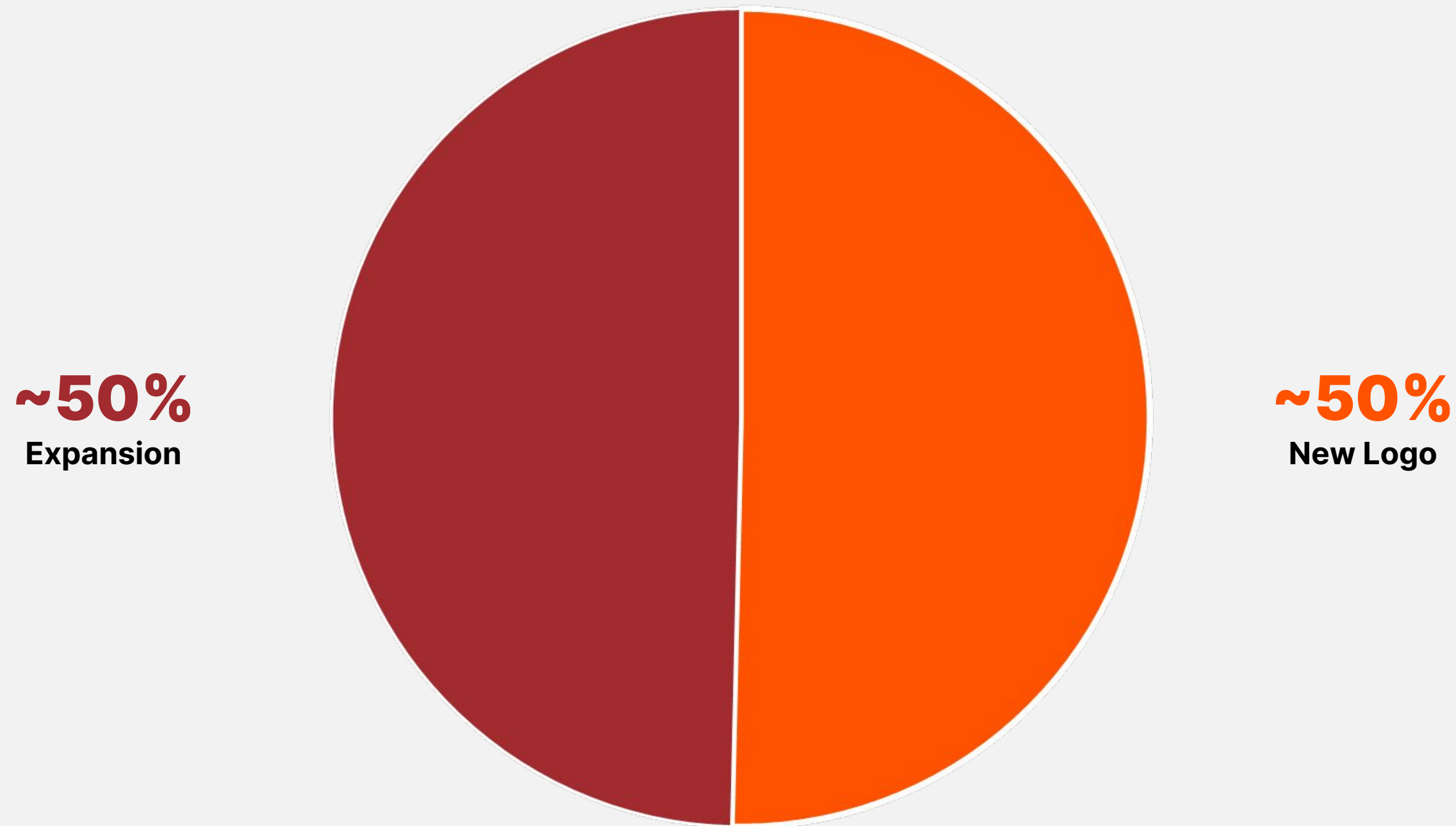


Note: Penetration rates do not reflect any volume captured outside of primary countries served.

Note: "ACV" represents Annual Construction Volume. ACV capture rates reflect construction volume run by customers on Procore products as of September 30, 2022, as a percentage of the total estimated ACV in Procore's addressable markets. Logo capture rates reflect our customer count as of September 30, 2022, as a percentage of the total estimated number of logos in Procore's addressable markets, where the number of customers is defined as the number of entities that have entered into one or more subscriptions with us that have recurring charges for which the term has not ended as of September 30, 2022, or that which we are negotiating a subscription renewal for, and excludes the customers acquired from Levelset and Esticom. Levelset and Esticom customers will be included in our customer metrics when they are renewed onto standard Procore annual contracts or upon integration of the sales process. Levelset has more than 3,000 customers as of September 30, 2022. ACV and logo estimates by region are based on Procore calculations. See the appendix at the end of this presentation for more information.

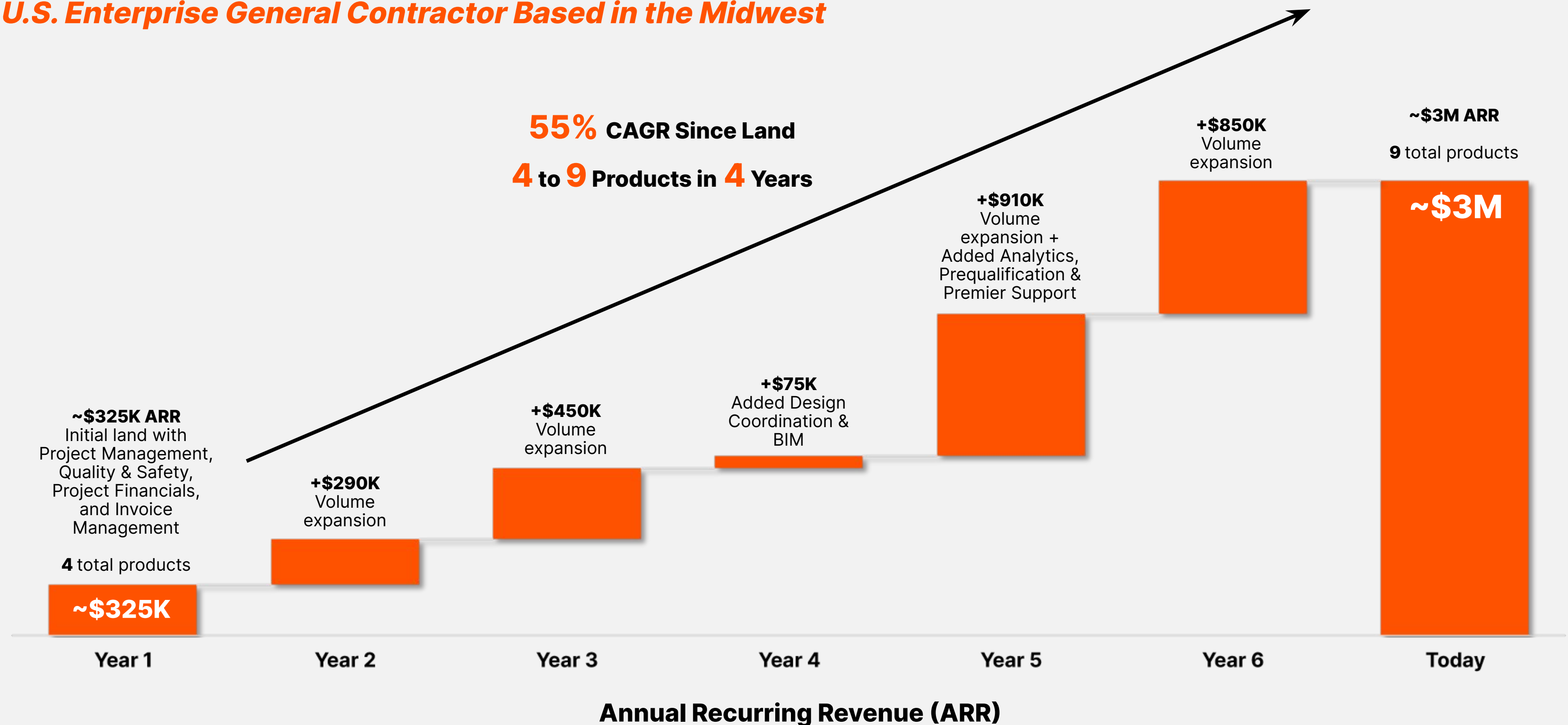
New Logo vs. Expansion → Balanced Growth

2022 YTD Gross New ARR



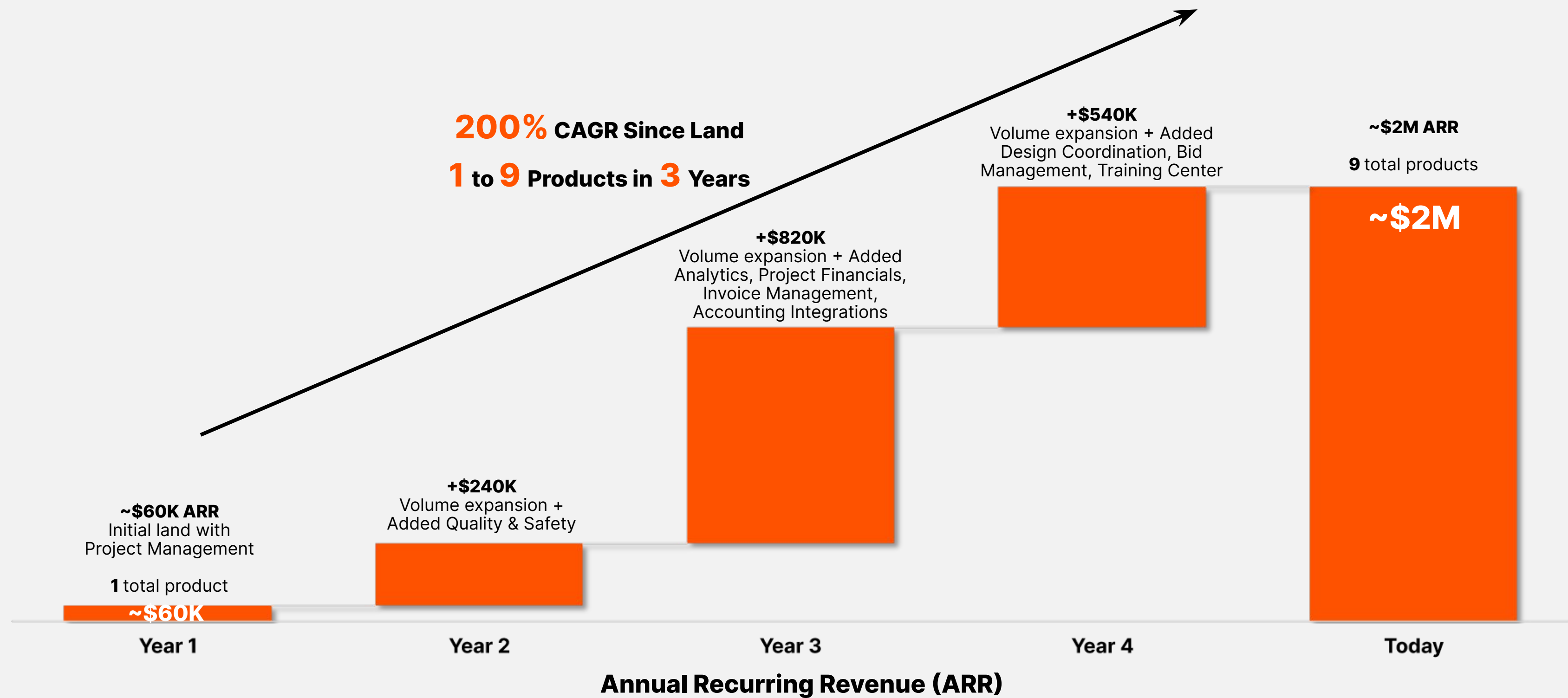
We Can Land-And-Expand With GCs ...

U.S. Enterprise General Contractor Based in the Midwest

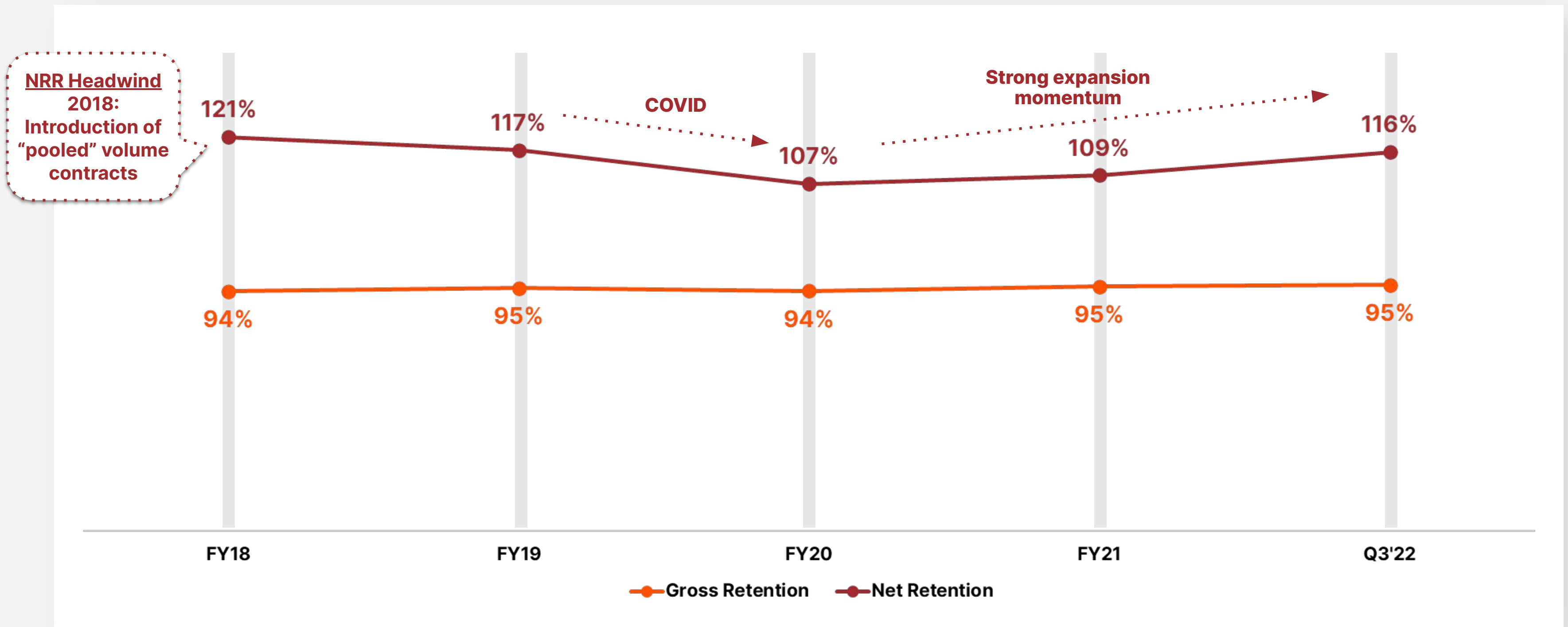


... As Well As With Owners ...

Global Provider of Large-Scale Data Center Campuses



... Which Improves Retention Rates



Durable Revenue Model

Illustrative Annual Customer Contract:

- + Total Contract Value / ARR: \$1M
- + 1-year annual contract

	Q1	Q2	Q3	Q4	TOTAL
% of Volume Deployed	5%	10%	40%	45%	100%
Revenue Recognized	\$250K	\$250K	\$250K	\$250K	\$1M

Illustrative Multi-Year Customer Contract:

- + Total Contract Value / ARR: \$3M / \$1M
- + 3-year pooled volume contract

	YEAR 1	YEAR 2	YEAR 3	TOTAL
% of Volume Deployed	20%	30%	50%	100%
Revenue Recognized	\$1M	\$1M	\$1M	\$3M

% of Volume Deployed	10%	20%	70%	100%
Revenue Recognized	\$1M	\$1M	\$1M	\$3M

% of Volume Deployed	40%	20%	40%	100%
Revenue Recognized	\$1M	\$1M	\$1M	\$3M

\$715M

Total RPO as of Q3'22,
70% of which is short-term

38%

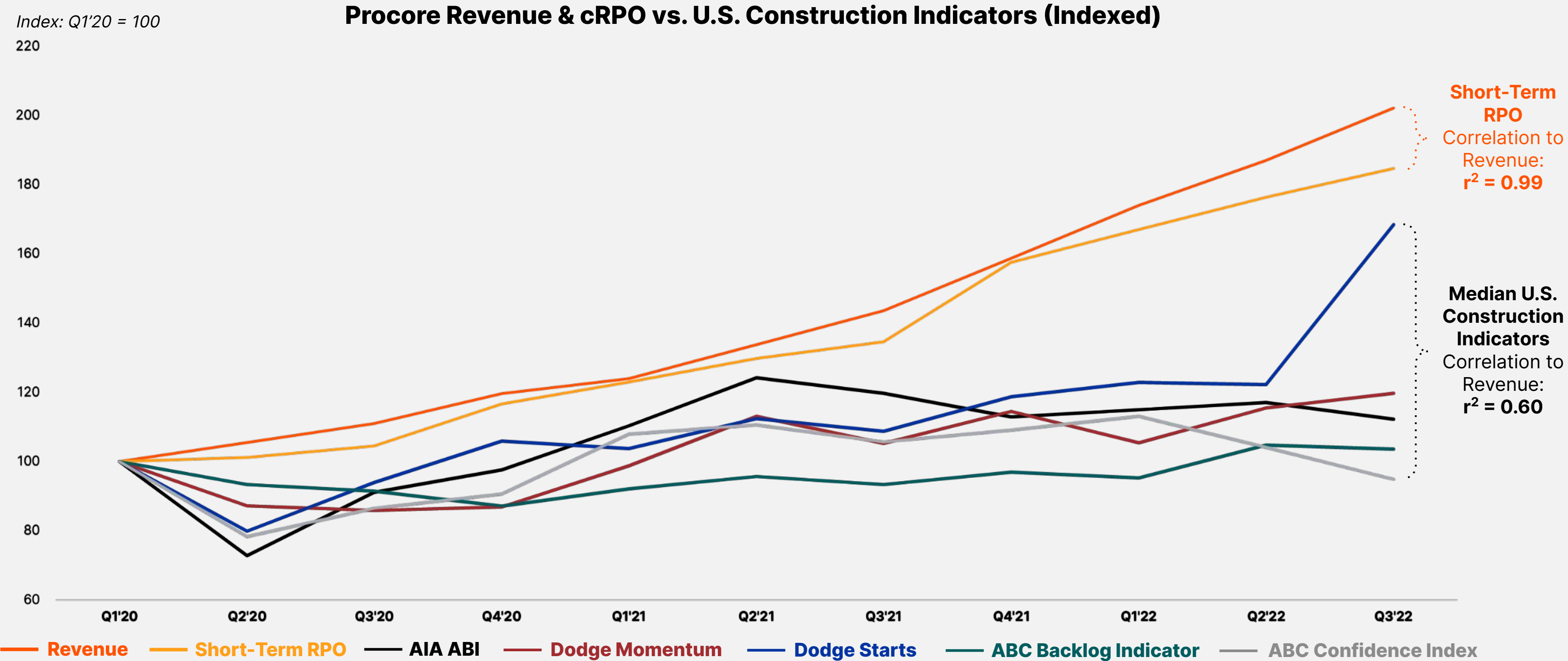
of ARR on
multi-year contracts

20 months

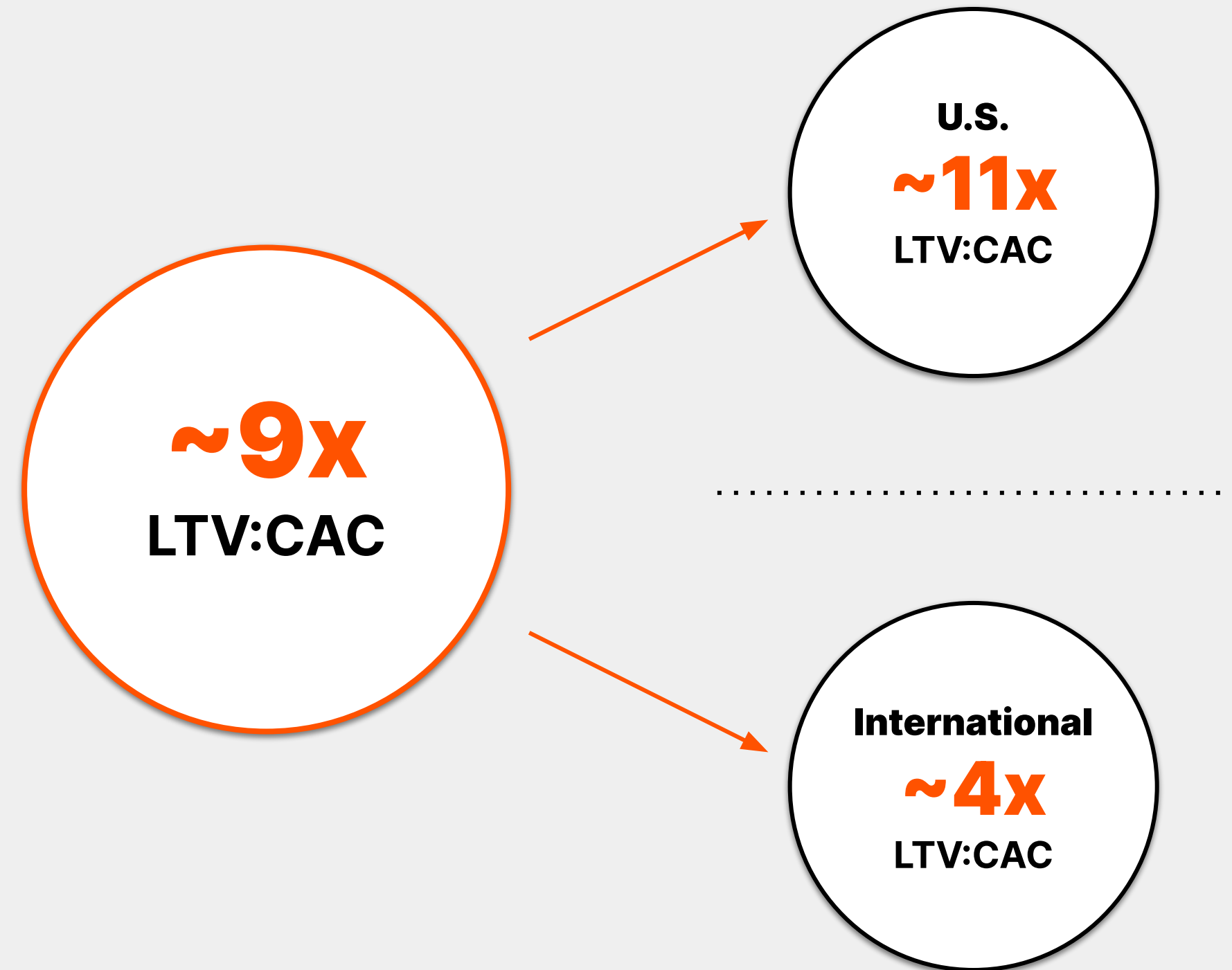
dollar-weighted average
contract length

Note: All statistics as of September 30, 2022. Multi-year contracts are defined as contracts greater than 12 months in duration. Dollar-weighted average contract length is calculated as a weighted average based on ARR. Percent of ARR on multi-year contracts and dollar-weighted average contract length excludes Levelset. See the appendix at the end of this presentation for definition of RPO and ARR.

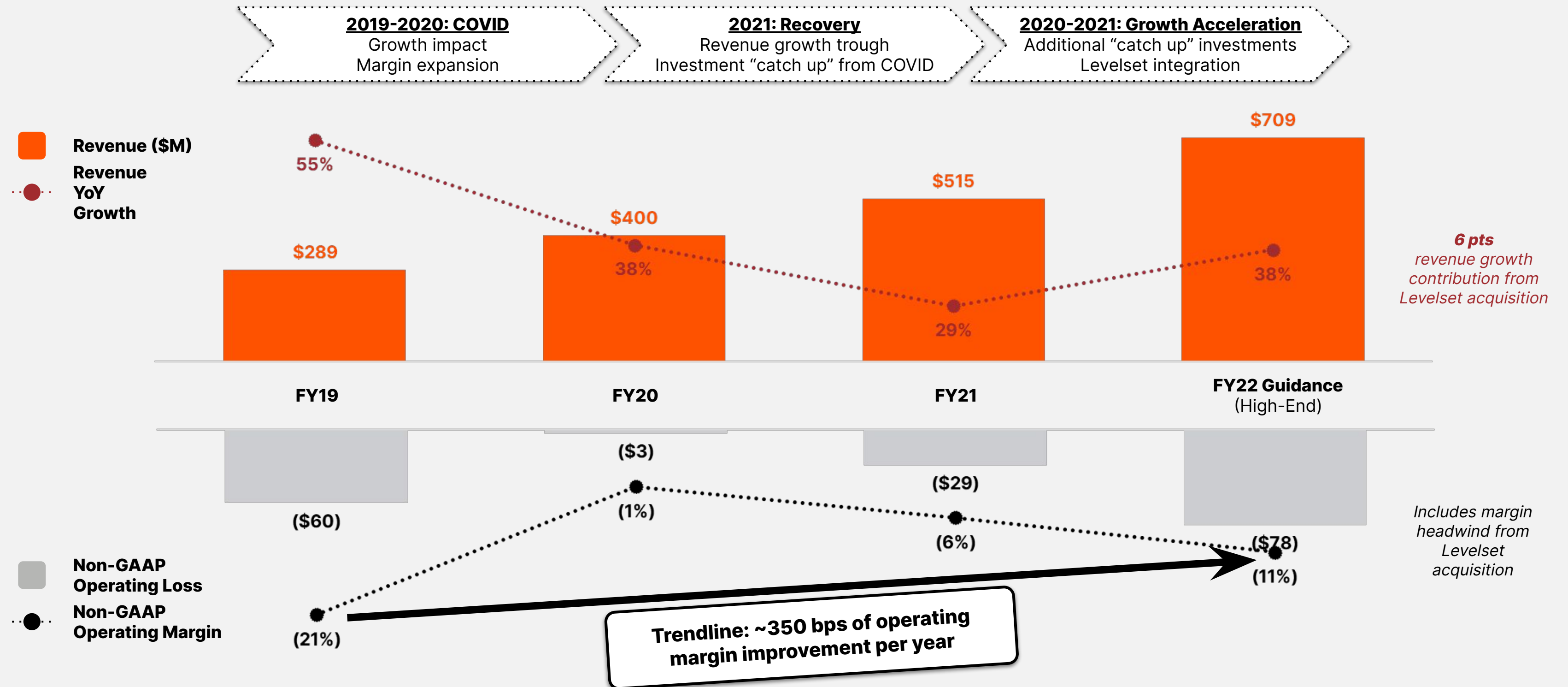
cRPO More Accurate Than External Indicators



Improving Unit Economics

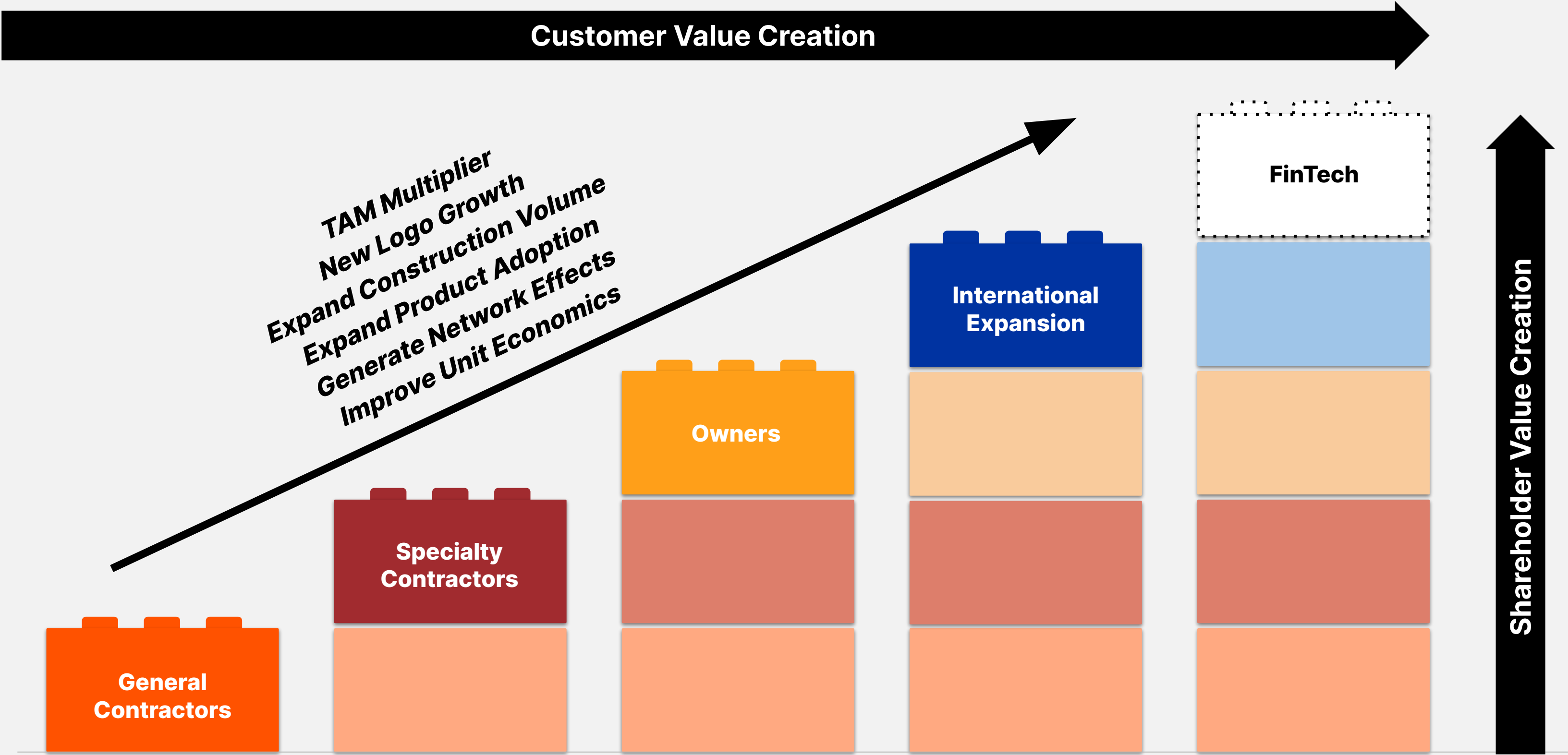


Financial Trajectory



Note: 2022 estimates are based on the high end of company guidance range provided during the Q3'22 earnings call on November 2, 2022. All financial figures are non-GAAP. Shows fiscal year non-GAAP operating loss and non-GAAP operating loss as a % of revenue. Non-GAAP operating expenses and operating margin are calculated as operating expenses excluding stock-based compensation expense and amortization of acquired technology intangible assets. See the appendix at the end of this presentation for a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures.

Building Blocks of Value Creation



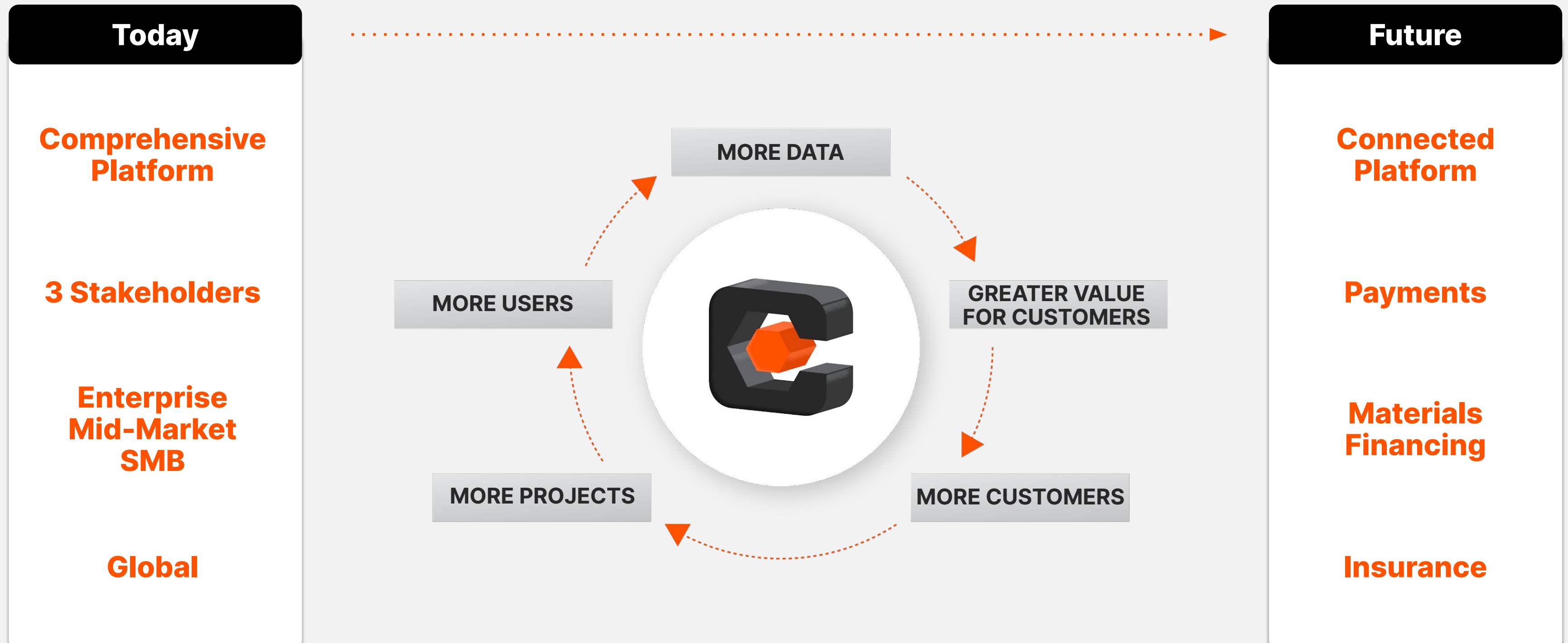
— INVESTOR DAY 2022

Our Next Evolution

Tooe Courtemanche | Founder, President, & CEO

PROCORE[®]

Well-Positioned For the Next Evolution



Payments

(Coming in 2023)

Problem Statement:



Creating & managing invoices is time-consuming and inefficient

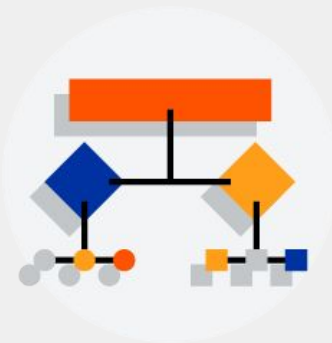


Compliance workflows to release payment are highly complex



Slow payment speed

Procore's Unique Advantages



All-Inclusive, Integrated Platform

End-to-end platform capturing all information & documentation required to pay & get paid



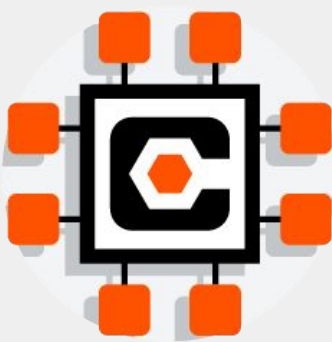
Invoicing & Compliance Solutions

Existing capabilities in invoicing & lien rights management that compliment and surround payment processes



Large, Captive Audience

Large customer & collaborator base signaling high demand for single payments system



Future Monetization Opportunities

Potential to serve and obtain value from Payors (coming in 2023), Payees, Early Pay, etc.

Materials Financing

(Recently Launched)

Problem Statement:



Mismatch in payment timing creates working capital constraints



Limited credit history & difficulty accessing traditional sources of capital



Lack of capital leads to fewer bids and constricts the specialty contractor's ability to grow

Procore's Unique Advantages



Large, Captive Audience

Huge audience of cash-strapped contractors across our customer and collaborator base



Data-Driven Underwriting

Proprietary data providing unprecedented insight into the full "payment chain" of a project



Lien Rights Capabilities

Expertise and automation of lien rights enables asset-secured financing

Insurance

(Future Opportunity)

Problem Statement:



Insurance processes are still highly manual and time-consuming



Complex insurance landscape with multiple coverage policies required



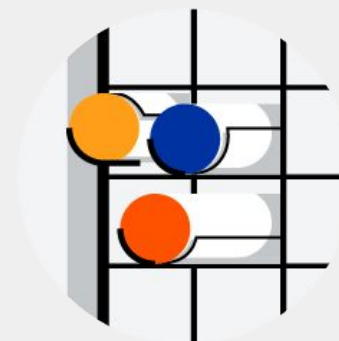
Insurance represents huge cost burden to contractors given limited visibility of insurance carriers

Procore's Unique Advantages



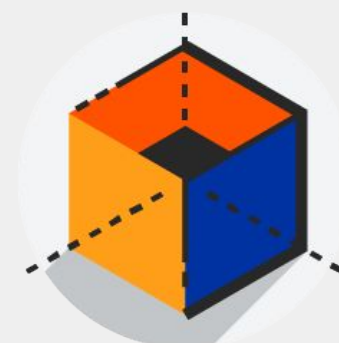
Distribution & Brand

Trusted brand and relationships with 14K+ customers and millions of users



Risk Intelligence Data

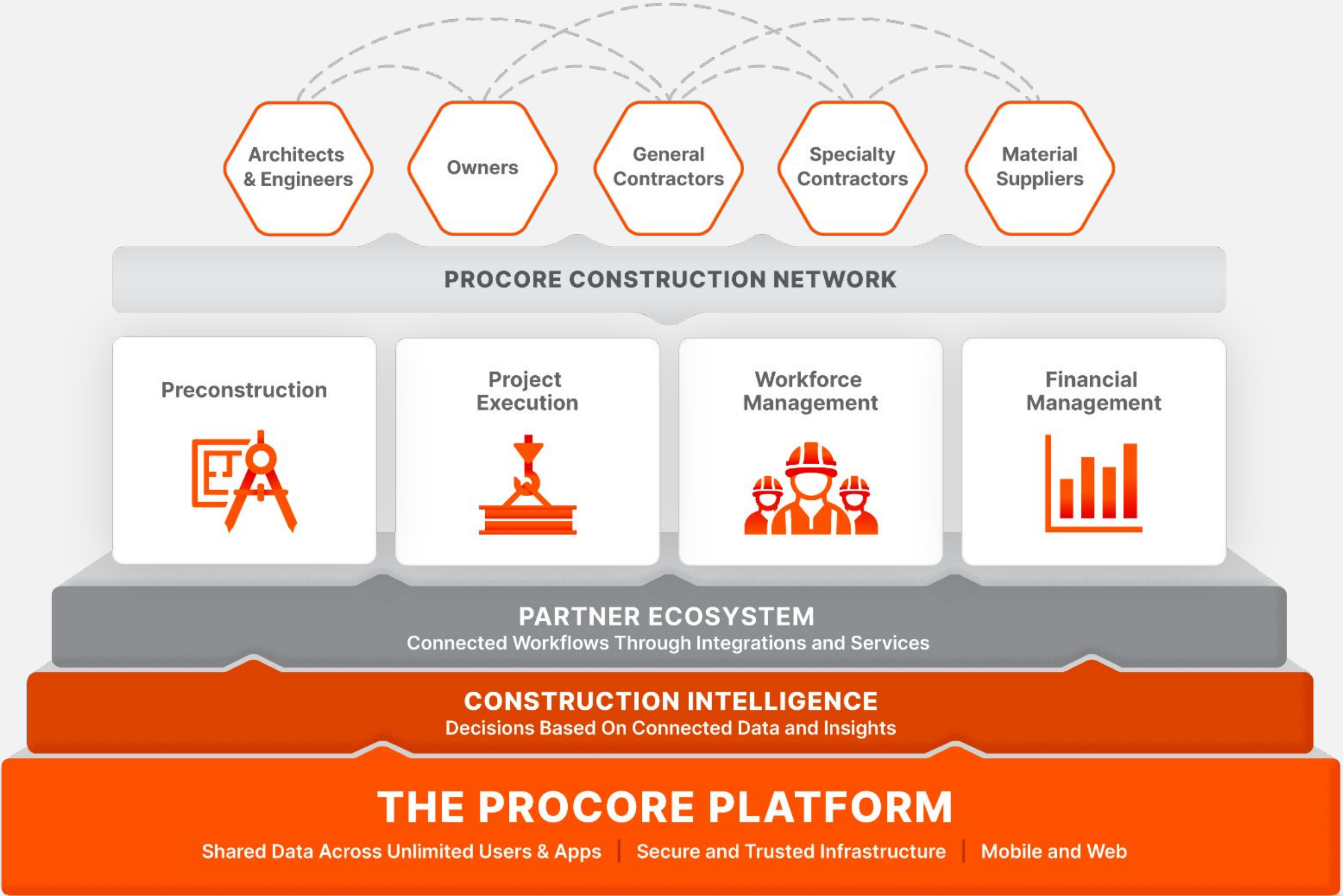
Industry data from software that is proprietary and valuable for risk evaluation



Bundling Opportunities

Unique opportunity to offer SaaS products together with an insurance solution

Connected Platform Strategy





Break

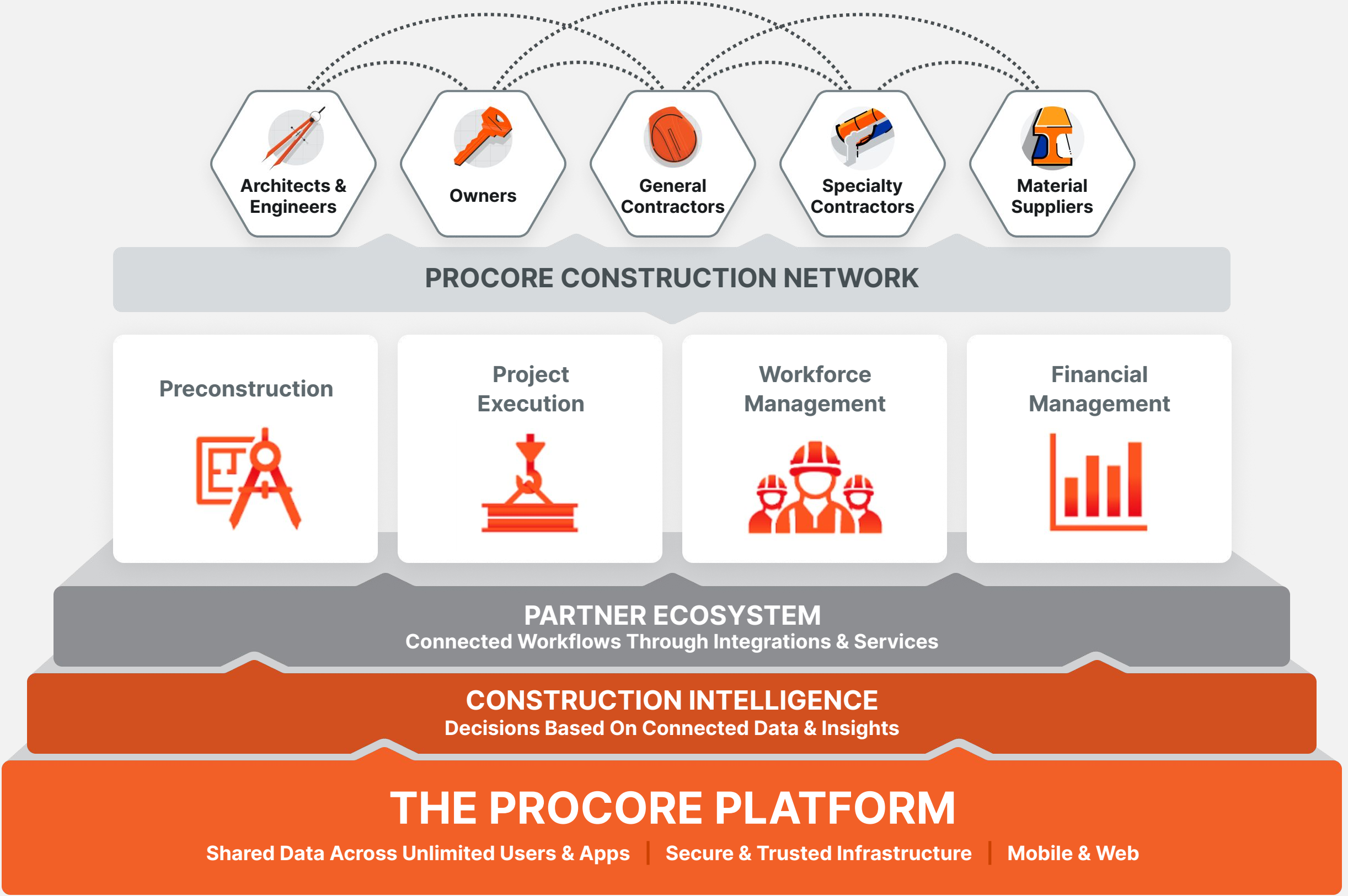
— INVESTOR DAY 2022

Connected Platform

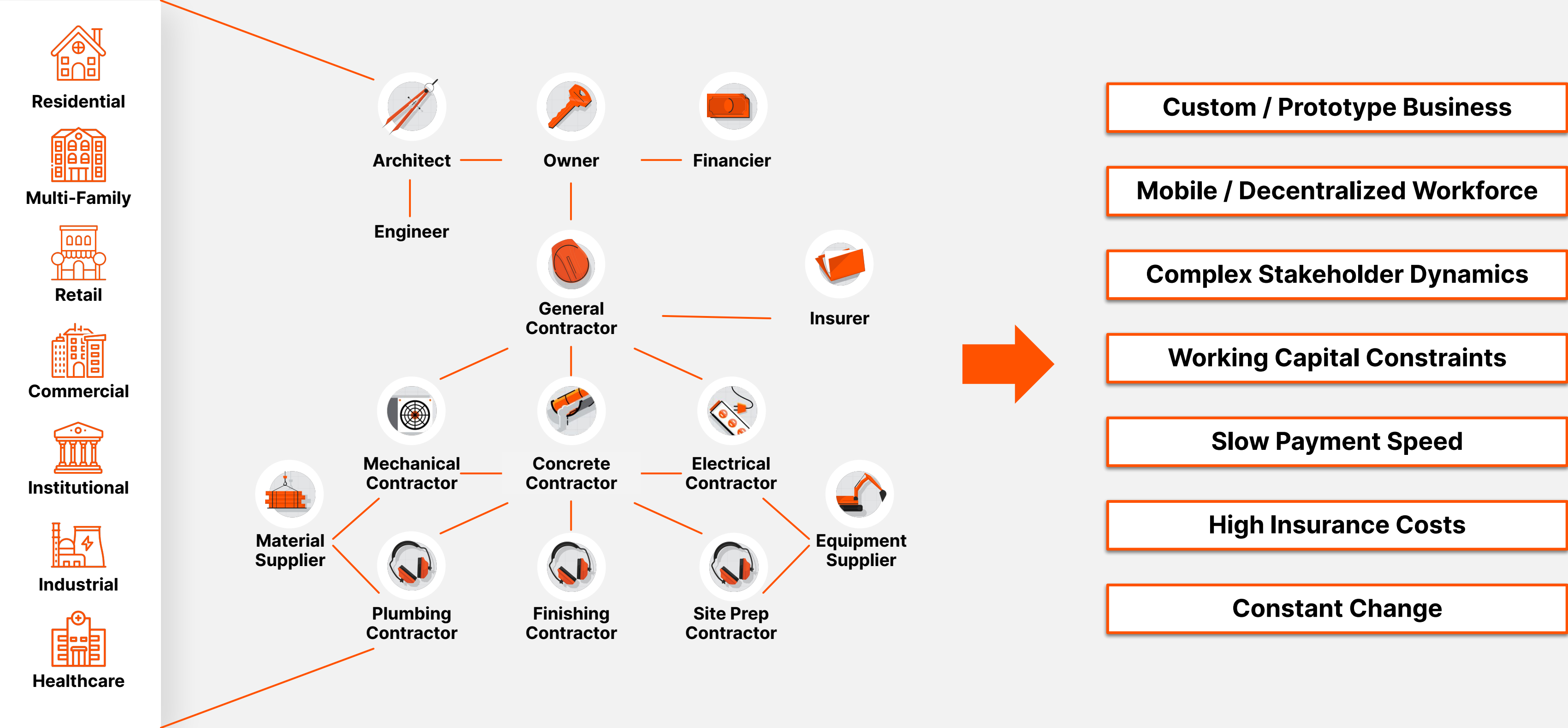
Wyatt Jenkins | SVP, Product

PROCORE[®]

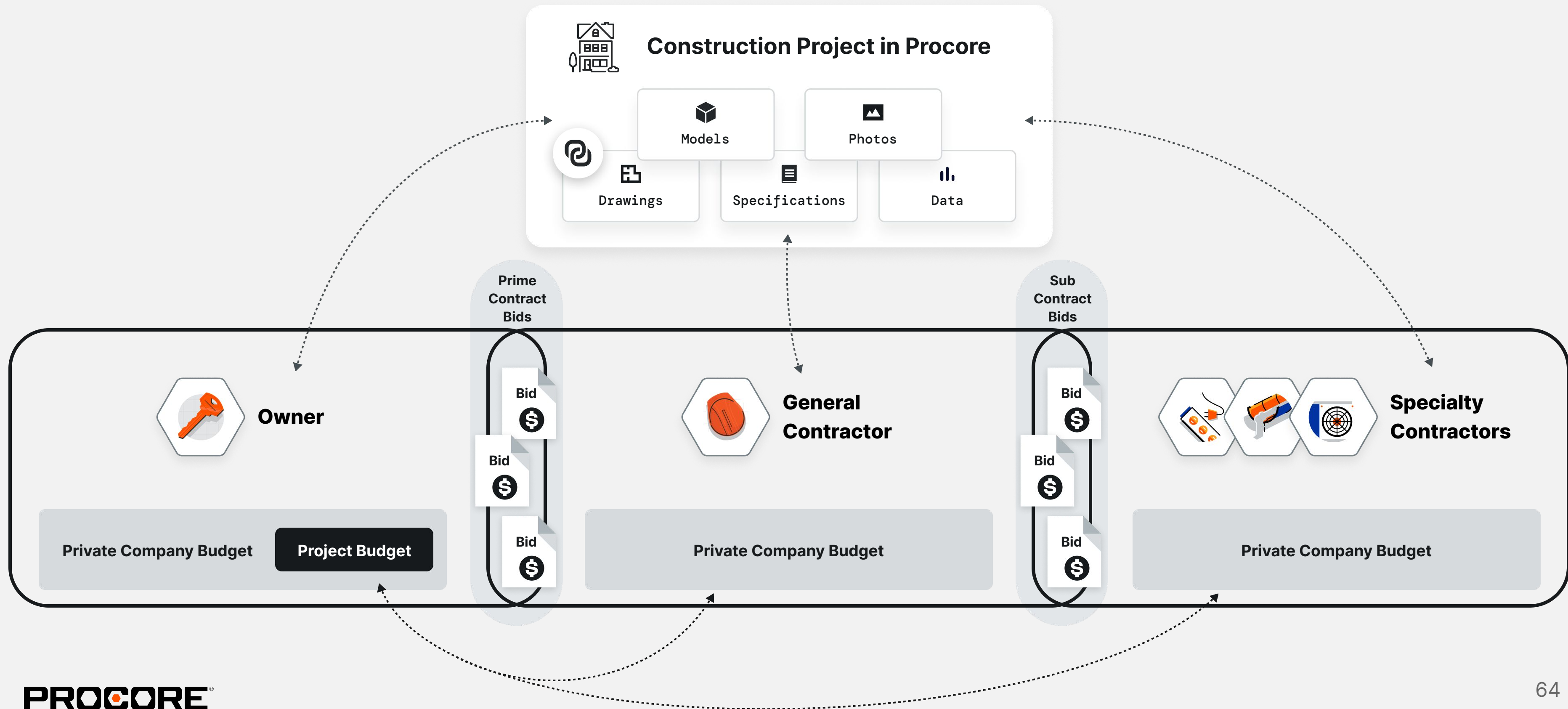
Connected Platform Strategy



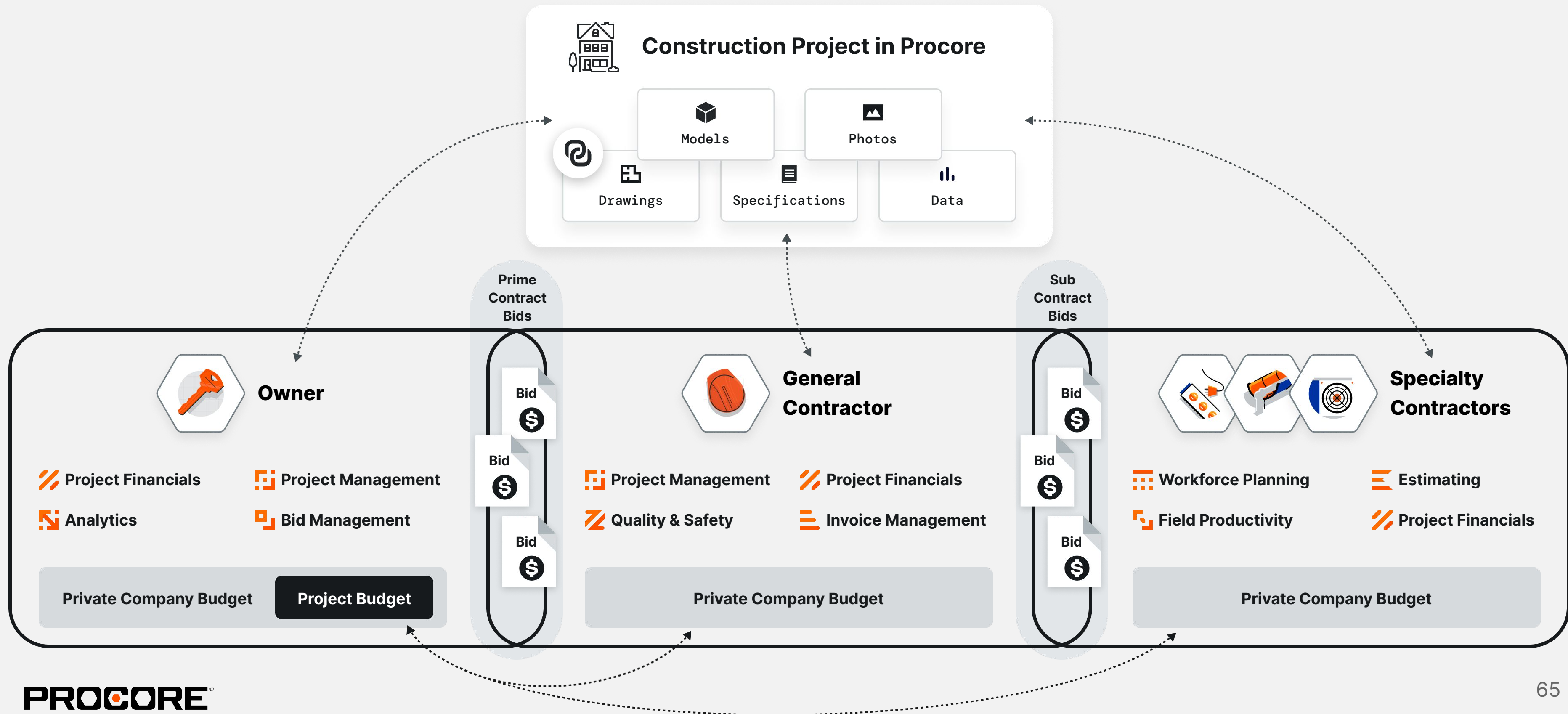
Every Project Is Increasingly Complex & Unique



The Construction “Value Chain”

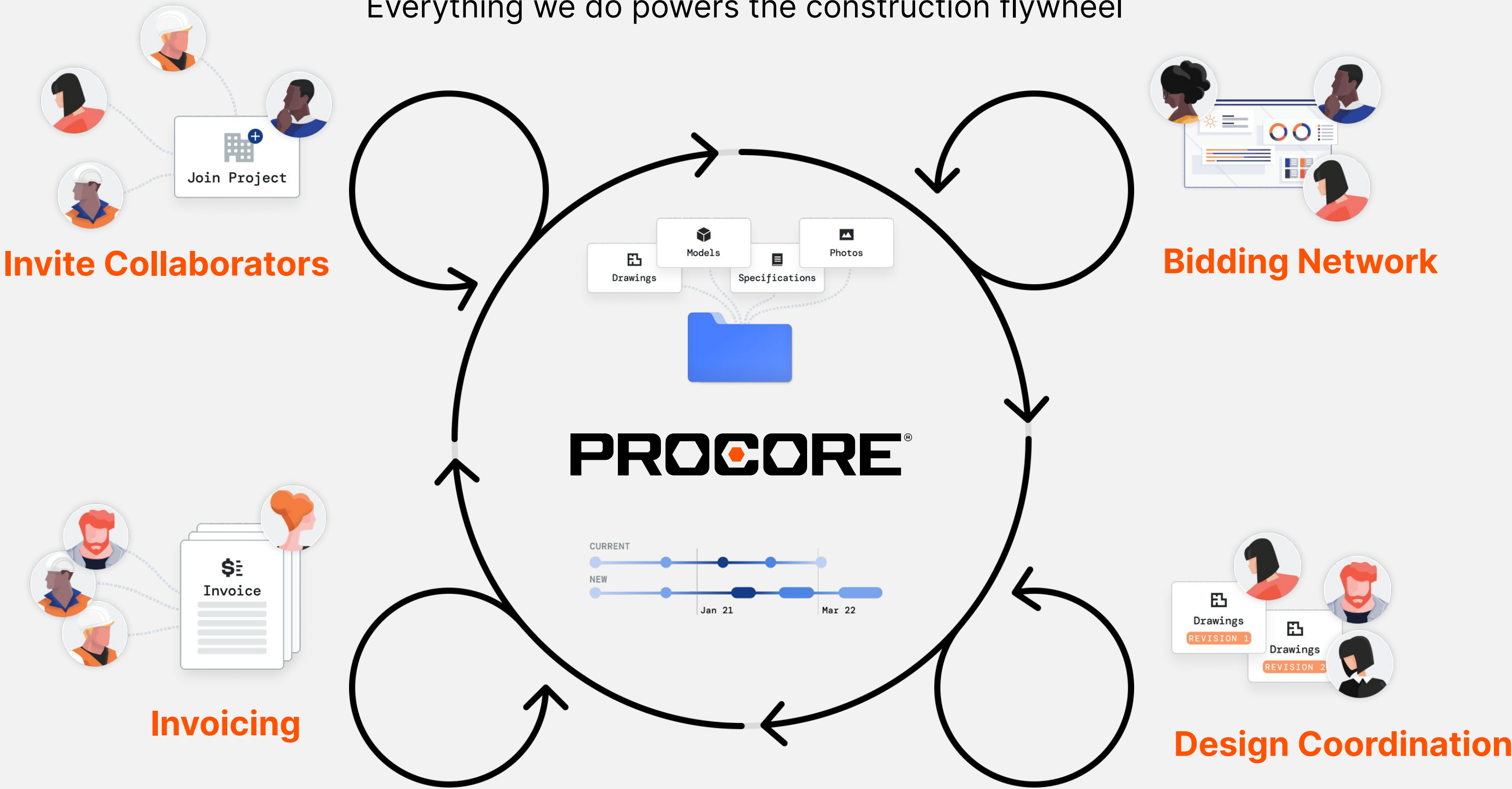


The Construction “Value Chain”



Construction Flywheel

Everything we do powers the construction flywheel



Illustrative Customer Story

Collaborator Conversion

Growing Your Business as a Specialty Contractor

The journey of a collaborator going from
discovery to becoming a lifelong customer



ECO

John

Superintendent | ECO Concrete

Discovering the Procore Construction Network

ECO Concrete discovers the Procore Construction Network (PCN)

Explores the PCN & claims the listing for their business

Sees other projects on the PCN and opportunities for new work

PROCORE

Q

Search by trade or business (e.g 'Plumbing' or 'Concrete')

📍

Clermont, FL

Q

List Your Business

Login

Industrial Concrete

SC

COMMERCIAL


RESIDENTIAL

Masonry

+1-407-654-6100

Industrial Concrete is a Specialty Contractor that serves the Clermont, FL area and specializes in Masonry.

Area of Coverage



Send Message

List Your Business

📍

6135 SR-50 Suite 203
Clermont, FL 34711

📞

+1-407-654-6100

You might also be interested in

ECO Concrete

COMMERCIAL

RESIDENTIAL

Masonry • Finishes

CKS Masonry and Concrete

COMMERCIAL

RESIDENTIAL


Masonry • Concrete


Xquare Building Solutions


COMMERCIAL


Masonry • Concrete


Browse Other Trades In Orlando, FL











Google

Industrial Concrete

X

🔍

https://www.procore.com › network › industrial-concret...

Industrial Concrete | Procore

Industrial Concrete is a Specialty Contractor that serves the Clermont, FL area and specializes in Masonry. Popular trades in Clermont. Design & Engineering ...

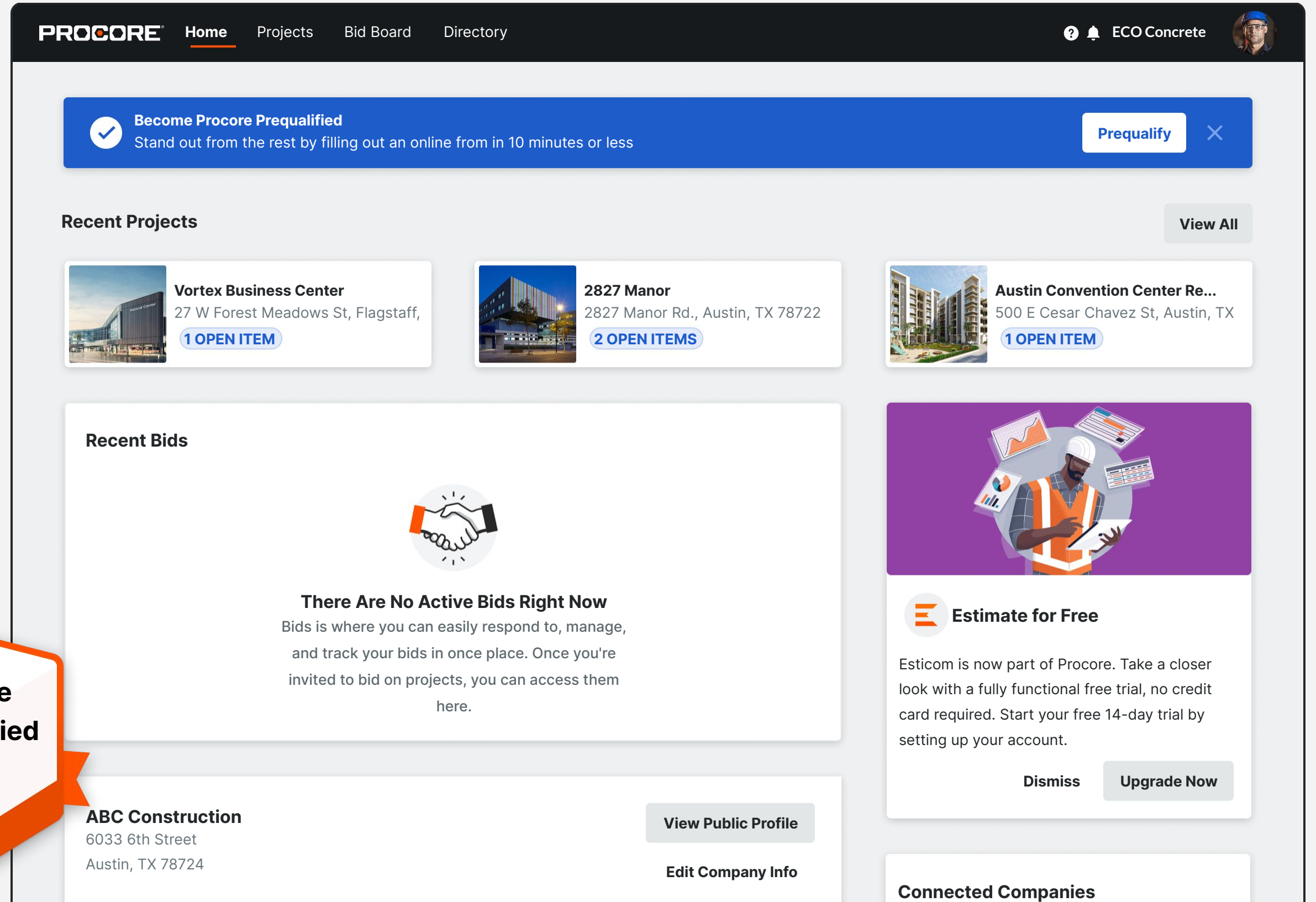
68

Prequalifying Your Free Procore Account

ECO Concrete uses their Procore account to complete their business profile

Now they can manage projects, respond to bids, and invite their team to Procore

ECO Concrete also becomes Procore Prequalified, helping them stand out from other businesses



The screenshot shows the Procore user interface for a user named ECO Concrete. The top navigation bar includes the Procore logo, a 'Home' link, and tabs for 'Projects', 'Bid Board', and 'Directory'. A user profile icon is in the top right. A blue banner at the top of the main content area says 'Become Procore Prequalified' with a checkmark icon and a 'Prequalify' button. Below this is a 'Recent Projects' section with a 'View All' button. It lists three projects: 'Vortex Business Center' (1 OPEN ITEM), '2827 Manor' (2 OPEN ITEMS), and 'Austin Convention Center Re...' (1 OPEN ITEM). Below the projects is a 'Recent Bids' section with a handshake icon and a message: 'There Are No Active Bids Right Now'. To the right of the bids section is a purple box with an illustration of a construction worker and the text 'Estimate for Free'. Below this is a 'Dismiss' button and an 'Upgrade Now' button. At the bottom, there is a 'Connected Companies' section. A large orange shield badge with a checkmark is overlaid on the bottom left of the screenshot, reading 'Procore Prequalified 2022'.


PROCORE Home Projects Bid Board Directory ? ECO Concrete

Become Procore Prequalified
Stand out from the rest by filling out an online form in 10 minutes or less [Prequalify](#)

Recent Projects [View All](#)

- Vortex Business Center**
27 W Forest Meadows St, Flagstaff,
[1 OPEN ITEM](#)
- 2827 Manor**
2827 Manor Rd., Austin, TX 78722
[2 OPEN ITEMS](#)
- Austin Convention Center Re...**
500 E Cesar Chavez St, Austin, TX
[1 OPEN ITEM](#)

Recent Bids



There Are No Active Bids Right Now
Bids is where you can easily respond to, manage, and track your bids in one place. Once you're invited to bid on projects, you can access them here.

Estimate for Free
Esticom is now part of Procore. Take a closer look with a fully functional free trial, no credit card required. Start your free 14-day trial by setting up your account.
[Dismiss](#) [Upgrade Now](#)

ABC Construction
6033 6th Street
Austin, TX 78724
[View Public Profile](#)
[Edit Company Info](#)

Connected Companies

Unlocking the Power of Bid Board

ECO Concrete can respond to any bid from other Procore users


They can also add and manage any of their bids outside of Procore

PROCORE

HomeProjectsBid BoardDirectory

?

ECO Concrete













Bid Board

InvitationsSubmittedArchived

Search

Filter

1-3 of 3Page: 1

Bid Package	Project	Company	Bid Due Date	Status	Actions
BP04 Electrical - Bac... Concrete (via Procore)	Ventura Convention Center 151 Armstrong Avenue, Ventura, CA 93003	Vertigo Construction r.trask@vertigoconstruction.com	Thu. Mar 31 at 12:00 PM PST Due in 4 days	WILL BID	 
North Building - 8876 Concrete (via Procore)	Gables Park Plaza 907 Christopher Street, Austin, TX 78704	Five-Star Construction jimsmith@five-star.co	Fri. April 1 at 3:30 PM PST Due in 5 days	WILL BID	 
Main Building Floor 2 Concrete (via SmartBid)	Vortex Business Center 500 E Cesar Chavez St, Austin, TX 78701	Turner chris@turner.com	Mon. April 5 at 4:30 PM PST Due in 9 days	UNDECIDED	 
Houston Main Building Concrete (via Building Con...	Stonebridge 1240 W Orem Dr, Houston, TX 77047	United Construction beverly.hsu@unitedco.com	Mon. April 11 at 1:30 PM PST Due in 14 days	WILL BID	 
Foundation Concrete (via Procore)	Terra Bella Health 12262 Cityscape Ave, Houston, TX 77047	ABC Construction r.trask@vertigoconstruction.com	To be determined	UNDECIDED	 

Import from SmartBid

Select the bids to import into Procore

☒

Main Building Floor 2
Vortex Business Center • Turner

☒

Main Building Floor 3
Vortex Business Center • Turner

☐

BP-1 Site Construction
Convention Center • HM General

☐

Concrete Package
Omni Hotel • All Star Construction

Cancel



Confirm

More Bids from the Network


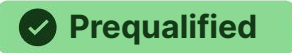
Now, ECO Concrete is searchable on Procore

More companies are inviting the company to bid on work

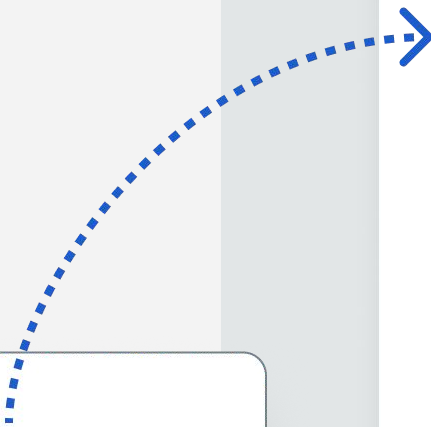
Targeted bid from a company ECO has not worked with




ECO Construction
Concrete




Invite to Bid





Vertigo Construction
HMA Medical Center

 **BID DUE: Sat, Apr 15, 2022 at 09:30 am**

Invited to Bid
Vertigo Construction has **invited you to bid** on project **HMA Medical Center**.

Submit Bid in Procore **Download Files**

Let Vertigo Construction know if you **intend to bid** on this project:

Will Bid **Will Not Bid**

Bid Package Name
HMA Medical Center - Main Building Concrete

Instructions for Bidding
For help with submitting a bid, please visit Procore's bidding support page.

If you need assistance accessing the bidding documents, please email Procore's

Test Driving Automated Takeoff

Procore contextually offers ECO Concrete a chance to try its new estimating tool

ECO Concrete is eligible for five free Auto Take Off estimating experiences

ECO Concrete gives Auto Take Off a try



PROCORE

Home Projects Bid Board

Bid Board

HMA Medical Center

Robo-Estimating Settings Takeoff Estimate Bid

Takeoffs

Search Layer Name

4

5.87 ft

12

14.36 ft

14.36 sqft

34

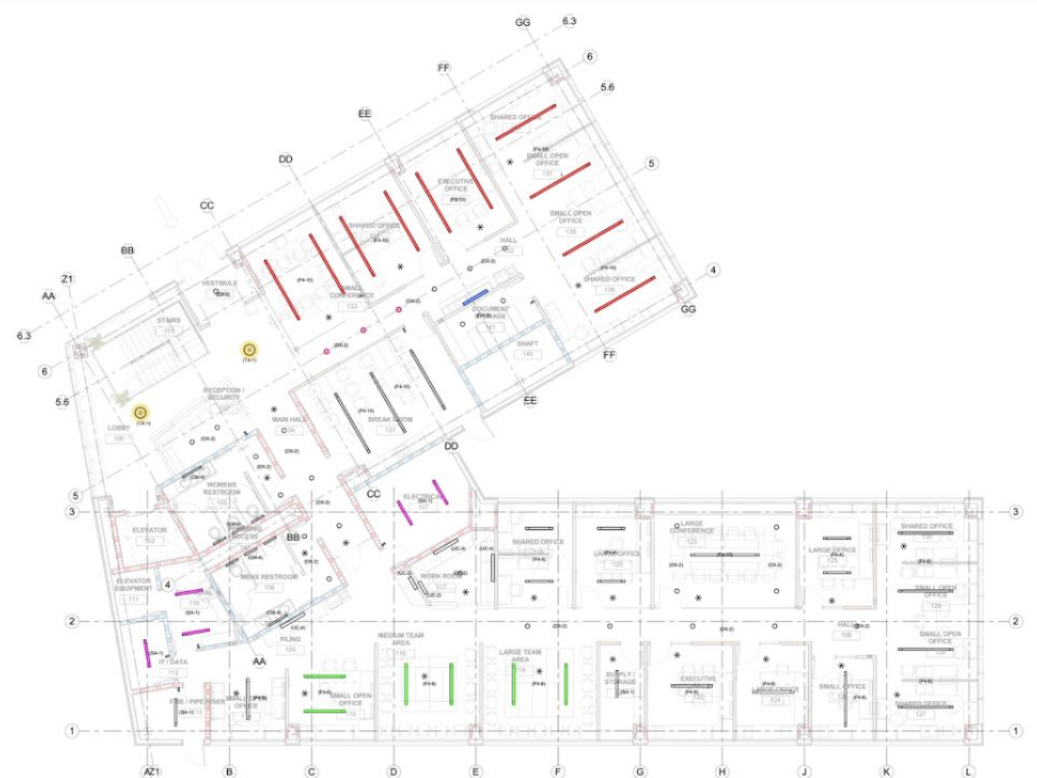
234,246 ft

34.20 sq ft

FOUNDATION-DR-A-101 - Ground Level

Rev 1

+12



100%

[-]

[+]

[↔]

Estimating, please wait...

Step 3 / 16: Analyzing specifications

Run in background

Cancel

Auto-Estimating Checkpoint

Here is a list of all automated steps the Estima accomplished for you. Feel free to drill in any s results. You'll be navigated to related UI for the

Search...

Drawings

Takeoff

Estimate


72


Bid


The Upsell – In Just a Few Clicks

After trying Auto Take Off, ECO Concrete is impressed

ECO Concrete buys Estimating

 Upsell

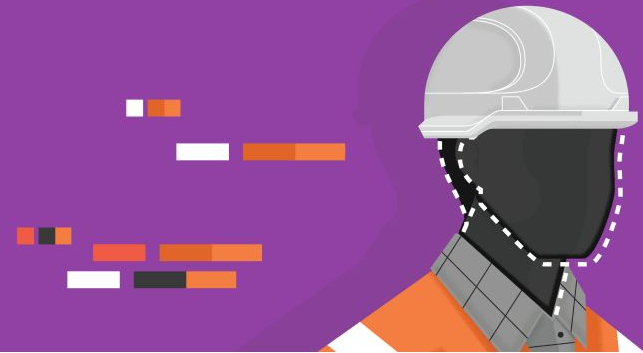


 **Estimate for Free**

Esticom is now part of Procore. Take a closer look with a fully functional free trial, no credit card required. Start your free 14-day trial by setting up your account.

Dismiss

Upgrade Now



✕

Procore Estimating

Faster takeoff, more accurate estimating, and more competitive bids.

Buy Procore Estimating

Features


- ✓ Bid Management
- ✓ Plan Markup
- ✓ Takeoff
- ✓ Estimating
- ✓ Autocount
- ✓ Plan Revisions
- ✓ Customer Facing Quotes

Winning a Major Bid with Procore


ECO Concrete accelerates their bidding process with Procore

ECO Concrete wins a bid with HMA Medical Center

Procore contextually promotes Levelset’s financial services


Buy MaterialsOnline PaymentsDeposits

Job Info	Customer Info	Job Created Date	Contract Amount	Cash Offer
HMA Medical Center 15027 N 15th Dr, Phoenix, AZ 85023	ECO Concrete	05/24/2022	\$3,000,000	Get Materials
				Get Materials
				Get Materials
				Get Materials

Upsell

✓

Preapproved
\$3,000,000

Vertigo Construction
HMA Medical Center

✓ YOUR BID HAS BEEN AWARDED

Awarded Bid for Concrete & Foundation on HMA Medical Center

Submitted Bid **AWARDED BID** Total \$3,000,000.00

[View Bid](#)

Would you like to receive materials financing for \$3M to help you get started?

Materials financing through Levelset, A Procore company.

[Apply Now](#)



Connecting Drawings to Drive Work Forward

Work kicks off on the HMA Project

ECO Concrete uses Procore to connect the project drawings to their account

Everyone is now working off of the latest version of the drawings

PROCORE Home Projects Bid Board Directory **Drawings**

Source Drawing Update

Issue of construction (10/12/2023)

Last updated today at 9:40 AM

Connected Project

	Drawing No.	Drawing Title	Revisions	Drawing Date	Receive Date	Set
<input type="checkbox"/>	A003	LIFE SAFETY PLANS	1	10/12/2023	10/12/2023	Eng Revision
<input type="checkbox"/>	A100	ARCHITECTURAL SITE PLAN	0	10/12/2023	10/12/2023	Eng Revision
<input type="checkbox"/>	A112	FIRST FLOOR - ANNOTATED PLAN	2	10/12/2023	10/12/2023	Eng Revision
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						
<input type="checkbox"/>						

Source Drawings Update

Ready to publish

14 sheets require your attention

Review & Publish

Offering Drawing Features Everyone Needs

ECO Concrete needs a more robust markup tool

Procore offers a Markup option that allows everyone on the team to see changes quickly & easily

9:41

Drawings

Search Drawings

Downloaded Status Type Orig

Sort by

Drawings • Concrete

FOUNDATION-DR-A-101

Ground Level • Foundation

Published SK Rev 6

Upsell

Drawings • Concrete

FIRST-FLOOR-201

First Floor • Annotated Plan

Published SK Rev 4

Tools Drawings Create Dashboard Settings

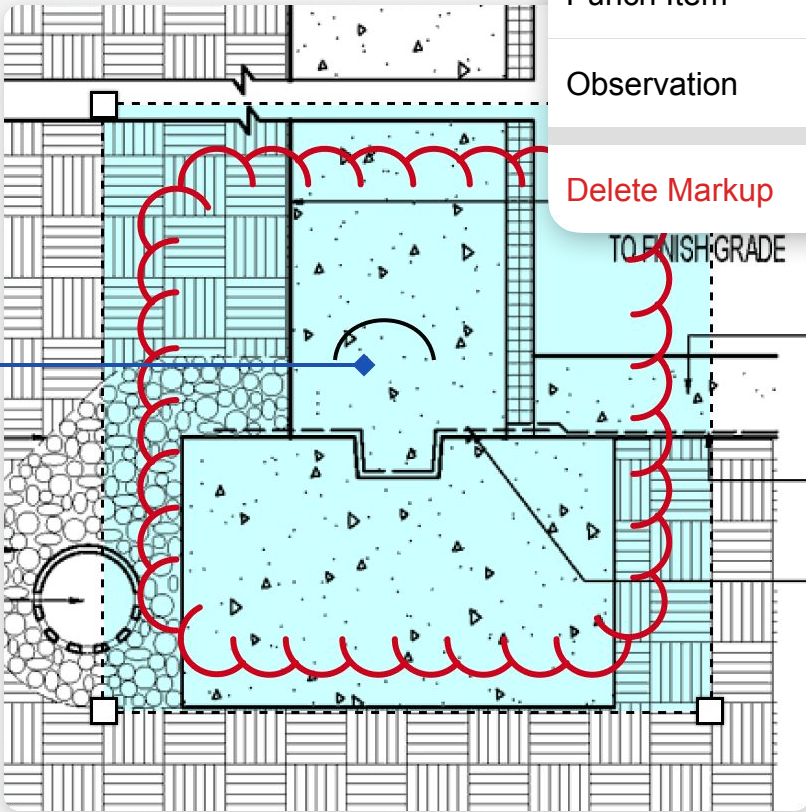
Create

RFI ?

Punch Item ?

Observation ?

Delete Markup



Three Months Later.. Procore Pay Speeds Up the Process

Once the HMA build is complete,
it's time to get paid

ECO Concrete submits an invoice


With their Procore Pay account
already set up, they get paid
ASAP

PROCORE

HomeProjectsBid BoardDirectoryDrawings

?

ECO Concrete



Procore Wallet

Balance

Transfer Money

\$116,092.68

Available

\$278,537.82

Current

↑+\$230,846.03

Deposits this month


↓-\$192,331.58

Withdrawals this month

Transactions

SortFilterGroupExport


▼Pending

Bank of America Business Checking (...5427)

External account

↓-\$364,295.18


▼12/4/21

Top Hill Builders

MCC - Marshall Convention Center

↑+\$8,052.92

\$364,295.18

Hook Construction

DP - Docks at the Pointe

↑+\$97,402.40

\$356,242.26

Transfer Money

To Account *

SE Region (...1850)

Date

12/ 01/ 2021

Amount

Available balance: \$116,092.68

Custom amount: \$ 0.00

Transfer Speed

1-3 business days

FREE

Instant

0.1% = \$100.00

\$100 max

Cancel

Schedule Transfer

PROCORE

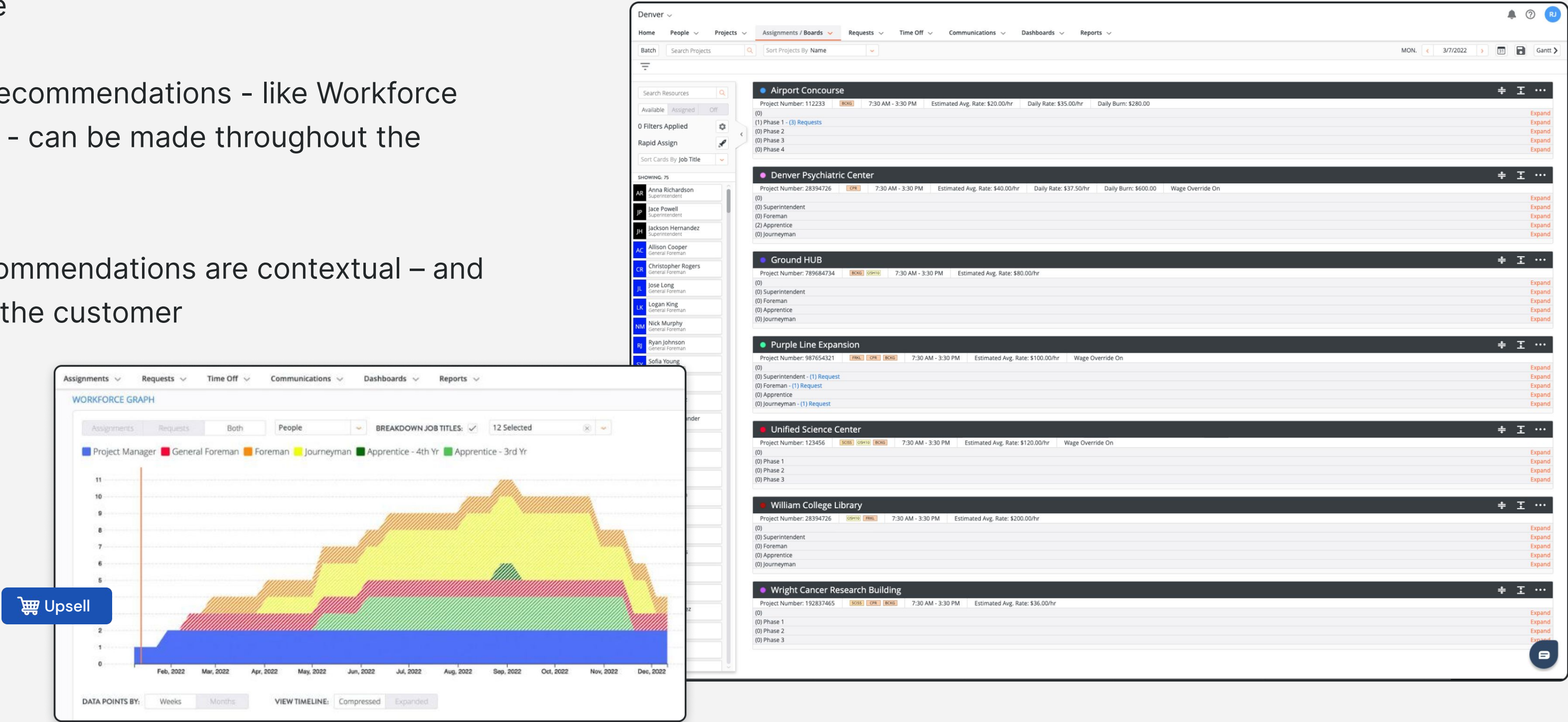
77

Targeting Specialty Contractors for Workforce Management

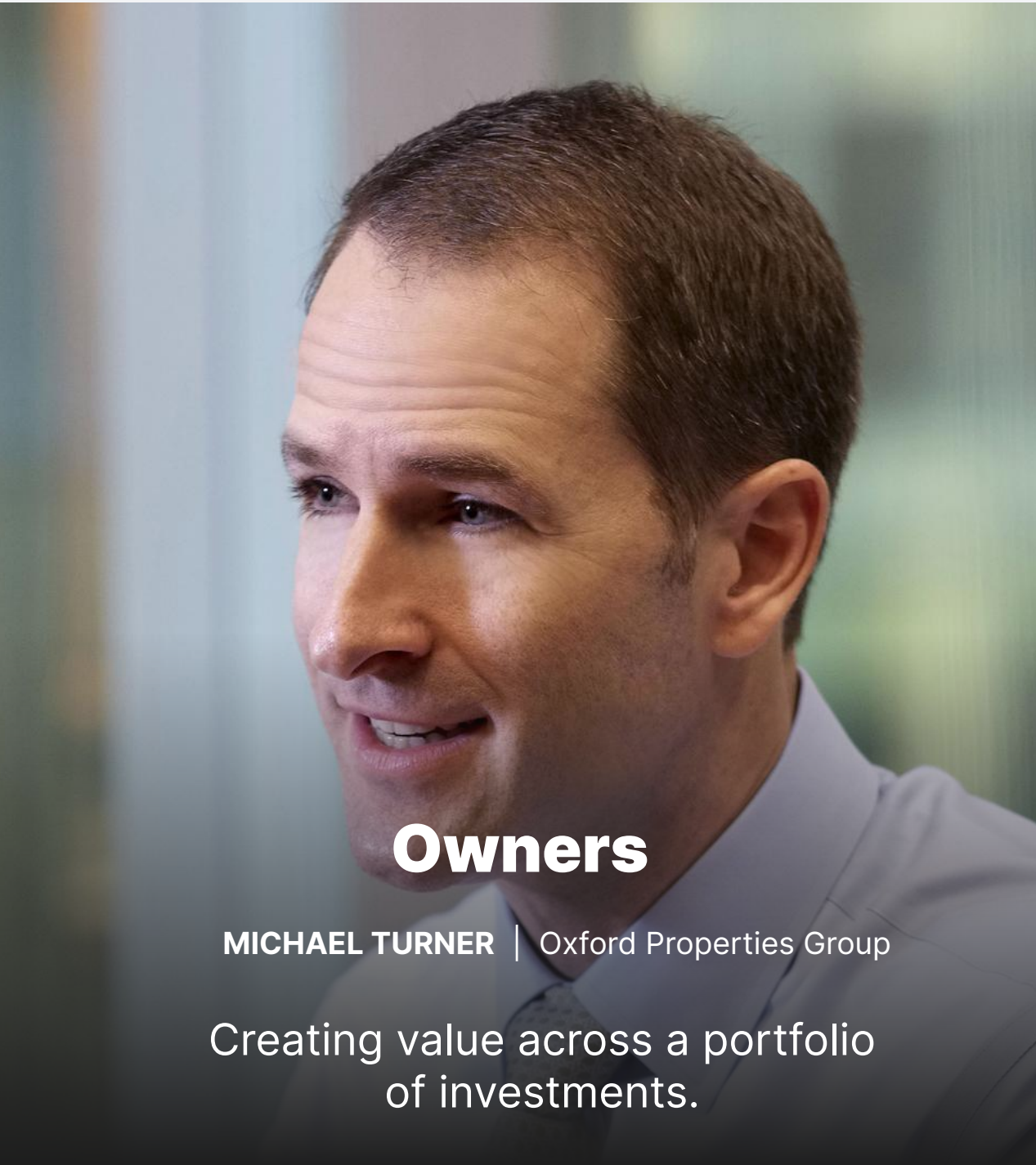
Data on ECO Concrete’s bid volume and activity helps Procore

More smart recommendations - like Workforce Management - can be made throughout the experience

All of the recommendations are contextual – and actually help the customer



Benefits To Our Customer Stakeholders



Owners

MICHAEL TURNER | Oxford Properties Group

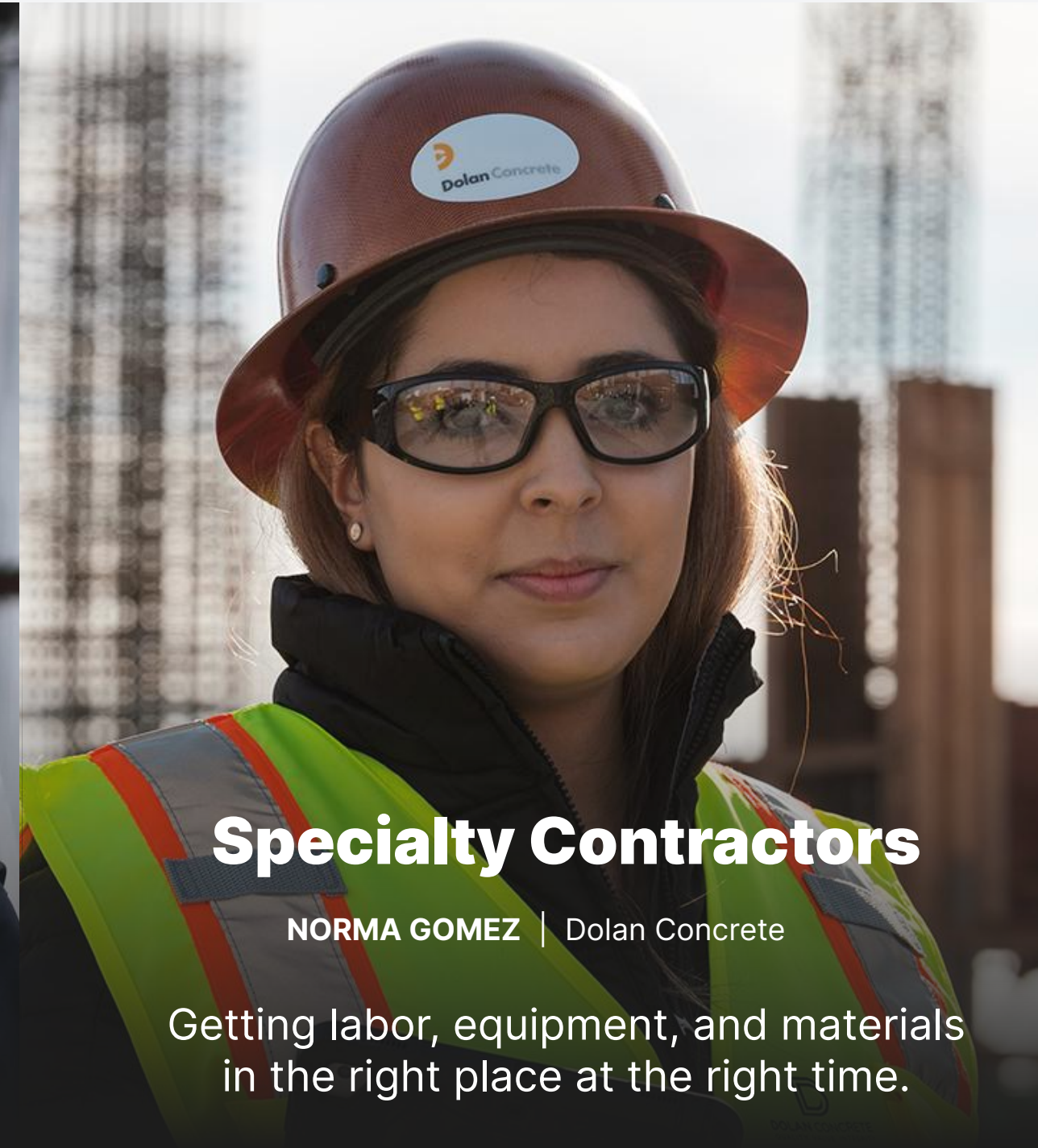
Creating value across a portfolio of investments.



General Contractors

JIM RUBEL | Summit Design + Build

Delivering projects on time and on budget.



Specialty Contractors

NORMA GOMEZ | Dolan Concrete

Getting labor, equipment, and materials in the right place at the right time.

— INVESTOR DAY 2022

Deep Dive: Specialty Contractors

Will Lehrmann | VP, Product

PROCORE[®]

Specialty Contractor Market



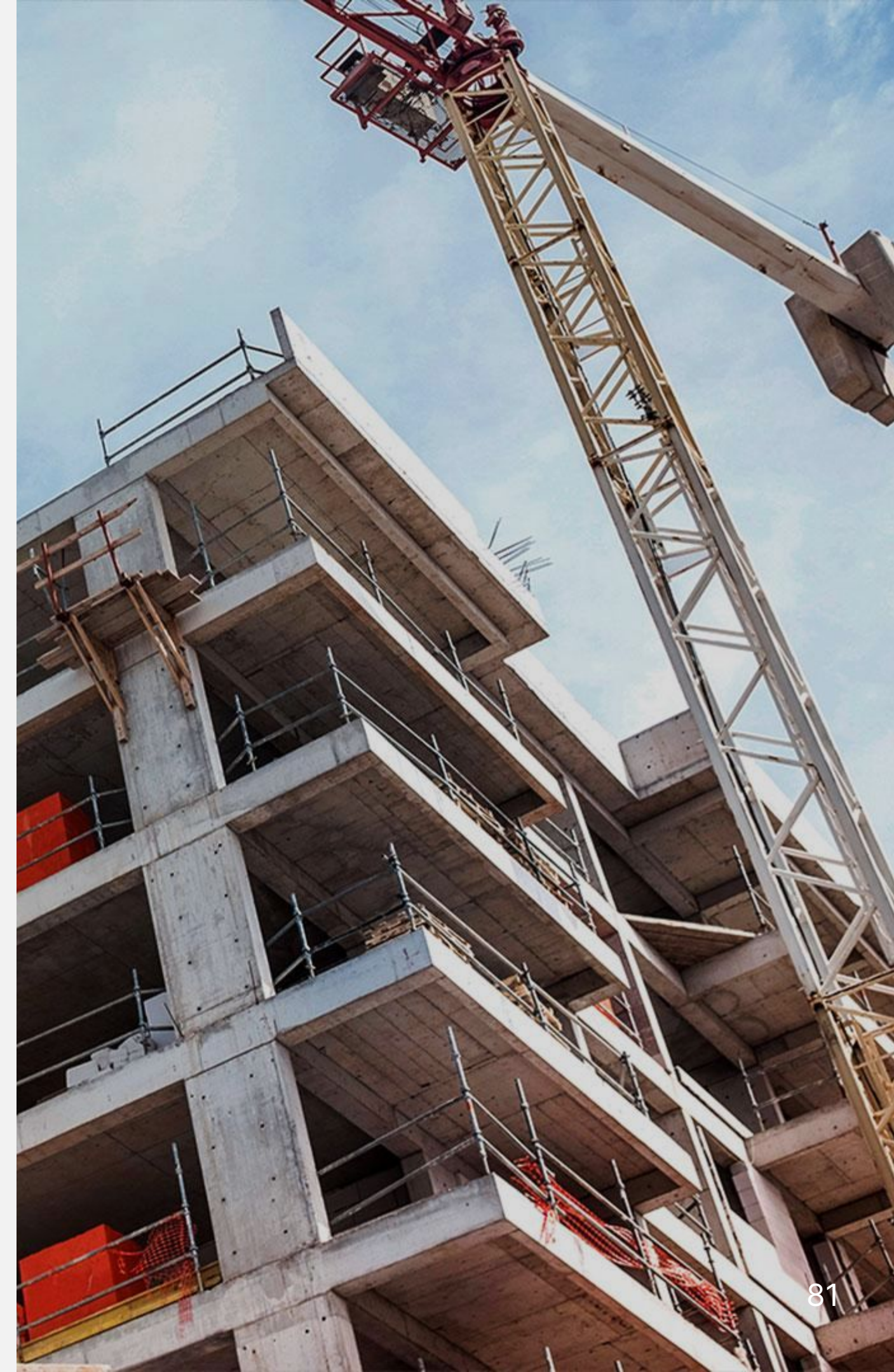
Specialty contractors are the “backbone” for the industry (e.g., electrical, plumbing, concrete)



Specialty contractors make up the majority of the companies and workforce in construction



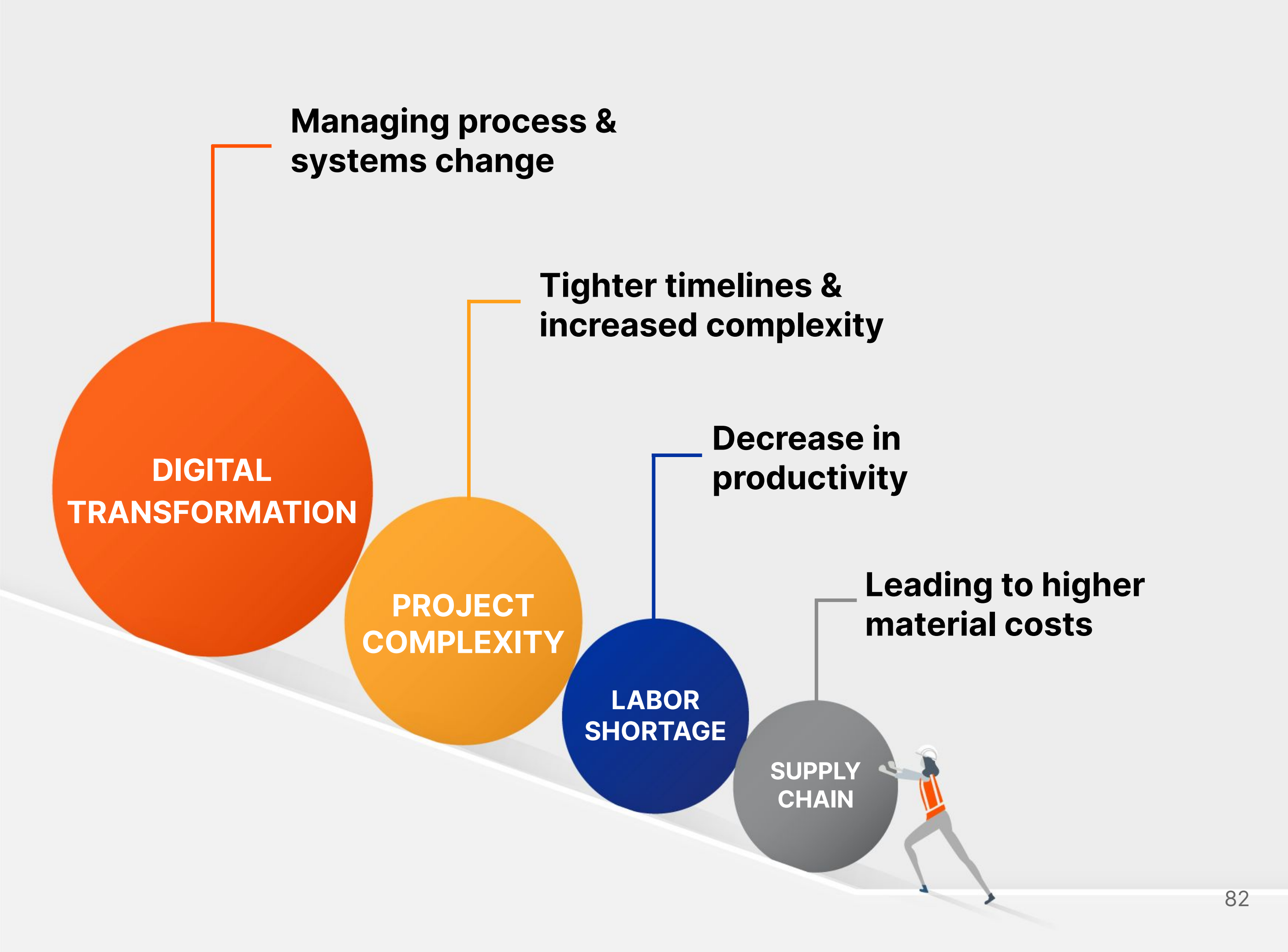
Specialty contractors are responsible for labor, equipment, materials, and project execution



Industry Challenges

~650K
additional workers
needed on top of
normal pace of hiring in
2022 to meet demand¹

Note: ¹Based on Associated Builders and Contractors 2022 estimate. Source: Associated Builders and Contractors and U.S. Bureau of Labor Statistics.



Predictability & Profitability from Day One

- + Project pursuit & winning work
- + Streamline takeoff & estimating
- + Build accurate estimates
- + Free up time & win more bids
- + Forecast labor & material needs
- + Seamlessly transition to Project Execution

“Without Procore Estimating, it took much more time to populate and create an estimate, up to 75% longer depending on the size of the project.”

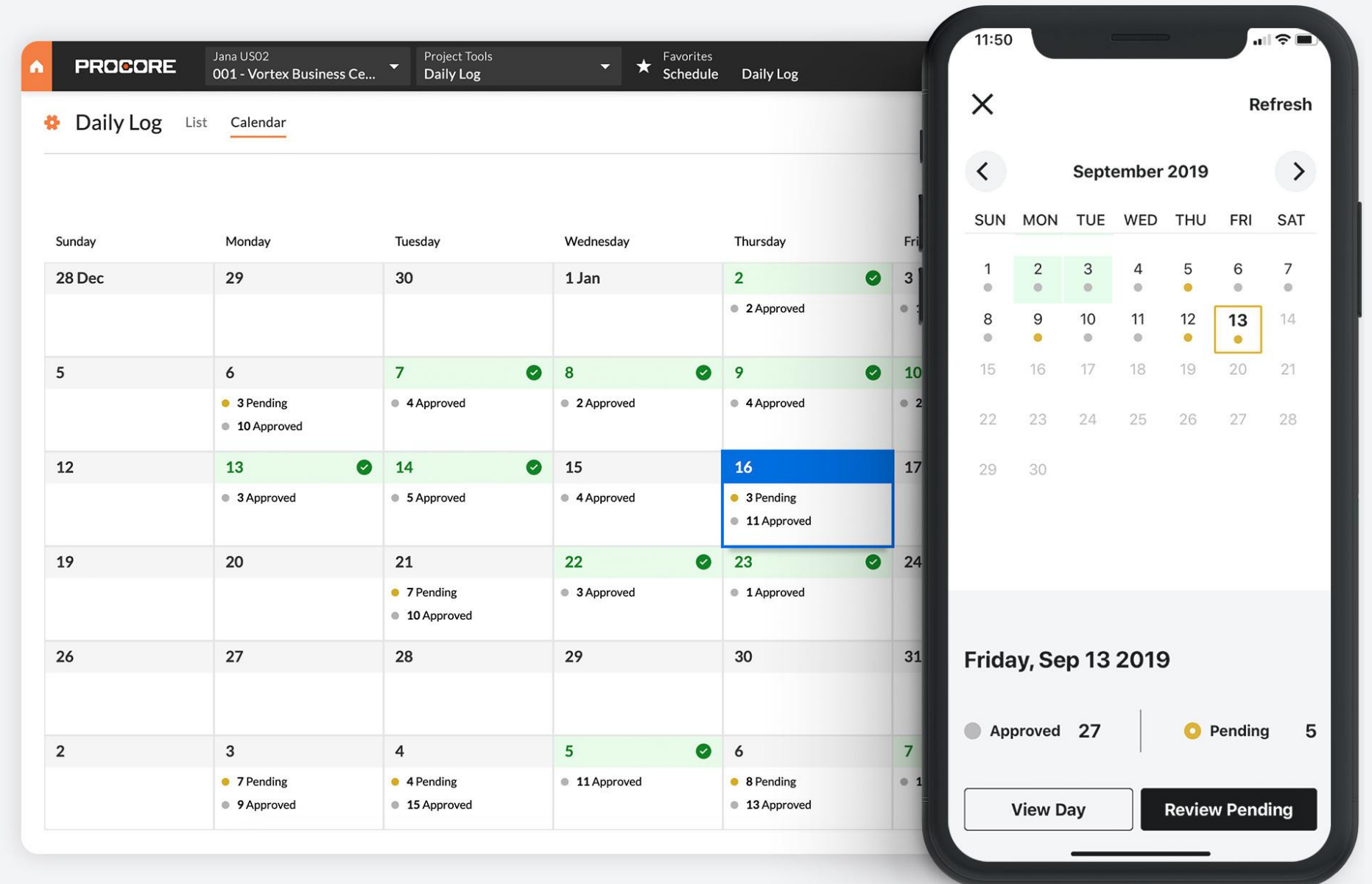
Allan Throneberry
VP Sales & Marketing, DMI Technologies

Project Execution & Empowering the Field

- + Get the right information to the field
- + Ensure quality construction
- + Simplify daily reporting & jobsite tracking
- + Manage project change
- + Optimize labor productivity

“There is no roaming the jobsite in search of an answer; you’re carrying all the detailed project information—formerly tens of thousands of sheets of paper—in the palm of your hand. We want our specialized craft labor to focus on production and quality and safety, and not have questions about how the building comes together.”

Justin Pritchett
Division Manager, Auburn Mechanical

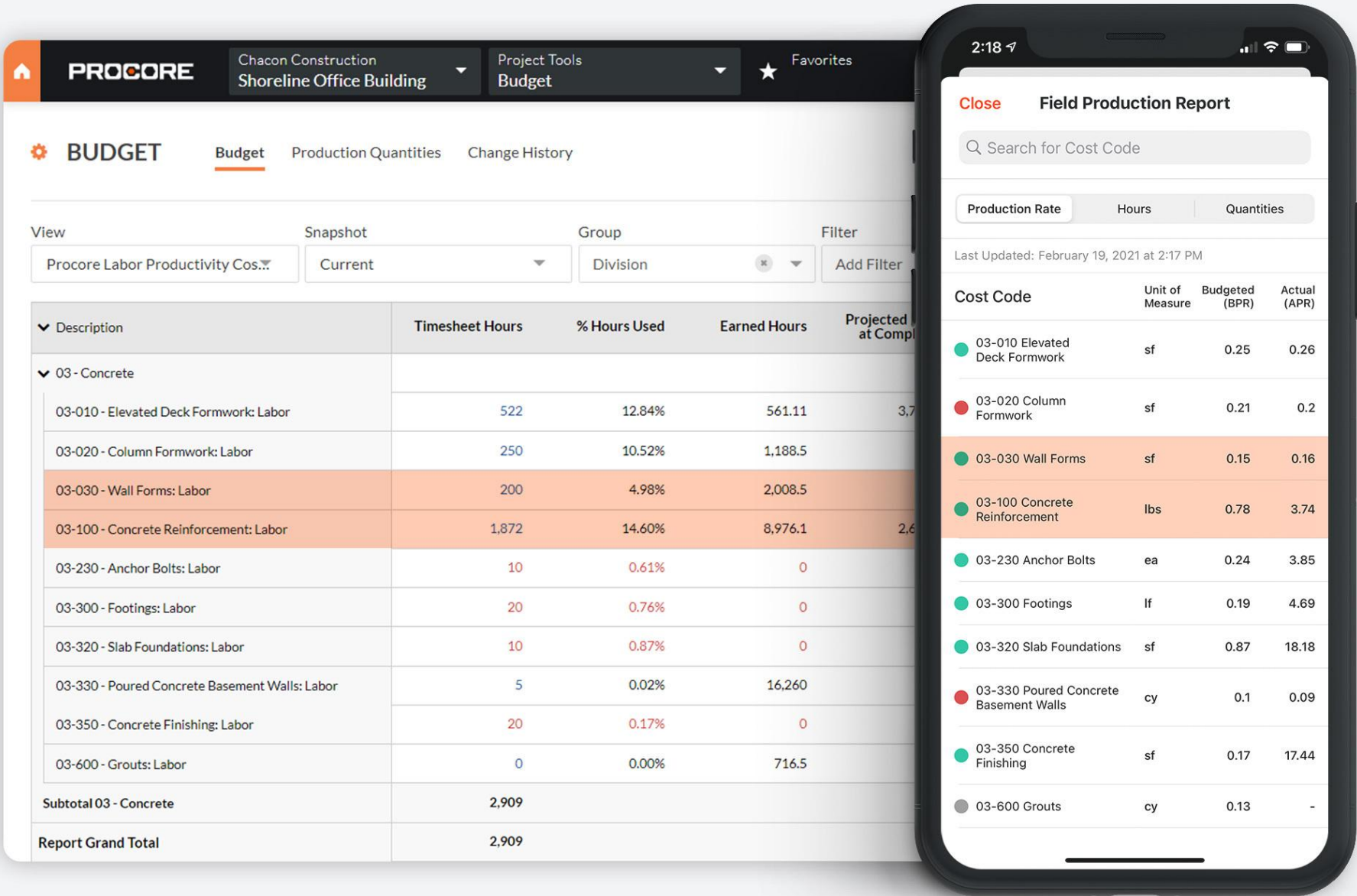


Managing the Workforce & Labor Productivity

- + Jobsite safety
- + Labor scheduling & allocation
- + Tracking labor productivity & costs
- + Effective communication with the workforce

“With just the Timesheets Tool alone, I'm able to save 6 different project managers 6 hours a week. I assure you that amount is well over the price I pay for Procore in totality.”

Brandon Lopez
Chief Operations Officer, ABLe Communications

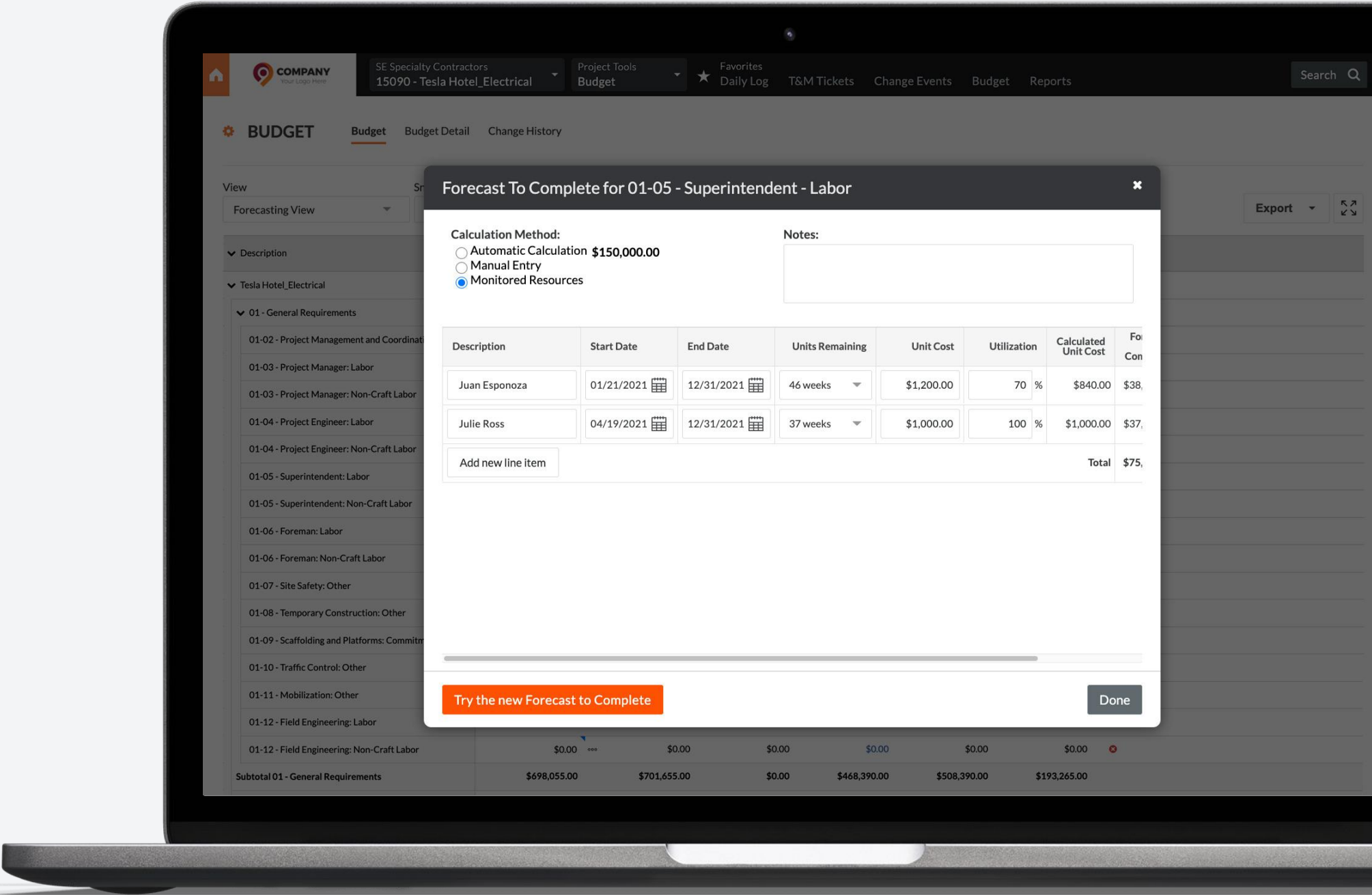


Financial Oversight & Profitability

- + Gain financial visibility
- + Control project budgets
- + Identify financial insights & risks
- + Ensure project profitability
- + Seamless financial data flow

“The data that we're getting now makes us so much more dangerous, especially financially. With a rolling forecast, we can make better decisions about billing and cash flow, so we can go out and get more work at the margins we need.”

Wes Simpson
CEO, Green Mechanical



Specialty Contractors Are Important for Our Mission & Vision

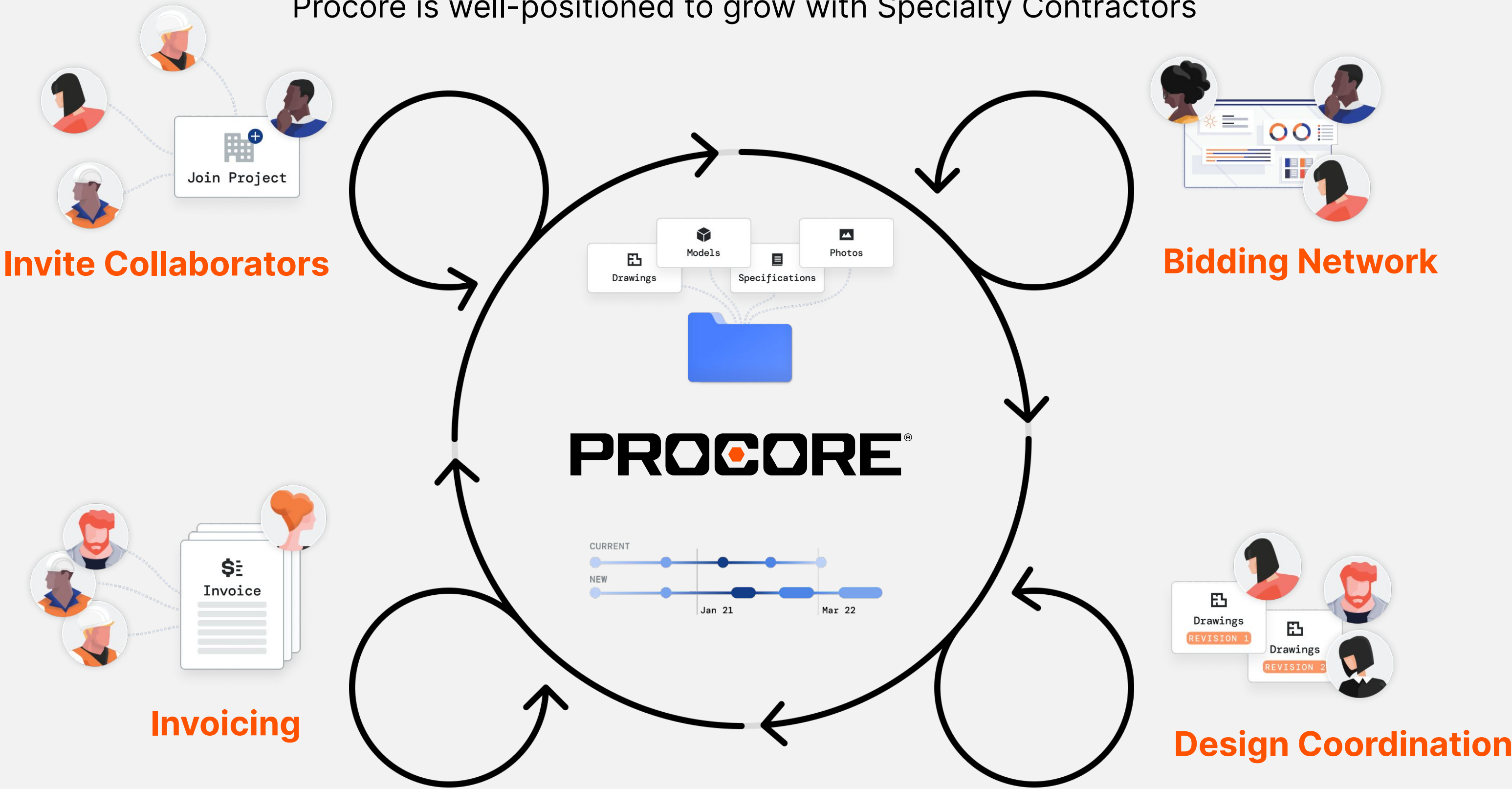
OUR MISSION + VISION

Improve the lives of **everyone** in construction

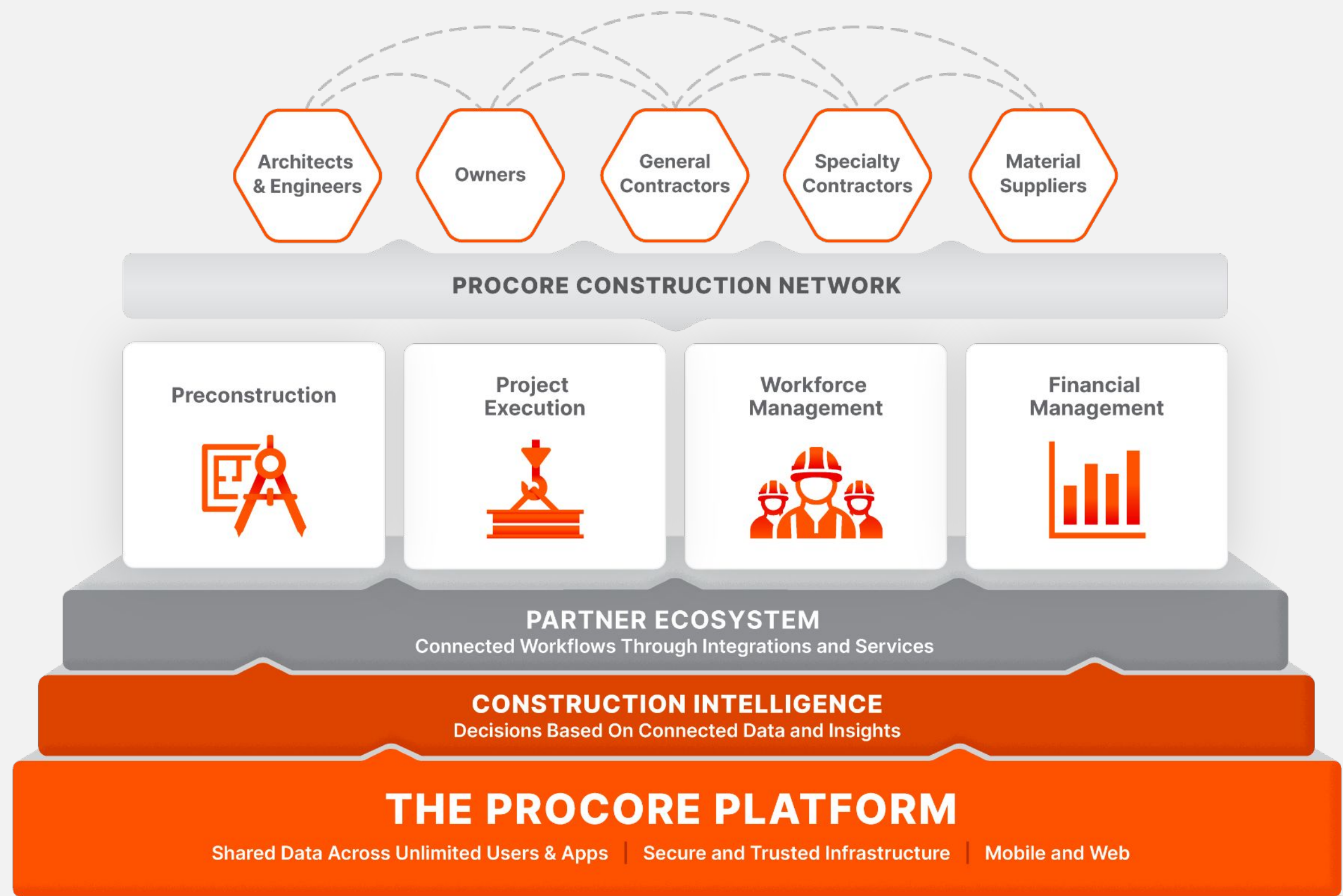
Connect **everyone** in construction on a global platform

Construction Flywheel

Procore is well-positioned to grow with Specialty Contractors



Built on a Single, Connected Platform



Monterey Mechanical Leverages Construction Tech to Attract and Retain Top Talent

CHALLENGE

Monterey Mechanical used a software solution to manage projects but it didn't offer mobile functionality in the field. Plus, employees stored documents on their own devices which made collaboration difficult.

SOLUTION

Procore offered a centralized platform that was accessible to all collaborators—from anywhere. Having a leading solution that was user-friendly also helped the company attract and retain top talent.

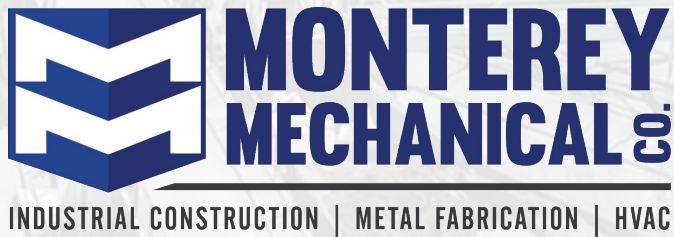
RESULTS



With more efficient processes, each employee saves one day a week.



All project information is consolidated into one centralized platform.



Oakland, CA
Specialty Contractor
Steel, Precast, and Mechanical



“We're a 77-year-old company, but we like to think we're on the leading edge of what's going on. When people hear that we're using Procore and we're doing different things with construction technology, they get excited about possibly coming to work for us.”

Ed Moore, Division Manager, Monterey Mechanical Co.



DCO Commercial Floors Nearly Doubles Growth With Construction Management Platform

CHALLENGE

DCO Commercial Floors was growing rapidly and needed to streamline its tech stack in order to successfully scale the business. Plus, the team wanted a solution that offered robust mobile capabilities, enabling seamless field-to-office communication.

SOLUTION

Procore offered a single platform for all project information. Plus, with an unlimited user license and powerful mobile capabilities, all collaborators could communicate in real time from anywhere—saving time and money. This also allowed them to easily scale as their team continued to grow.

RESULTS



1.7x growth, from a \$35M company to a \$60M company, since implementing Procore



1/2 the time to complete critical tasks



3x increase in active users over a 6-month period, with 83% of active users on mobile



Athens, GA
Specialty Contractor
Commercial Flooring



“Procore is so user friendly. Teams know that Procore is going to make their job a lot easier—they’re going to be able to communicate better and do more. That makes our field team want to adopt Procore.”

Jessica Harrison, Employee Development Manager, DCO Commercial Floors



MEP Contractor Humphrey & Associates Discovers Procore Is Not Just a Tool for General Contractors

Humphrey & Associates collaborated with project teams through their client's Procore accounts. They liked the convenience and easy-to-use tools that automate processes such as RFIs and submittals, but as users within client accounts and not owning Procore themselves, they had minimal access and visibility to Procore's full value. It was also imperative to Humphrey & Associates to own their project data so operational teams could recall it at any time, even long after the project ended. Having first-hand knowledge of the value Procore provided as a user, it was clear that purchasing their own account would grant them access to solutions they needed to run their business on their terms.

RESULTS



Saving 52 Days

Humphrey & Associates estimates they save as much as a day per week for a project manager over a year due to having their own Procore account.



Data Ownership

By owning 100% of their project data they can better settle disputes, gain insights into project performance, improve efficiencies, and have greater control over financial profitability.



Collaborative Efficiency

Humphrey & Associates can increase the productivity of their operations team by having their own Procore account. PMs can go from managing \$3.5M a year to \$5M.



Dallas, TX
Specialty Contractor
Mechanical, Electrical, Plumbing Contractor



"One way that I analyze the project manager's efficiency is based on the quantity of projects they can manage simultaneously. Where a project manager once managed on average \$3.5 million a year—with Procore they can manage \$5 million a year. That means we didn't have to bring another person onto the payroll, or assign an assistant to help them out. They can do that by themselves because of the efficiency of Procore."

Jaeson Thornton, Vice President Dallas Electrical at Humphrey & Associates

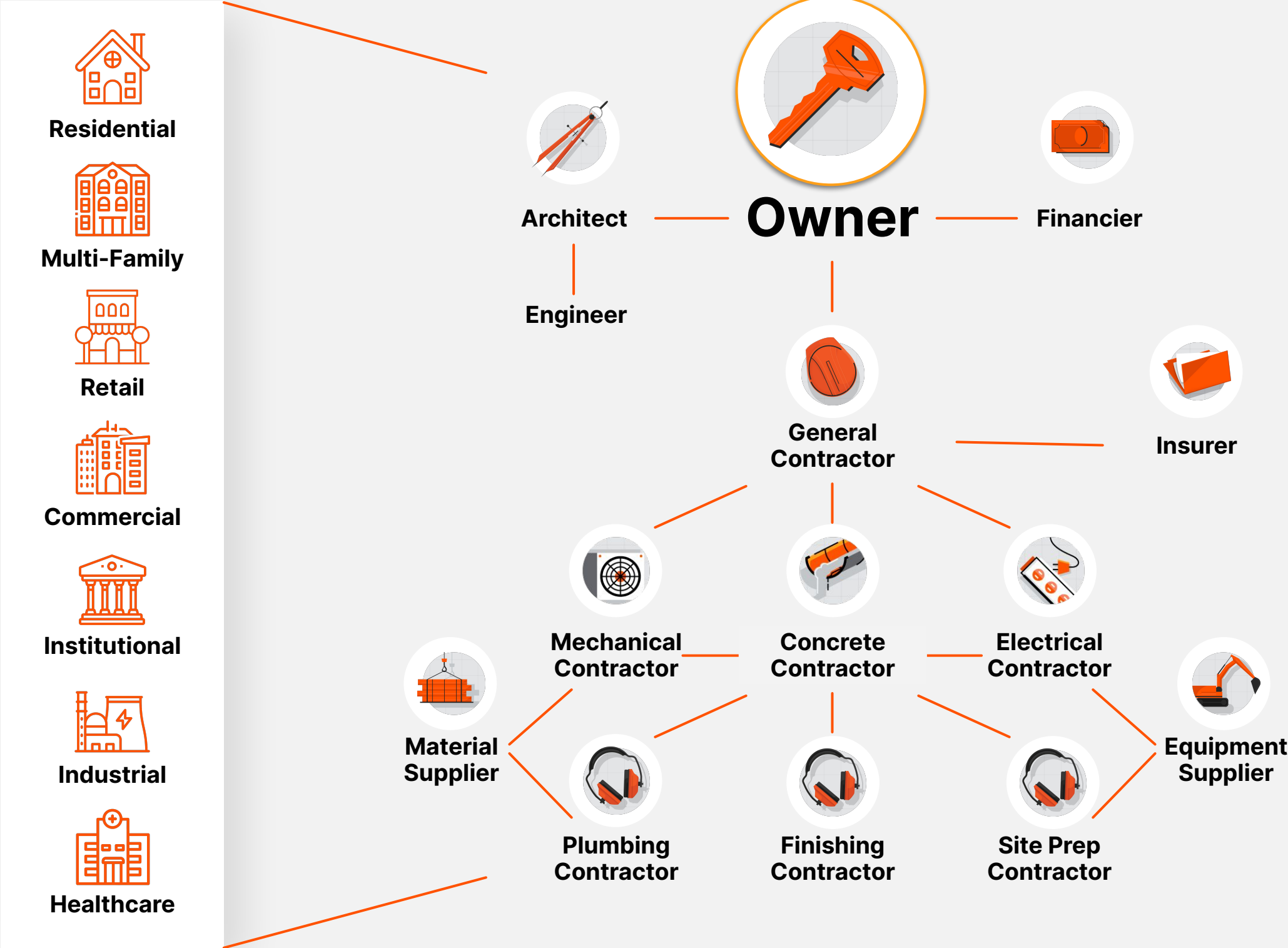
— INVESTOR DAY 2022

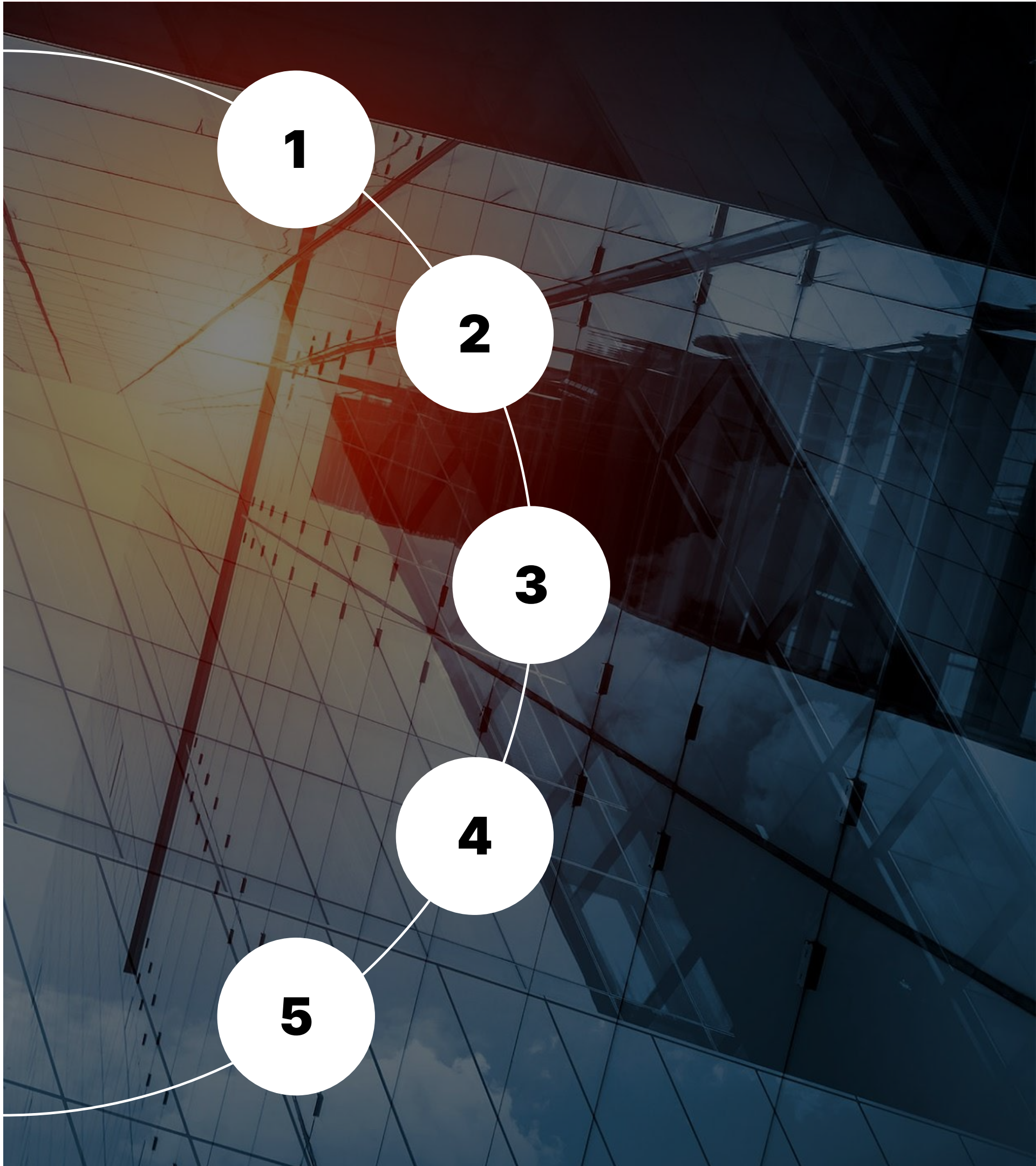
Deep Dive: Owners

Geoff Lewis | VP, Product

PROCORE[®]

Every Project Begins With An Owner





Top Challenges for Owners

- 1 Finishing projects on budget
- 2 Finishing projects on time
- 3 Ensuring projects are done with high quality
- 4 Collecting information from other parties (GCs, architects)
- 5 Managing these tasks at scale, typically across many different regions

**Owners have not
been well-served
by technology.**

Different Owners Have Different Needs

PROCORE®

Low

Need for Construction Management Software

High

“One-Off” Owners

- + Low need for software
- + Typically smaller in size
- + Ad hoc projects
- + Represent small portion of TAM

Owners Managing Large-Scale Construction Volumes

- + **High need for robust, comprehensive software**
- + Typically **upmarket**
- + Ranges from **commercial real estate developers** to **corporations managing large capex budgets** to asset owners in the **industrial, energy, and public sectors**
- + Represent **massive TAM**

Procore Is Used by Owners of All Types

COMMERCIAL REAL ESTATE



CORPORATIONS & HEALTHCARE



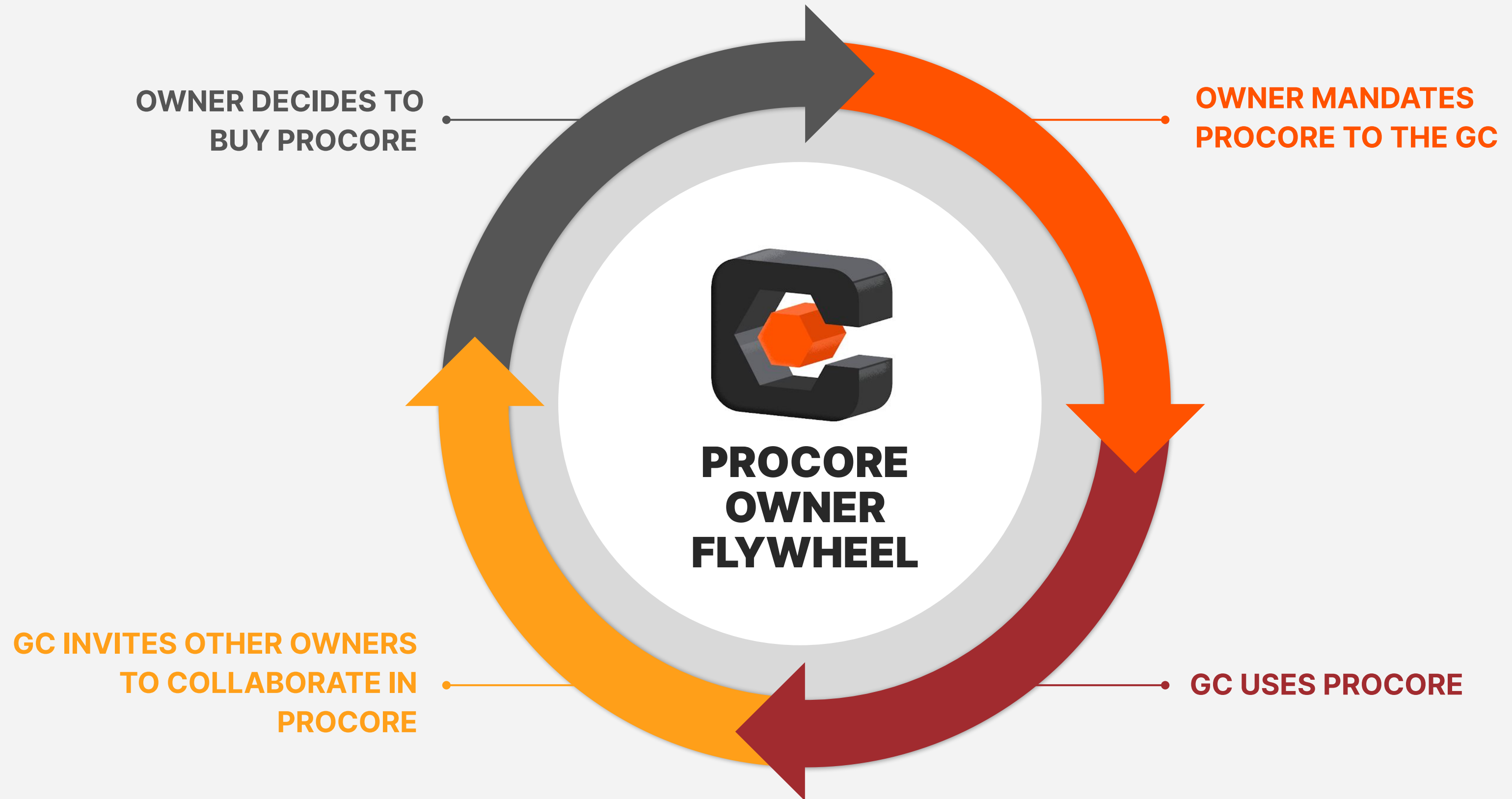
INDUSTRIAL & ENERGY



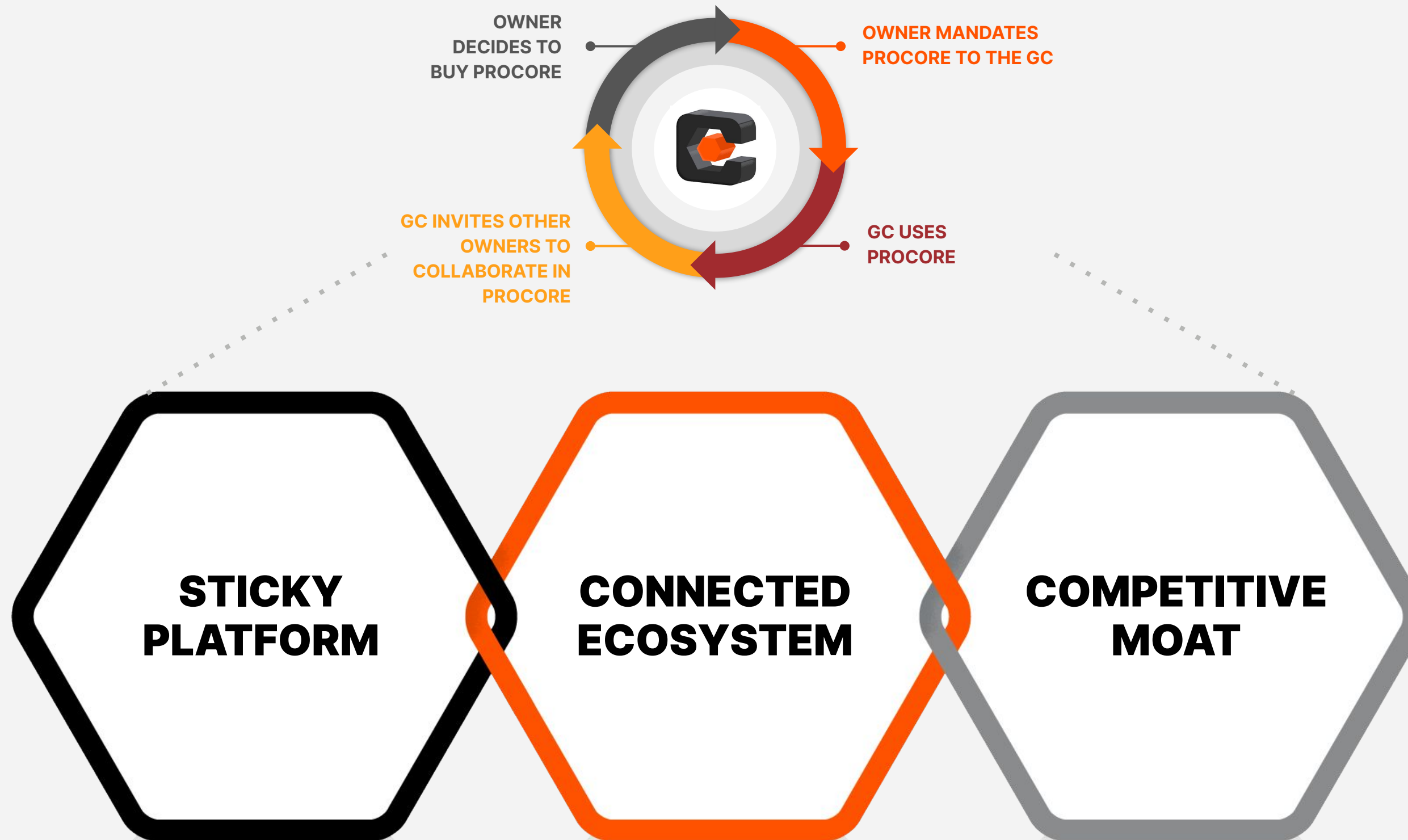
PUBLIC SECTOR



Owners Enhance Network Effects ...



... Which Drive Key Advantages for Procore



Boston Children's Hospital Uses Procore to Reduce Risk and Increase Success in Capital Project Delivery

CHALLENGE

BCH's ten year, \$3B expansion plan was at risk due to manual processes, non-integrated project data, and disconnected Excel-based cost control and financial reporting.

SOLUTION

Procore organized, digitized, and standardized every facet of BCH's capital project delivery and integrated directly with Oracle ERP, and Hyperion Capital Planning.

RESULTS



Real-time visibility into financial and budget changes connects the field and office.



Construction data flows directly into key business systems without manual entry.



Key project documents — including RFIs, submissions, drawings, and photos — are available from anywhere.



Boston, MA
Owner
Healthcare



"The project's data—including its financial data—are standardized and digitized. We can go into a project in Procore to see exactly where the real-time spend is. Procore provides the right level of control to satisfy our internal team and external risk management assessments. It reduces risk, keeps everyone on the same page, and allows us to spend more time on higher-value activities."

Albert Nover, Finance and Contract Manager, Boston Children's Hospital

ENGIE North America Uses Procore as It Transforms to a New Business Centered Around Renewables

CHALLENGE

ENGIE NA has gone through a business transformation to become a renewable energy business and needed to improve their ability to produce high quality projects on time and within budget.

SOLUTION

Implemented Procore to standardize the way all projects were run, including change orders, change events, observations, documents, and leveraging Procore's open API to securely integrate with other systems.

RESULTS



Reduction in change orders due to better collaboration processes and common information.



Provided increased efficiencies through standardization.



Visibility into health of entire portfolio, to identify at-risk projects and resolve issues early.



California
Owner
Renewables EPC & Developer



"Having data and information at your fingertips has only shown how important it is when you're collaborating from the same platform and everyone's looking at the same information that enables it."

Dulce Borjas, Chief Information and Digital Officer, ENGIE North America





Whole Foods Speeds Up Renovation of Stores During COVID-19

CHALLENGE

During the Pandemic, Whole Foods needed to renovate and modernize its store experience across all of its locations.

SOLUTION

Standardize on Procore for a consistent construction experience, no matter what construction needs to be done, by what contractors.

RESULTS



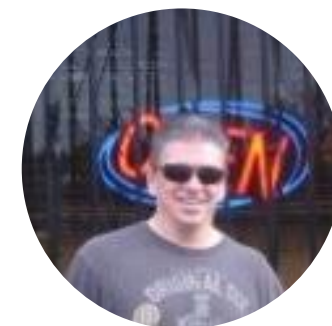
Whole Foods speeds up the construction process with automated drawing versions and revisions.



Procore's mobile solutions enable construction teams to work more efficiently.



Custom reporting provides leadership insight into construction progress without manual manipulation of the data.



What we've seen with Procore is the ability to pull custom reports very easily, automated, which gives us multitudes of different looks at the data and what it tells us. For us it's a big time-save and a big resource save as far as the energy it takes to do all the work you have to do, and the automation is a big factor.

Tony Lesley, Sr. Principal Construction Program Manager, Whole Foods

PROCORE®



**WHOLE
FOODS
MARKET**

Austin, TX
Owner
Retail

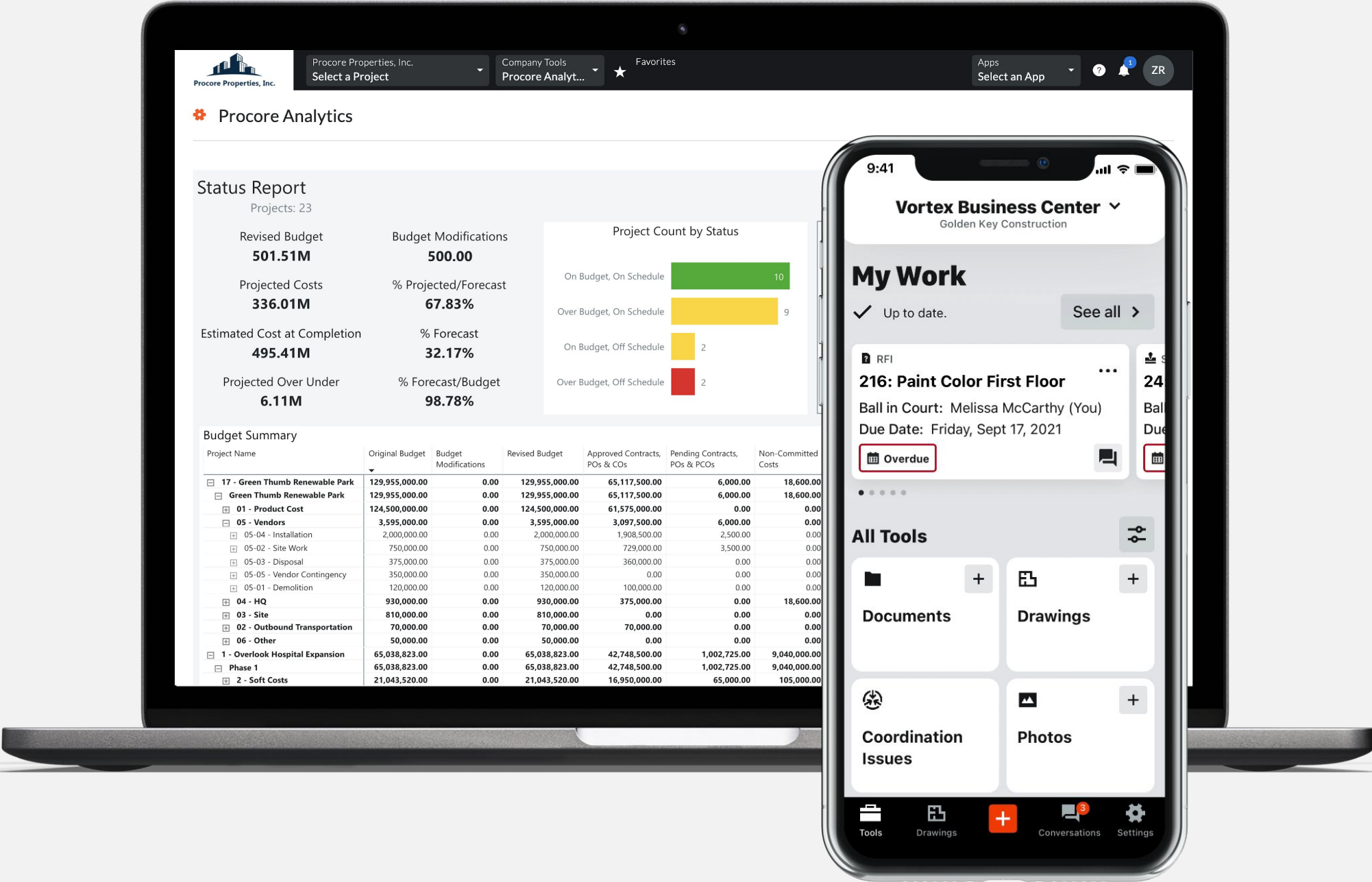
Procore Enables Owners to Scale, Collaborate, and Own Their Data in a **Single Platform**

- + Seamless collaboration in one platform
- + Data management across projects
- + Insights to improve decision making
- + Technology built for scale
- + Easy implementation & use

74% ↑
of Owners say
**Procore makes
their business
more scalable**

45% ↑
Owners' average
**increase in capital
projects/assets per
person**

65% ↑
of Owners say
**Procore improves
their confidence in
cash flow projections**

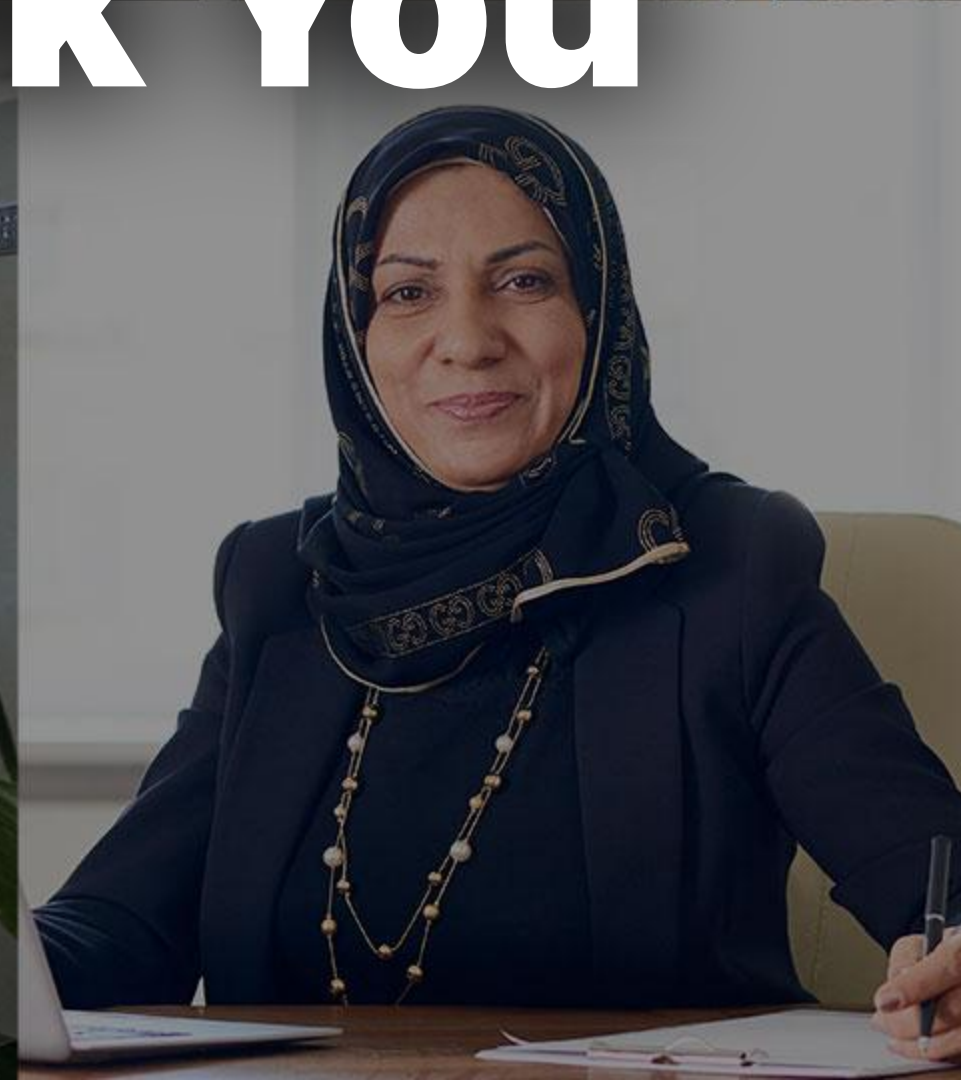




Executive Q&A



Thank You



— INVESTOR DAY 2022

Appendix

References and Definitions

CUSTOMERS

We define the number of customers at the end of a particular period as the number of entities that have entered into one or more subscriptions with us that have recurring charges for which the term has not ended, or that which we are negotiating a subscription renewal for. An entity with multiple subsidiaries, segments, or divisions, is defined and counted as a single customer, even if there are multiple separate subscriptions. With respect to our customer count metrics, we define "organic" to exclude the customers acquired from Levelset and Esticom, Inc. ("Esticom"). Levelset and Esticom customers will be included in our customer metrics when they are renewed onto standard Procore annual contracts or upon integration of the sales process. Levelset has more than 3,000 customers as of September 30, 2022.

ANNUAL RECURRING REVENUE (ARR)

We define ARR as the annualized dollar value of the recurring component of our term subscriptions.

REMAINING PERFORMANCE OBLIGATIONS (RPO)

Remaining performance obligations represent the contracted transaction price that has not yet been recognized as revenue, which includes deferred revenue and amounts under non-cancelable contracts that will be invoiced and recognized as revenue in future periods.

RETENTION RATES

To calculate our **net retention rate** at the end of a particular period, we first calculate the ARR from the cohort of active customers at the end of the period 12 months prior to the end of the period selected. We then calculate the value of ARR from the same cohort of customers at the end of the current period selected, giving effect to expansion, contraction, or churn from this group of customers over the 12 months preceding the end of the period selected. We then divide (a) the total current period ARR by (b) the total prior period ARR to calculate the net retention rate.

To calculate our **gross retention rate** at the end of a particular period, we first calculate the ARR from the cohort of active customers at the end of the period 12 months prior to the end of the period selected. We then calculate the value of ARR from any customers whose subscriptions terminated and were not renewed during the 12 months preceding the end of the period selected, which we refer to as churn. We then divide (a) the total prior period ARR minus churn by (b) the total prior period ARR to calculate gross retention rate.

References and Definitions (Cont.)

TOTAL ADDRESSABLE MARKET (TAM) AND CAPTURE RATES

ACV and logo estimates by region are calculated by Procore based on data from the U.S. Census Bureau and international government statistics agencies, Oxford Economics estimates, and D&B Hoovers data. ACV capture rates reflect construction volume run by customers on Procore products as of September 30, 2022, as a percentage of the total estimated ACV in Procore's addressable markets. Logo capture rates reflect our customer count as of September 30, 2022, as a percentage of the total estimated number of logos in Procore's addressable markets, where the number of customers is defined as the number of entities that have entered into one or more subscriptions with us that have recurring charges for which the term has not ended as of September 30, 2022, or that which we are negotiating a subscription renewal for. We exclude general contractors and specialty contractors with annual revenues of less than \$2.5 million and owners with less than \$2.5 million in annual construction spend from our addressable market estimates given we do not actively market to those organizations. Our estimates are based on available data and are limited to the following countries: Australia, Brazil, Canada, France, Germany, Indonesia, Ireland, Italy, South Korea, Malaysia, Mexico, New Zealand, Philippines, Saudi Arabia, Singapore, Spain, Thailand, United Arab Emirates, United Kingdom. Please note that more countries are served than represented by our data.

GAAP to Non-GAAP Reconciliation

(dollars in thousands)

	FY18	FY19	FY20	FY21	Q1'22	Q2'22	Q3'22
Revenue	\$ 186,396	\$ 289,194	\$ 400,291	\$ 514,821	\$ 159,516	\$ 172,205	\$ 186,429
Reconciliation of gross profit and gross margin to non-GAAP gross profit and non-GAAP gross margin:							
GAAP gross profit	\$ 148,995	\$ 236,028	\$ 328,628	\$ 416,509	\$ 126,184	\$ 135,470	\$ 148,650
Stock-based compensation expense	567	1,095	1,722	8,094	1,458	2,046	1,835
Amortization of acquired technology intangible assets	187	1,643	3,315	7,522	5,654	5,654	5,627
Employer payroll tax on employee stock transactions	0	7	7	457	81	68	99
Acquisition-related expenses	0	0	0	2	0	0	0
Restructuring related charges	0	0	127	0	0	0	0
Non-GAAP gross profit	\$ 149,749	\$ 238,773	\$ 333,799	\$ 432,584	\$ 133,377	\$ 143,238	\$ 156,211
GAAP gross margin	80%	82%	82%	81%	79%	79%	80%
Non-GAAP gross margin	80%	83%	83%	84%	84%	83%	84%
Reconciliation of operating expenses to non-GAAP operating expenses:							
GAAP sales and marketing	\$ 112,723	\$ 173,472	\$ 189,032	\$ 308,511	\$ 93,915	\$ 103,283	\$ 109,608
Stock-based compensation expense	(2,791)	(7,463)	(13,385)	(68,755)	(10,296)	(12,572)	(15,483)
Amortization of acquired technology intangible assets	(28)	(728)	(1,728)	(3,600)	(3,106)	(3,106)	(3,106)
Employer payroll tax on employee stock transactions	0	(71)	(205)	(2,325)	(608)	(317)	(682)
Acquisition-related expenses	0	0	0	(488)	(207)	(208)	(655)
Restructuring related charges	0	0	(1,824)	0	0	0	0
Non-GAAP sales and marketing	\$ 109,904	\$ 165,210	\$ 171,890	\$ 233,343	\$ 79,698	\$ 87,080	\$ 89,682
GAAP sales and marketing as a percentage of revenue	60%	60%	47%	60%	59%	60%	59%
Non-GAAP sales and marketing as a percentage of revenue	59%	57%	43%	45%	50%	51%	48%

GAAP to Non-GAAP Reconciliation (Cont.)

(dollars in thousands)

	FY18	FY19	FY20	FY21	Q1'22	Q2'22	Q3'22
GAAP research and development	\$ 55,950	\$ 87,022	\$ 124,661	\$ 237,290	\$ 60,254	\$ 63,822	\$ 71,493
Stock-based compensation expense	(2,380)	(6,584)	(12,930)	(85,040)	(13,008)	(13,144)	(17,758)
Amortization of acquired technology intangible assets	0	0	(721)	(2,674)	(902)	(895)	(877)
Employer payroll tax on employee stock transactions	0	(16)	(88)	(2,606)	(1,027)	(523)	(638)
Acquisition-related expenses	0	0	0	(1,348)	(1,101)	(1,090)	(1,679)
Restructuring related charges	0	0	(1,681)	0	0	0	0
Non-GAAP research and development	\$ 53,570	\$ 80,422	\$ 109,241	\$ 145,622	\$ 44,216	\$ 48,170	\$ 50,541
GAAP research and development as a percentage of revenue	30%	30%	31%	46%	38%	37%	38%
Non-GAAP research and development as a percentage of revenue	29%	28%	27%	28%	28%	28%	27%
GAAP general and administrative	\$ 35,365	\$ 58,158	\$ 73,465	\$ 156,635	\$ 43,152	\$ 40,667	\$ 39,362
Stock-based compensation expense	(1,751)	(4,096)	(15,923)	(65,272)	(12,447)	(6,133)	(9,701)
Employer payroll tax on employee stock transactions	0	(18)	(272)	(1,127)	(545)	(182)	(304)
Acquisition-related expenses	0	(1,218)	(792)	(7,442)	(1,038)	(1,081)	(3)
Restructuring related charges	0	0	(801)	0	0	0	0
Non-GAAP general and administrative	\$ 33,614	\$ 52,826	\$ 55,677	\$ 82,794	\$ 29,122	\$ 33,271	\$ 29,354
GAAP general and administrative as a percentage of revenue	19%	20%	18%	30%	27%	24%	21%
Non-GAAP general and administrative as a percentage of revenue	18%	18%	14%	16%	18%	19%	16%
Reconciliation of loss from operations and operating margin to non-GAAP loss from operations and non-GAAP operating margin:							
GAAP loss from operations	\$ (55,043)	\$ (82,624)	\$ (58,530)	\$ (285,927)	\$ (71,137)	\$ (72,302)	\$ (71,813)
Stock-based compensation expense	7,489	19,238	43,960	227,161	37,209	33,895	44,777
Amortization of acquired technology intangible assets	215	2,371	5,764	13,796	9,662	9,655	9,610
Employer payroll tax on employee stock transactions	0	112	572	6,515	2,261	1,090	1,723
Acquisition-related expenses	0	1,218	792	9,280	2,346	2,379	2,337
Restructuring related charges	0	0	4,433	0	0	0	0
Non-GAAP loss from operations	\$ (47,339)	\$ (59,685)	\$ (3,009)	\$ (29,175)	\$ (19,659)	\$ (25,283)	\$ (13,366)
GAAP operating margin	(30%)	(29%)	(15%)	(56%)	(45%)	(42%)	(39%)
Non-GAAP operating margin	(25%)	(21%)	(1%)	(6%)	(12%)	(15%)	(7%)

Free Cash Flow Bridge

(dollars in thousands)

	FY18	FY19	FY20	FY21	Q1'22	Q2'22	Q3'22
Revenue	\$ 186,396	\$ 289,194	\$ 400,291	\$ 514,821	\$ 159,516	\$ 172,205	\$ 186,429
Computation of free cash flow and free cash flow margin:							
Net cash (used in) provided by operating activities	\$ (21,103)	\$ (7,004)	\$ 21,853	\$ 36,730	\$ 10,284	\$ (26,955)	\$ 6,587
Purchases of property and equipment	(13,741)	(13,054)	(7,202)	(12,383)	(7,525)	(1,908)	(4,237)
Capitalized software development costs	(8,091)	(14,936)	(11,764)	(15,248)	(7,632)	(8,620)	(8,531)
Non-GAAP free cash flow	\$ (42,935)	\$ (34,994)	\$ 2,887	\$ 9,099	\$ (4,873)	\$ (37,483)	\$ (6,181)
Non-GAAP free cash flow margin	(23%)	(12%)	1%	2%	(3%)	(22%)	(3%)

PROCORE[®]