PROCORE®

2023 Investor Day

Chicago, IL | September 20, 2023

PROCORE®

Welcome

Agenda

Wednesday, September 20 | 9:00am - 12:00pm CST

9:00a - 9:05a	**Opening Remarks** *Matthew Puljiz - VP, Finance* *Vivian Barnett - Senior Manager of Investor Relations*
9:05a - 9:25a	**Deep Dive #1: Construction Industry Dynamics** *Tooey Courtemanche - Founder, President, & CEO*
9:25a - 10:10a	**Deep Dive #2: Platform & Product** *Steve Davis - President, Product & Technology* *Wyatt Jenkins - Chief Product Officer* *Geoff Lewis - VP, Product Management*
10:10a - 10:30a	**Deep Dive #3: Fintech Update** *Paul Lyandres - President of Fintech*
10:30a - 10:50a	**Deep Dive #4: Financial Philosophy** *Howard Fu - CFO & Treasurer*
10:50a - 11:05a	**Break**
11:05a - 12:00p	**Executive Q&A** *Tooey Courtemanche - Founder, President, & CEO* *Howard Fu - CFO & Treasurer* *Matthew Puljiz - VP, 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), our ability to effectively manage our growth, anticipated performance, trends, growth rates, and challenges in our business and in the market in which we operate or anticipate entering into, 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, our ability to expand internationally, the effects of increased competition in our markets and our ability to compete effectively, 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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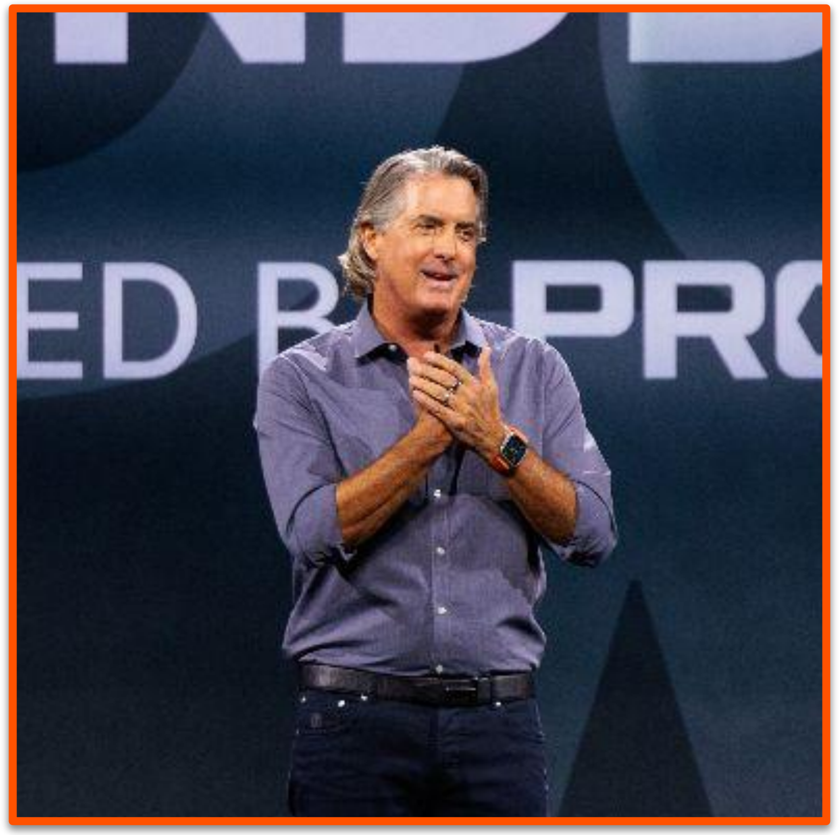
Deep Dive #1: Construction Industry Dynamics



Tooey Courtemanche
Founder, President, & CEO

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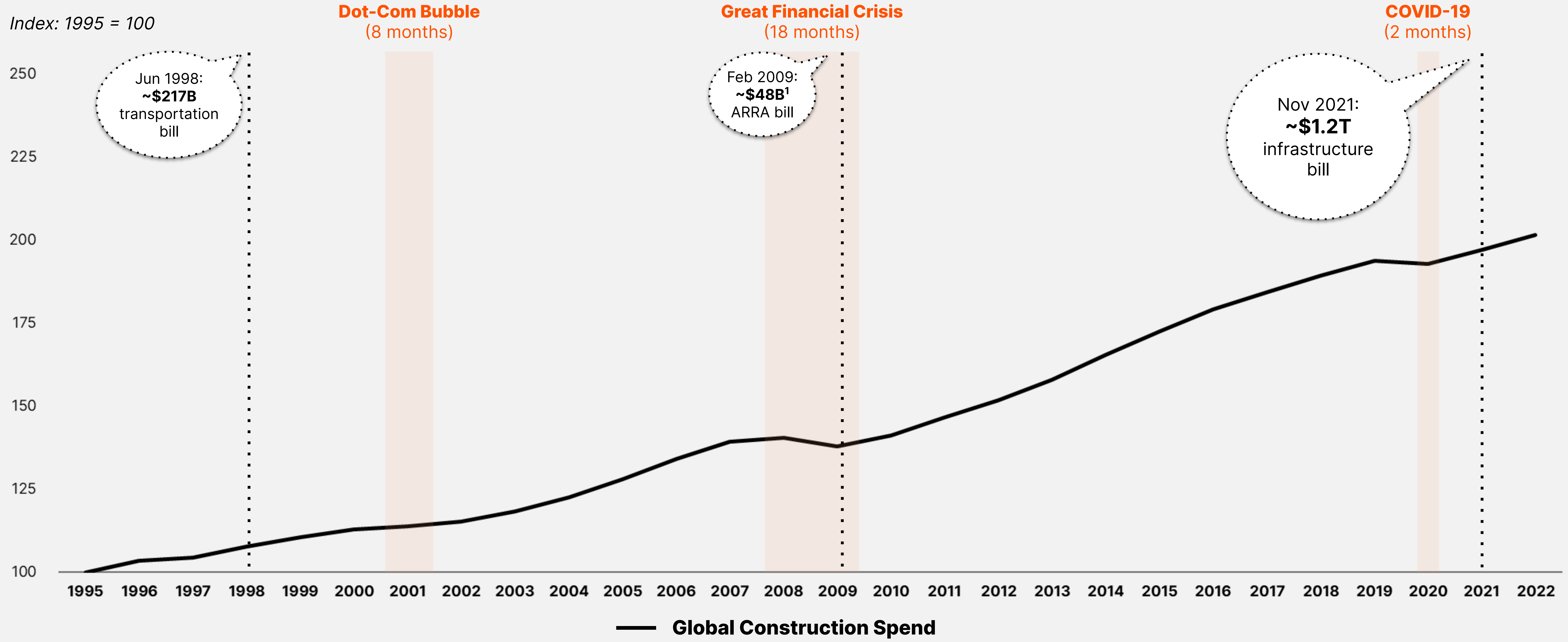
The Construction Industry Is Massive …

$11T	13%	7%	2.5T ft^2	$15T
global construction spend in 2020	of global GDP in 2017	of global workforce in 2017	est. square footage of new construction in the next 40 years	est. global construction spend in 2030

Source: Oxford Economics: Future of Construction (September 2021) | McKinsey Global Institute: Reinventing Construction (February 2017) | UN Environment: Global Status Report (2017).

… and Continues to Grow Globally

Global Construction Spend (Indexed)



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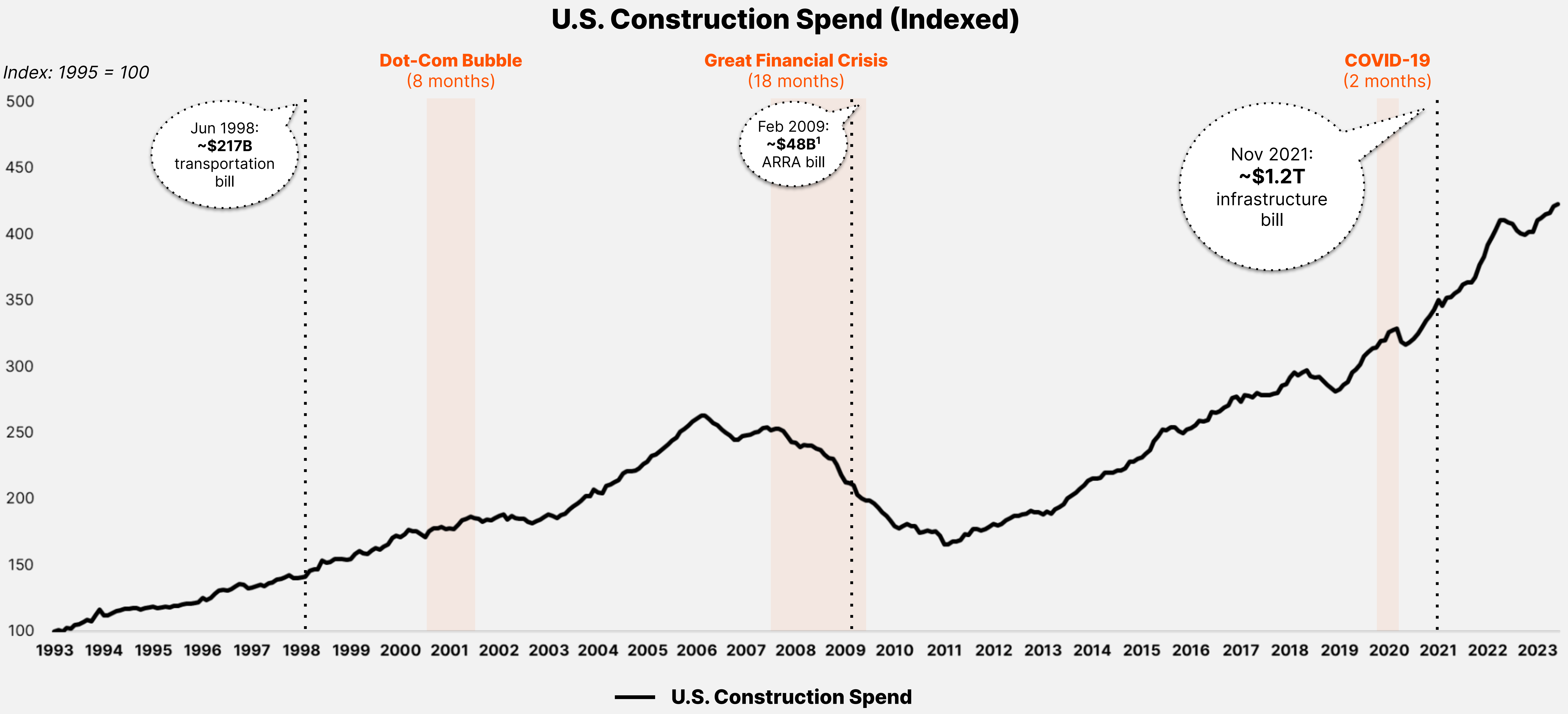
Source: IHS Markit | National Bureau of Economic Research. Note: Global construction spend data as of December 31, 2022. The duration of historical economic recessions is measured from peak to trough by the National Bureau of Economic Research. [1] Amount invested in transportation infrastructure as part of the American Recovery and Reinvestment Act (ARRA).

U.S. Construction Growing at 5% CAGR

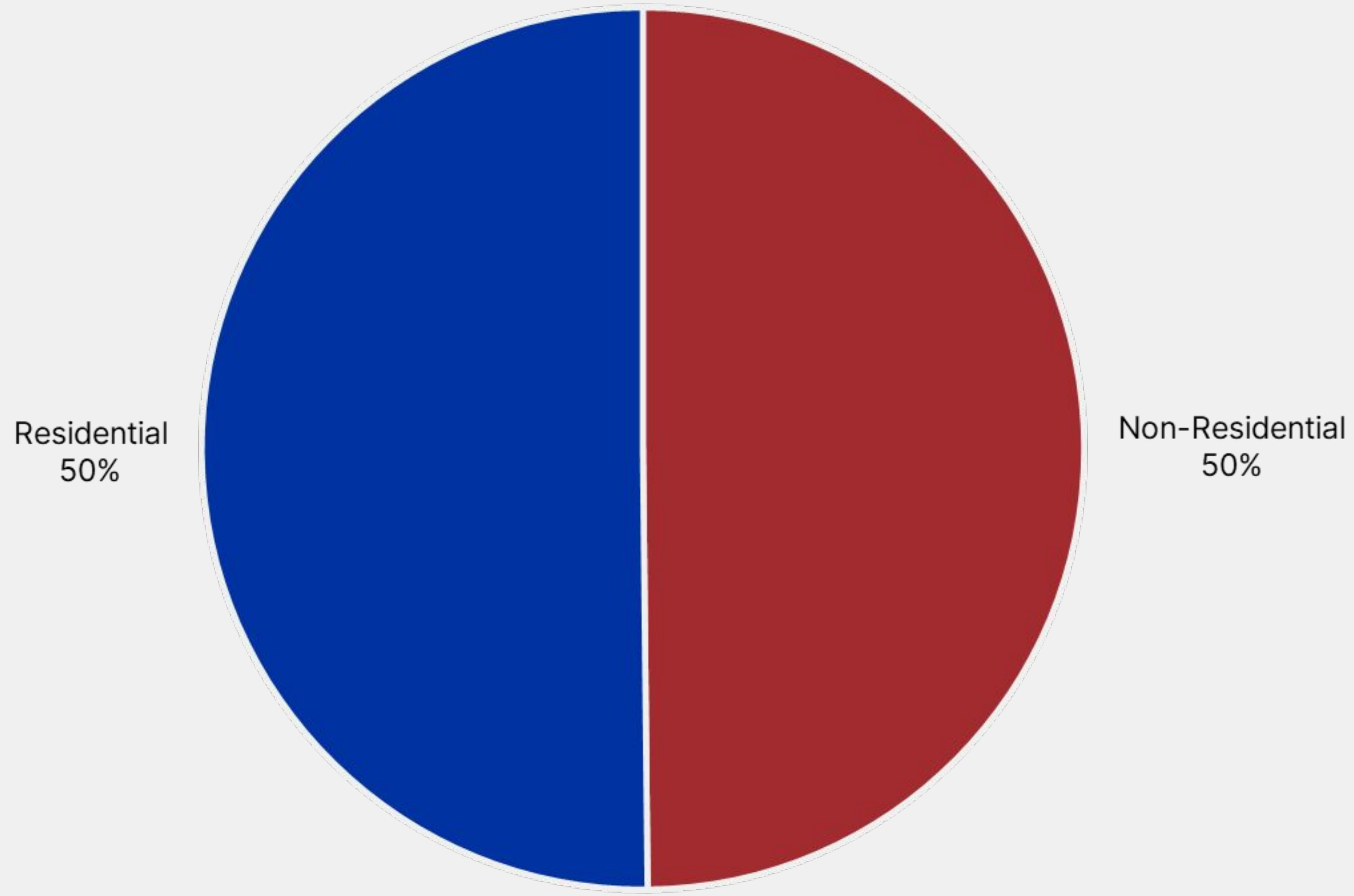


Source: U.S. Census Bureau | National Bureau of Economic Research. Note: U.S. construction spend data as of June 30, 2023. [1] Amount invested in transportation infrastructure as part of the American Recovery and Reinvestment Act (ARRA).

U.S. is Balance of Resi vs. Non-Resi

U.S. Construction Value Put in Place (2022)[1]

Based on U.S. Census Bureau Data

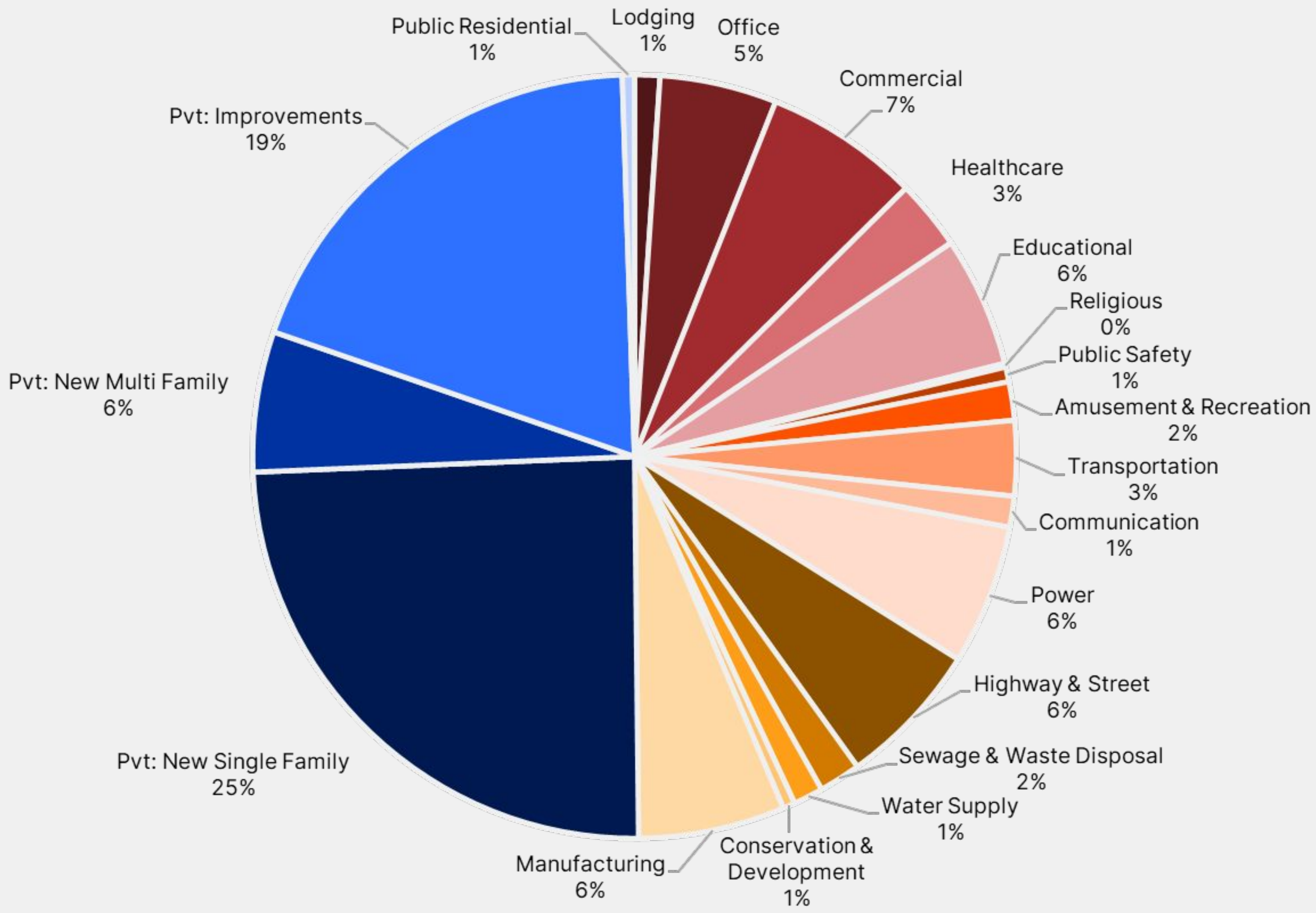


Total: ~$1.8T

Source: U.S. Census Bureau. Note: [1] Reflects the total value of construction installed or erected at the site in the U.S. in 2022.

Both Resi & Non-Resi Have Sub-Sectors

U.S. Construction Value Put in Place (2022)[1]

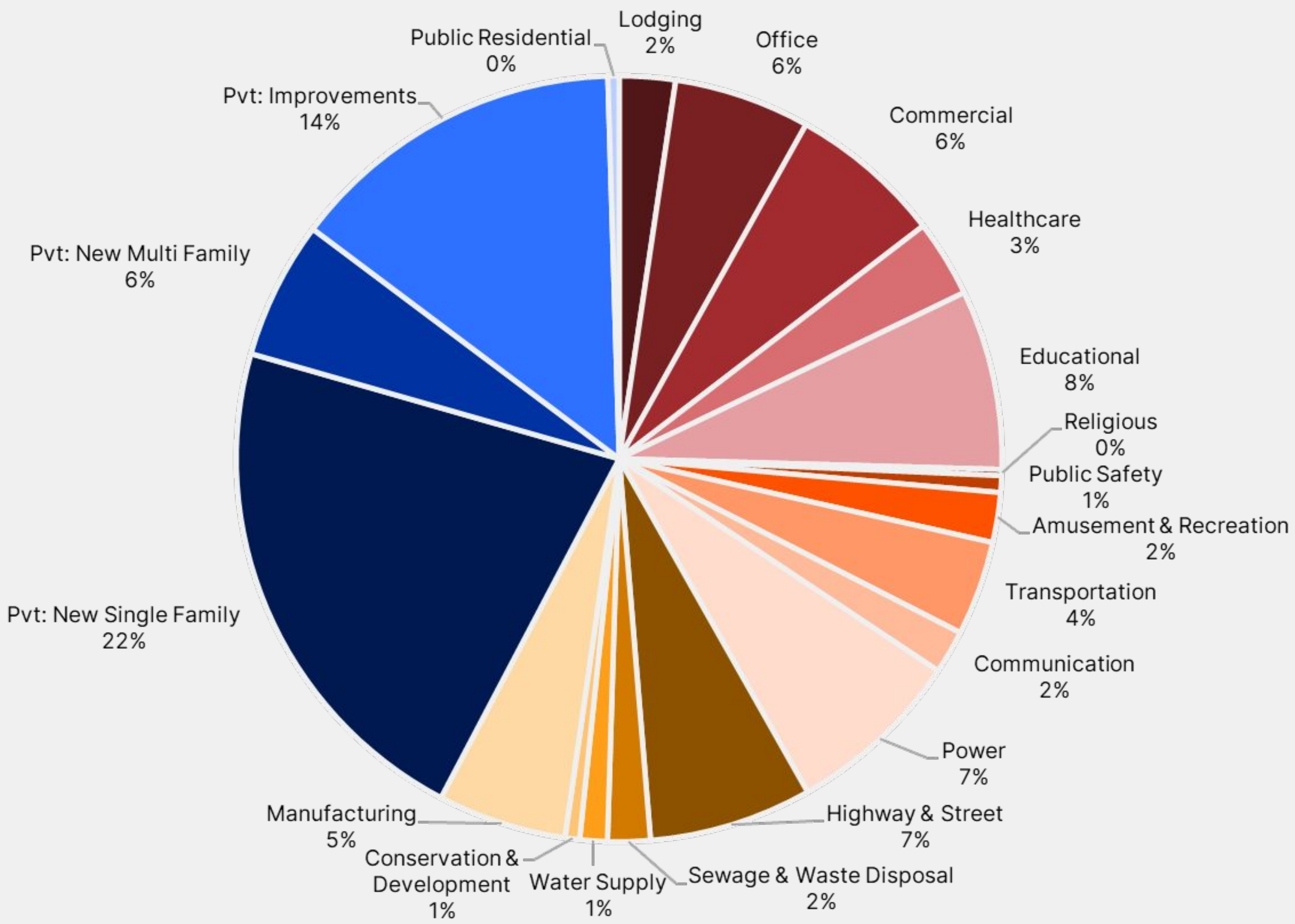


Total: ~$1.8T

Source: U.S. Census Bureau. Note: [1] Reflects the total value of construction installed or erected at the site in the U.S. in 2022. "Improvements" include remodeling, additions, and major replacements. "Commercial" includes automotive, food/beverage, multi-retail, warehouse, farm, etc. "Highway & Street" includes pavement, tunnels, bridges, maintenance buildings, etc.

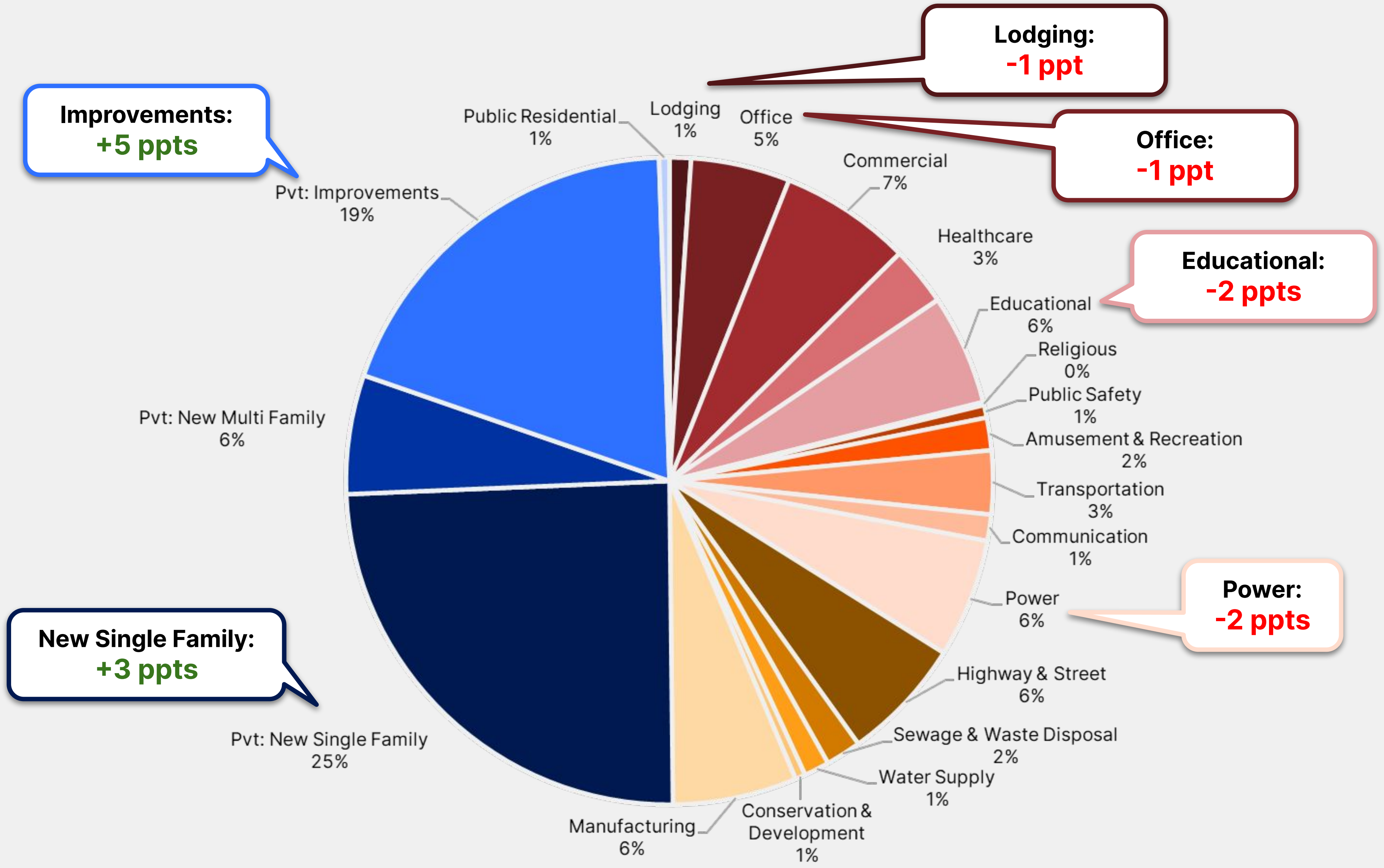
Construction Mix Resilient Despite COVID

U.S. Construction Value Put in Place (2018)[1]



Total: ~$1.3T

U.S. Construction Value Put in Place (2022)[1]



Total: ~$1.8T

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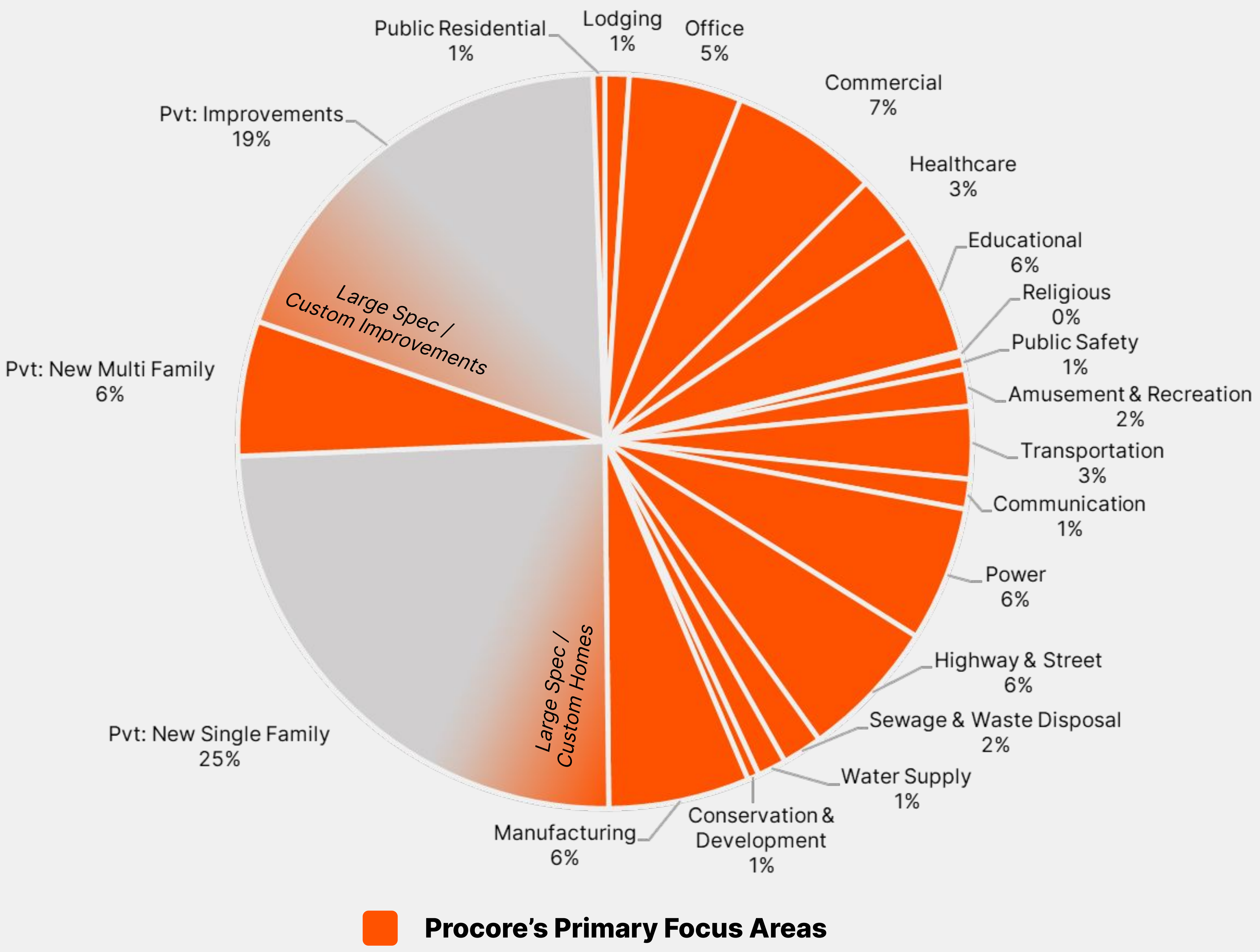
Source: U.S. Census Bureau. Note: [1] Reflects the total value of construction installed or erected at the site in the U.S. in 2018 and 2022. "Improvements" include remodeling, additions, and major replacements. "Commercial" includes automotive, food/beverage, multi-retail, warehouse, farm, etc. "Highway & Street" includes pavement, tunnels, bridges, maintenance buildings, etc.

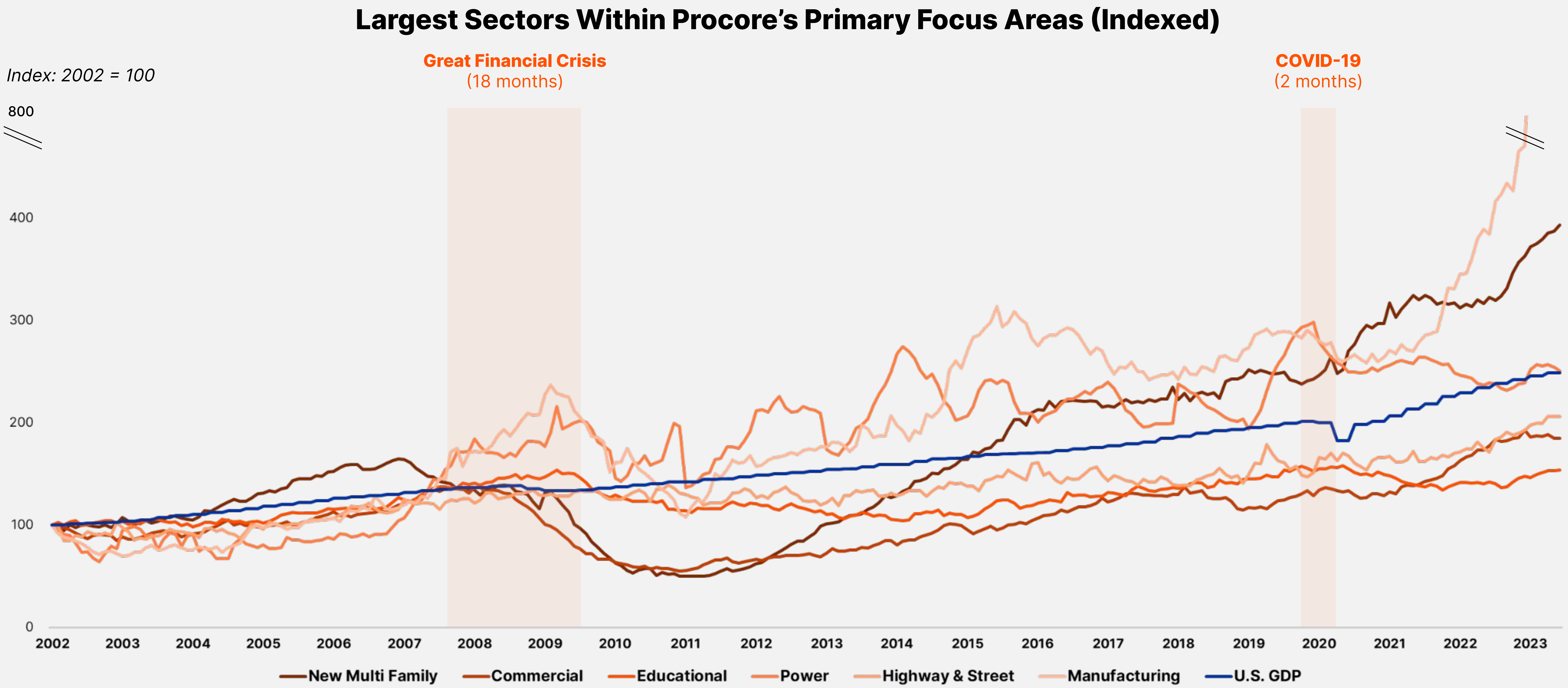
Procore's Primary Focus Areas

U.S. Construction Value Put in Place (2022)[1]



Source: U.S. Census Bureau. Note: [1] Reflects the total value of construction installed or erected at the site in the U.S. in 2018 and 2022. "Improvements" include remodeling, additions, and major replacements. "Commercial" includes automotive, food/beverage, multi-retail, warehouse, farm, etc. "Highway & Street" includes pavement, tunnels, bridges, maintenance buildings, etc.

Sectors Behave Differently Over Time



Source: U.S. Census Bureau | National Bureau of Economic Research | U.S. Bureau of Economic Analysis - FRED, Federal Reserve Bank of St. Louis. Note: U.S. construction spend data by sector as of June 30, 2023. Prior to 2002, U.S. construction spend data by sector only available on an annual basis. U.S. GDP data as of April 2023 (latest available).

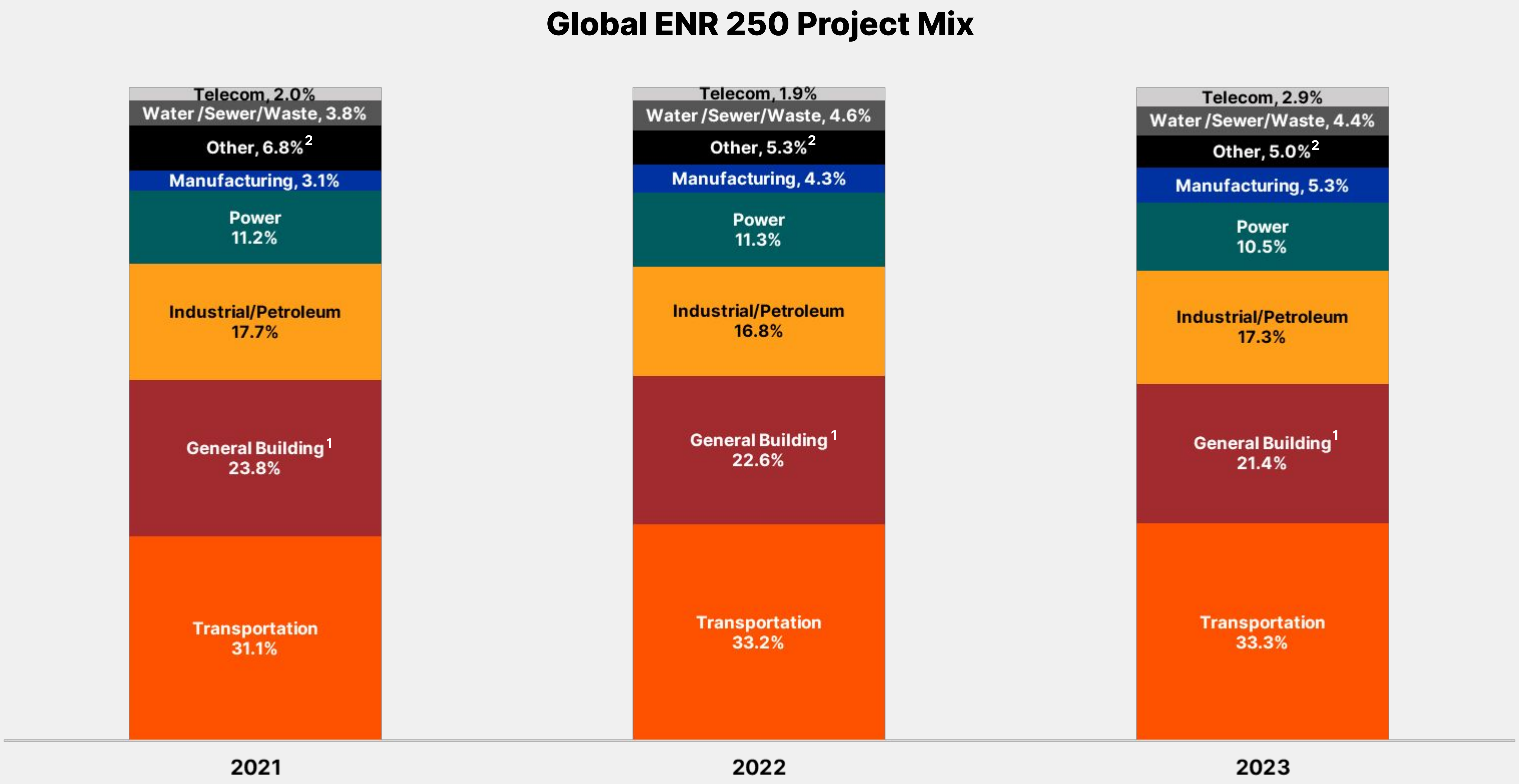
GCs & SCs Manage Diverse Portfolios

U.S. General Contractor Based in the Northeast	
Healthcare	Historic building renovation for a hospital campus
Multi-Family	300-unit luxury residential high-rise in Southern CA
Amusement & Recreation	Large music concert hall, holding 2,400+ patrons
Commercial	Renovation and expansion of a fully occupied retail center
Office	Data center buildout for one of the largest global cloud providers

Electrical Specialty Contractor in Western Canada	
Educational	Outdoor university stadium with 2,000+ capacity seating
Transportation	14k-ft^2 expansion of a private regional airport
Public Safety	3-story fire hall and emergency response center
Power	Open-air, electrical substation with 98k-ft of ground cable/wire
Multi-Family	100-unit public affordable housing development

Multinational Fortune 500 Retail Owner	
Commercial	Ground-up construction of new retail store location
Office	Commercial office tower for new headquarters
Commercial	Industrial distribution warehouse facility
Office	Expansion of a regional office park with addition of new buildings
Commercial	Full store remodel with larger store size and built-in sustainability

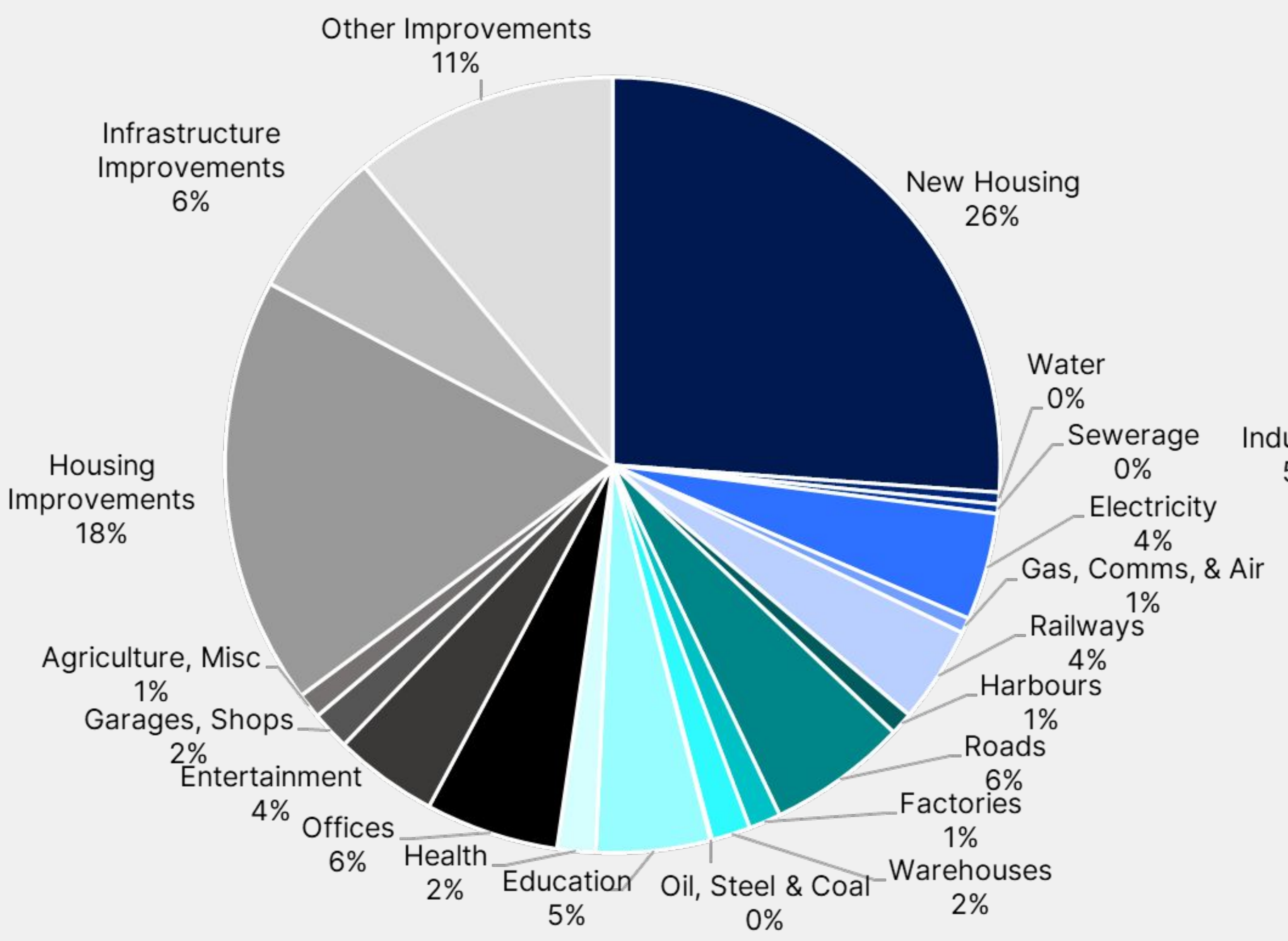
Diversification Across Largest Global Contractors



Source: Engineering News-Record (ENR): The Top 250 International Contractors. Note: [1] "General Building" includes commercial buildings, offices, stores, educational facilities, government buildings, hospitals, medical facilities, hotels, apartments, housing, etc. [2] "Other" includes hazardous waste and miscellaneous market categories.

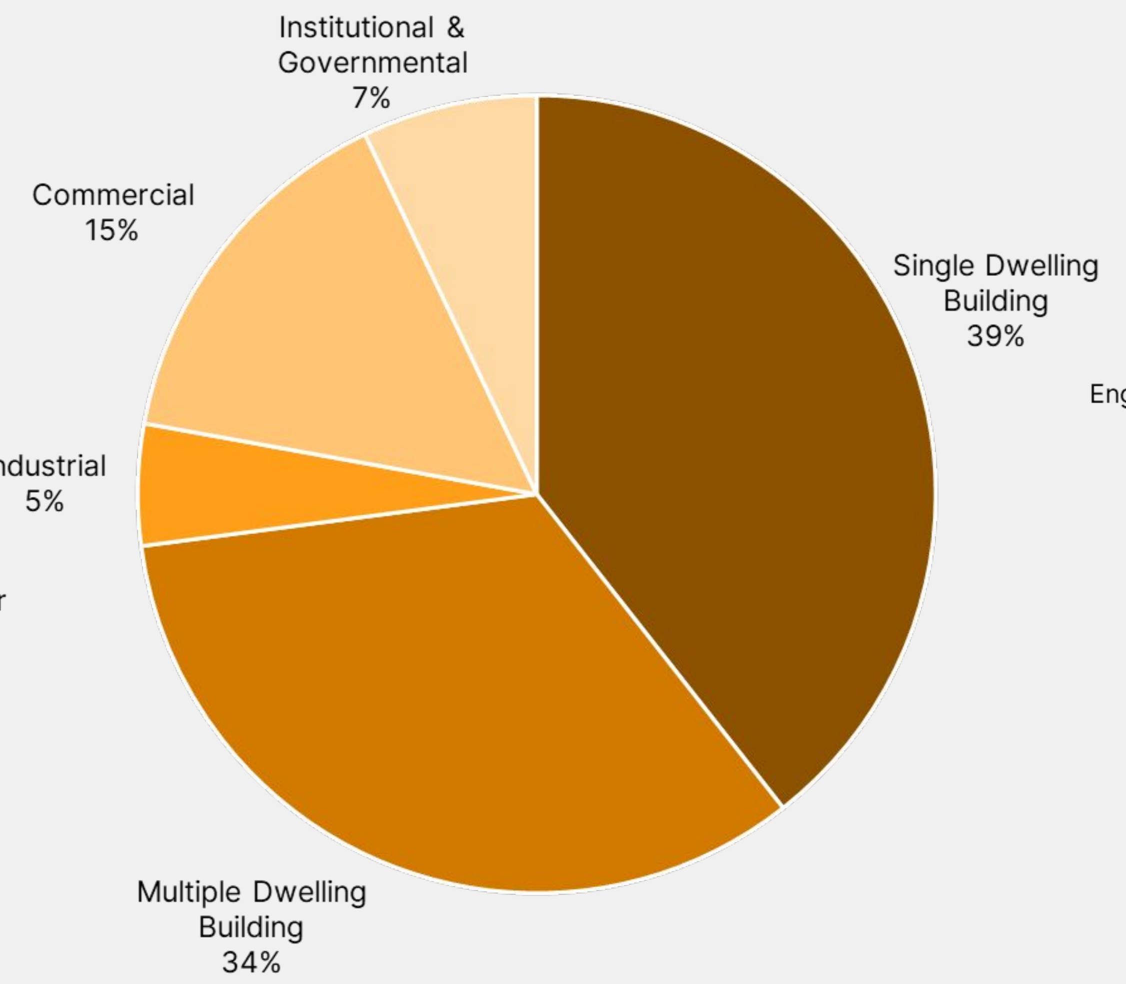
International Markets Also Diverse

UK Value of Construction Output (2021)[1]



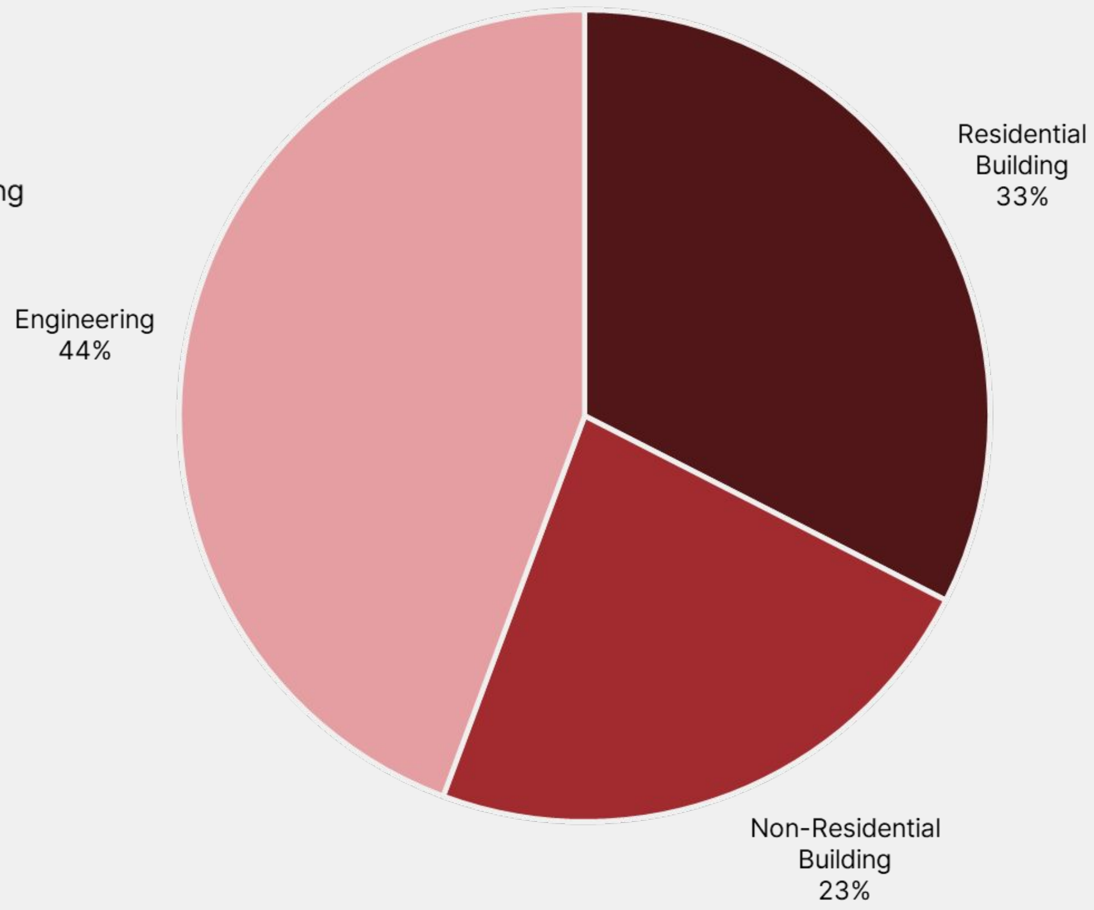
Total: ~$223B

Canada Investment in Building Construction (2022)[2]



Total: ~$183B

Australia Value of Construction Work Done (2022)[3]



Total: ~$144B

Source: Australian Bureau of Statistics | Statistics Canada | UK Office for National Statistics. Note: All figures are shown in USD. [1] Reflects total value of construction output in the UK in 2021 (latest available). "Education" includes schools, colleges, and universities. "Infrastructure Improvements" includes repairs and maintenance work for water, sewerage, electricity, gas, communications, air, railways, harbours, and roads. "Other Improvements" includes repairs and maintenance work for projects other than housing and infrastructure. [2] Reflects total spending value of building construction by households, enterprises, and governments for buildings in Canada in 2022, excluding the value of land. [3] Reflects total value of building and engineering construction work done in Australia in 2022. "Residential Building" includes buildings primarily used for long-term residential purposes. "Non-Residential Building" includes buildings primarily intended for purposes other than long-term residence. "Engineering" includes any construction that does not have a roof (e.g., roads, rail, pipelines).

Early Innings of Market Penetration

<1% of Logos and <7% of Annual Construction Volume (ACV) Captured in Primary Countries Served

U.S. Annual Construction Volume: ~$1.8T

International Annual Construction Volume: ~$2.0T

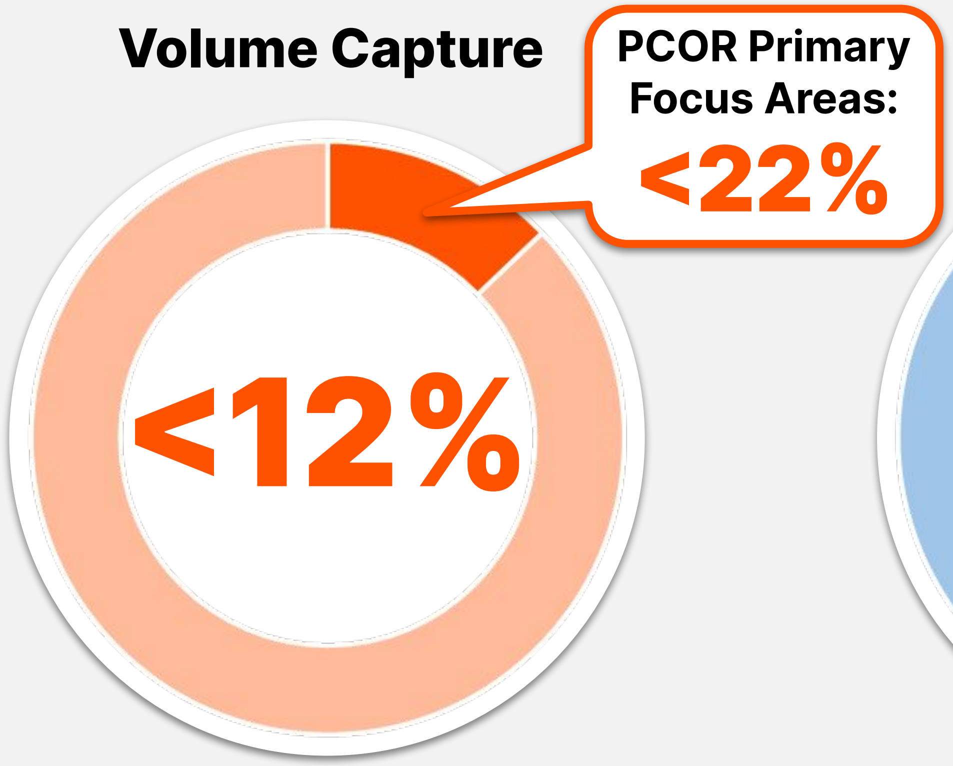
***X 2.5 "Triple TAM" Multiplier** (majority of spend flows through all three stakeholders)*

U.S. TAM Volume: ~$4.6T

International TAM Volume: ~$5.1T

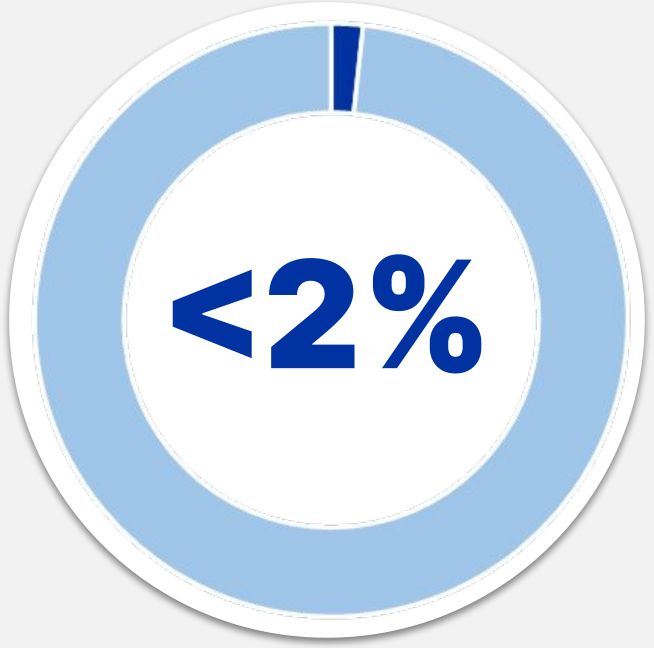
Logo Capture

Volume Capture



Logo Capture

Volume Capture



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 December 31, 2022, as a percentage of the total estimated ACV in Procore's addressable markets. Logo capture rates reflect our customer count as of December 31, 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 December 31, 2022, or that which we are negotiating a subscription renewal for, and excludes customers acquired from Levelset and Esticom that have not yet been renewed onto standard Procore annual contracts. Remaining Levelset and Esticom legacy customers will be included in our customer metrics once they are renewed onto standard Procore annual contracts or upon integration of the sales process. ACV and logo estimates by region are based on Procore calculations as of the latest available annual period. See the appendix at the end of this presentation for more information.

Key Takeaways

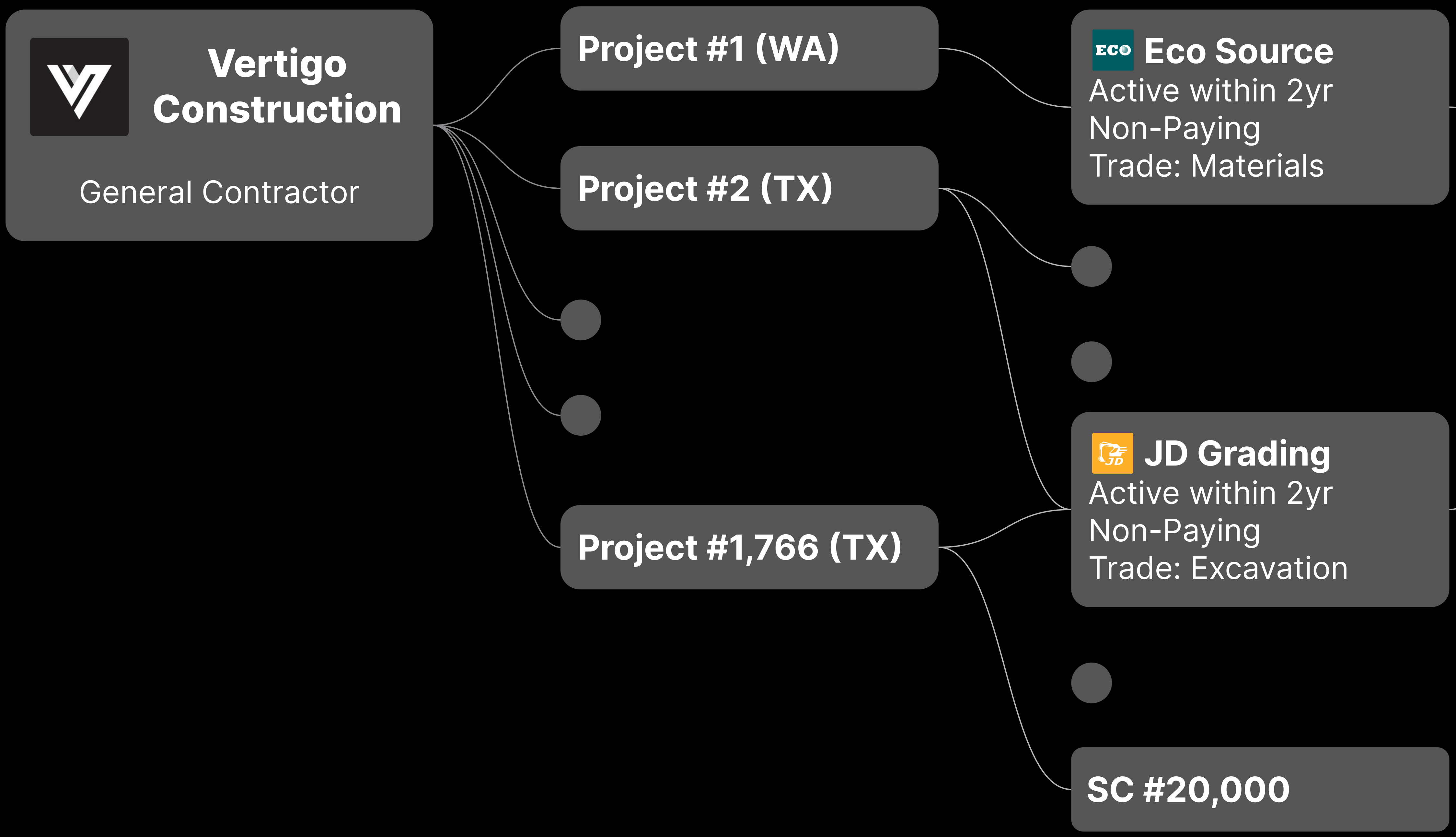
Construction is **Massive & Growing**

Construction is **Highly Diversified**

Procore is in the **Early Innings of Penetration**

Construction Naturally Drives **Network Effects**

General Contractors As Gateway to Network



Collaborator	# of Projects Invited
Eco Source	756
Main Character Construction	131
RivCloud Healthcare	105
MKM Engineering	98
JD Grading & Excavation	89
Contract Flooring	88
TLD	84
Jackson Electric	84
Lumina Design	75
Captain Construction	65
Flying Airlines	64
RivCloud Healthcare	63
Midwest Tile & Flooring	57
First Stop MEP	47
SCC Architects	47
D&D Engineers	47
XYZ Instrumentation	46
Frame & Form Construction	44

Vertigo is a General Contractor and Procore customer.

Vertigo has hundreds of projects in Procore in all regions of the country.

Each Project has a network of Collaborators, but only some are Procore customers.

Vertigo's portfolio of projects has recurring collaborators providing exposure to Owners, SCs, Architects, Engineers & Suppliers.

Note: All characters, companies, and project data are fictional for storytelling purposes.

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Deep Dive #2: Platform & Product

Procore's Platform

Steve Davis
President,
Product & Technology

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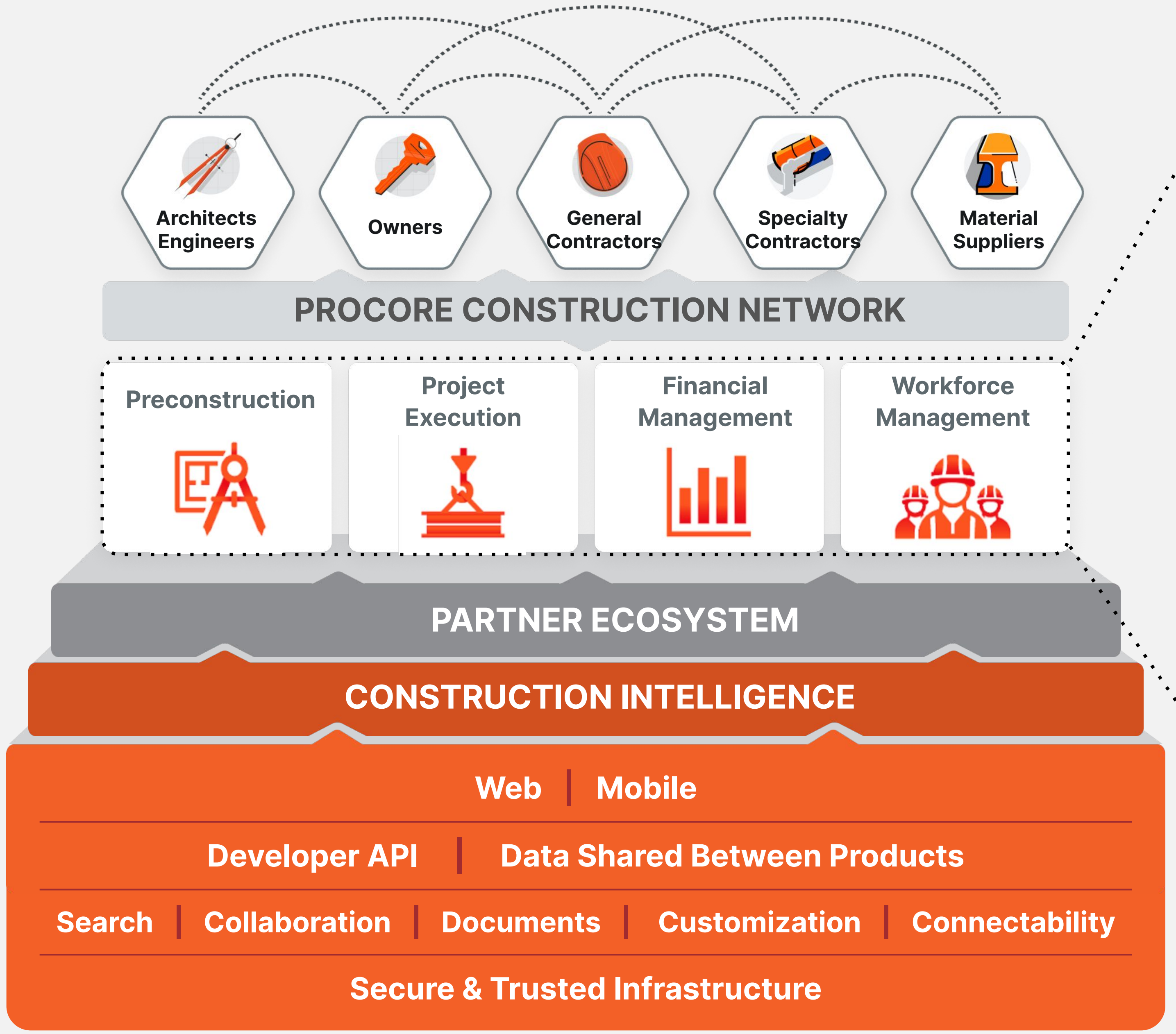
Procore Was Built in the Cloud for Construction

THE PROCORE PLATFORM



Preconstruction

- **Prequalification**
- **Bid Management**
- **Estimating**

Project Execution

- **Project Management**
- **Quality & Safety**
- **Design Coordination**
- **BIM**

Workforce Management

- **Field Productivity**
- **Workforce Planning**

Financial Management

- **Project Financials**
- **Invoice Management**
- **Accounting Integrations**
- **Procore Pay**

Construction Intelligence

- **Analytics**
- **Copilot & AI** *(Coming Soon)*

100%

Cloud-Based

Procore's Open Platform Enables Network Effects Across Partners, Collaborators, and Customers

Usage

400,000+
Monthly Mobile App Users

1,000,000+
Monthly Web Users

Open Platform

520,000+
Collaborator Companies[1]

11+
Petabytes of Data

15,700+
Customers

2+ Billion
Open API Calls Per Month

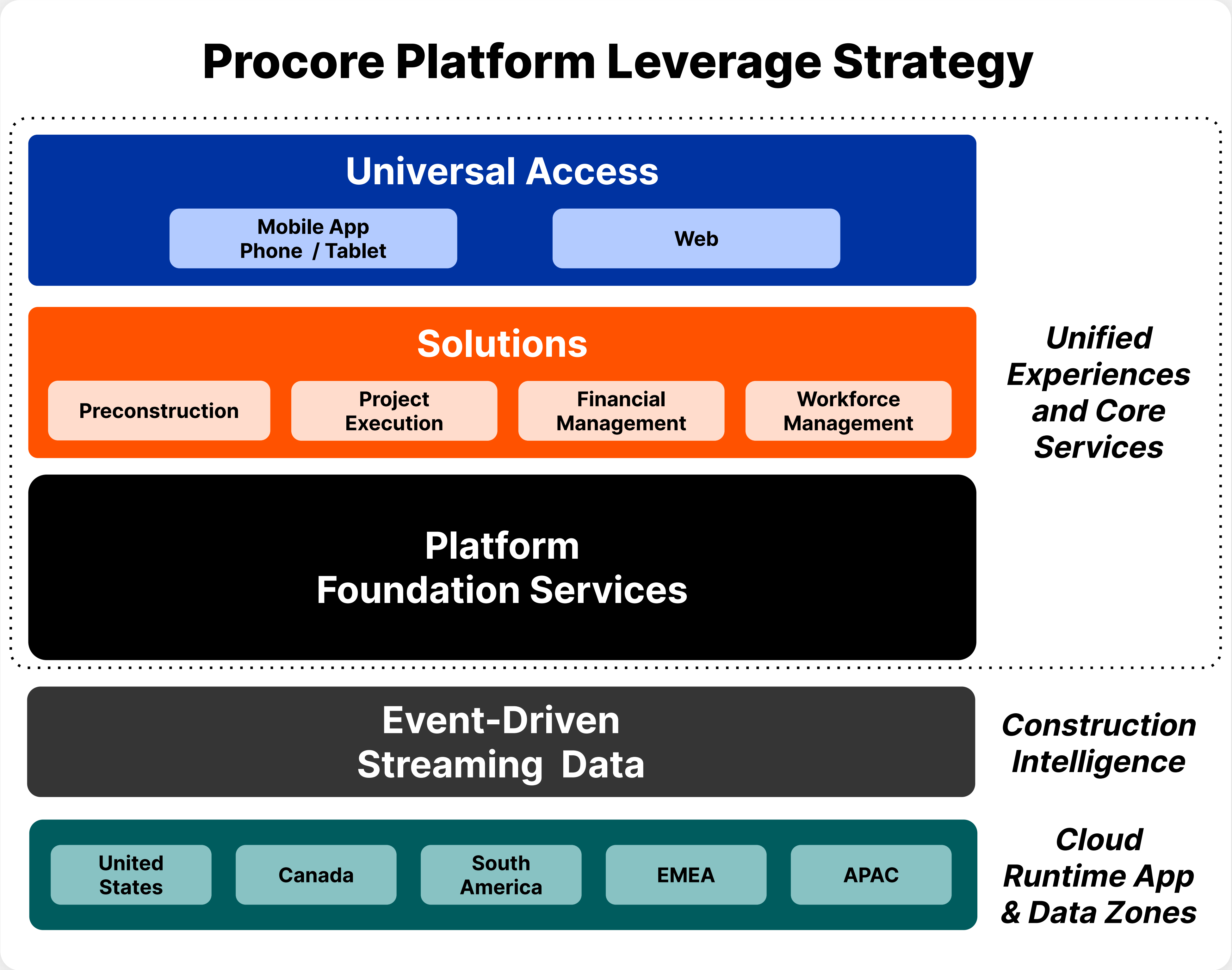
Cloud Connector
Your Data, Your Cloud

500+ App Marketplace Integrations

Accounting: sage	Accounting: CMiC	Accounting: ORACLE NETSUITE	Accounting: ORACLE JD EDWARDS	Accounting: Acumatica
Accounting: Procore to Viewpoint® Spectrum®	Accounting: Procore to Viewpoint® Vista™	Analytics: tableau	Analytics: Power BI	Asset Management: AkitaBox
BIM: CLASH	Climate Tech: Building Transparency	CRM: salesforce	Document Management	Document Management
Estimating	Field Communication	Field Communication	Legal & Compliance: DocuSign	480+ more

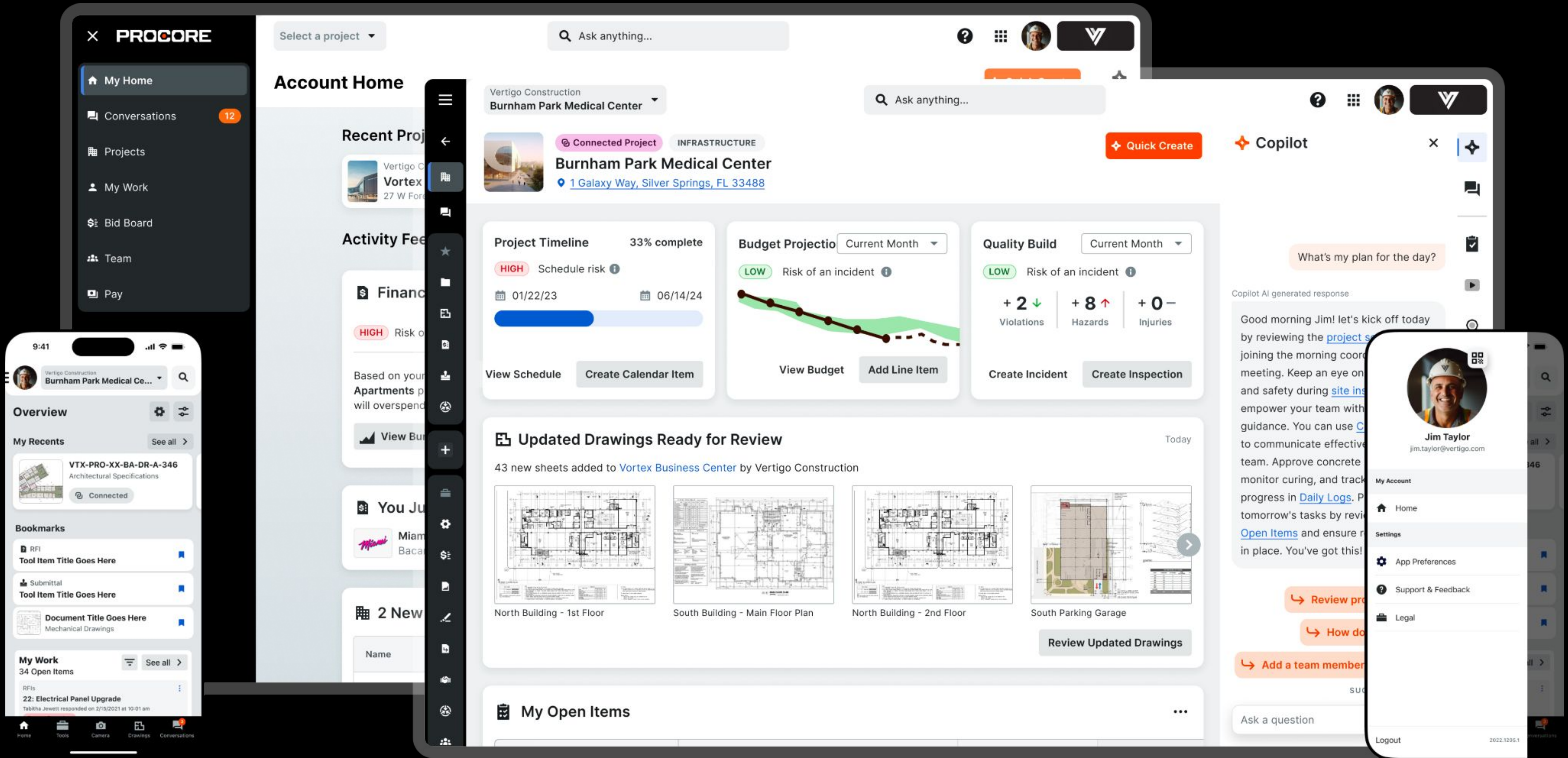
Note: [1] Includes general contractors, specialty contractors, owners, architects, engineers, suppliers, and insurers.

Platform Tech Strategy Enabling Leverage, Scale, and AI Readiness



- Cloud app and data zone strategy enabling global scale and compliance
- Leverage of core platform services across all solutions
- Event-driven architecture enabling Generative AI at scale and in real time
- Helix Experience Container via Micro Front End Technology

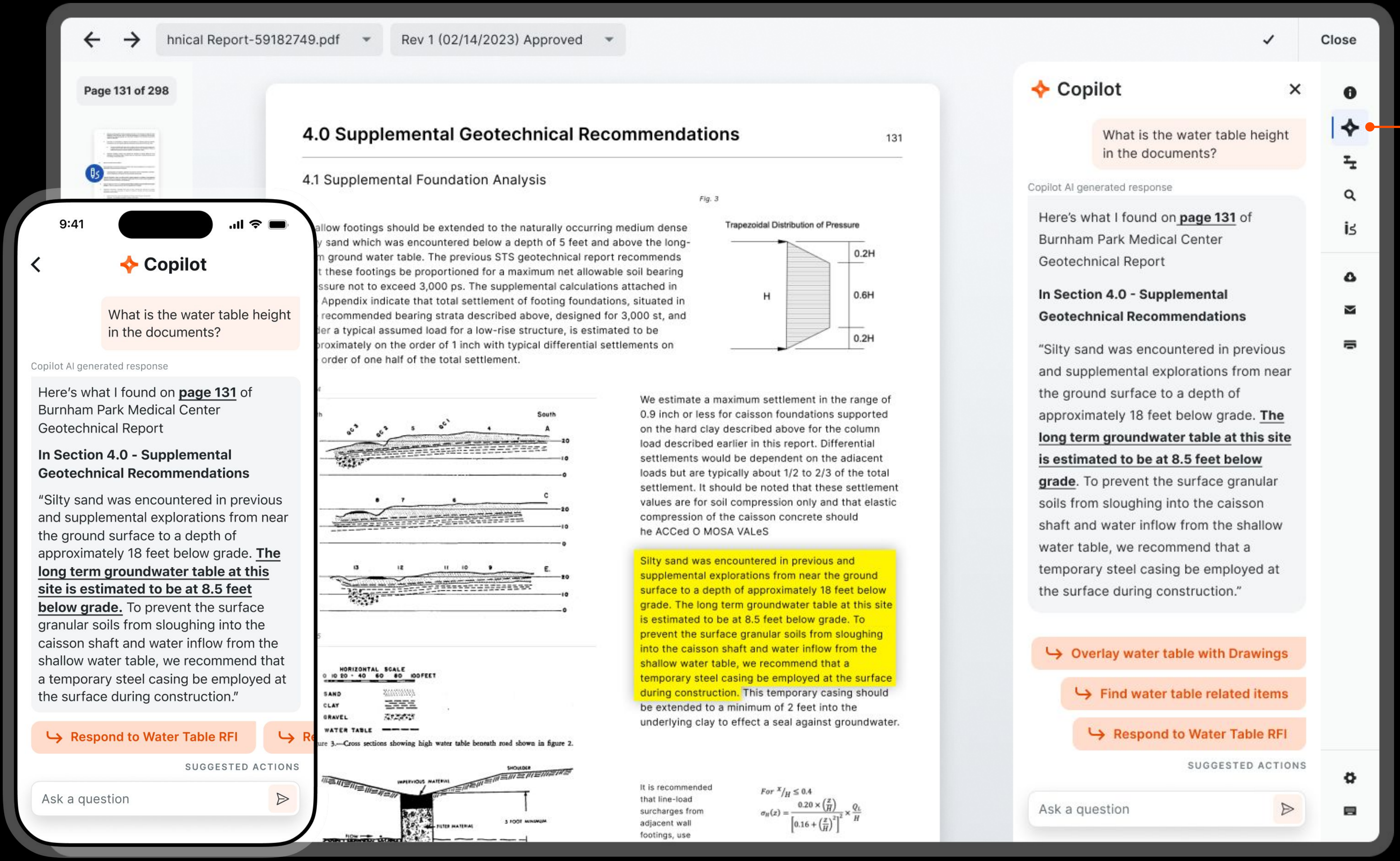
Delivering a Unified & Magical User Experience Through Our Helix Strategy



Contextual | Micro Experiences | AI Enabled

Copilot AI Intelligence Platform Using Generative AI

(Coming Soon)



Copilot Intelligence Platform

- Intelligent virtual assistant via our Generative AI Services
- Common capability across all solutions
- Documents, PDF's, Structured, Unstructured data
- Supporting multiple large language models at scale

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Deep Dive #2: Platform & Product

Procore's Products

Wyatt Jenkins
Chief Product Officer

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Construction Lifecycle

Connect everyone in construction on a global platform.

Preconstruction				Project Execution		Resource Management			Financial Management		Operations & Maint
Design Authoring	Design Mgmt	Bidding & Prequal	Estimating	Project Mgmt	Quality & Safety	Labor	Equipment	Materials	Project Financials	Invoicing & Payments	O&M

Preconstruction

Project Execution

Workforce Management

Financial Management

PARTNER ECOSYSTEM
Connected Workflows Through Integrations & Services

CONSTRUCTION INTELLIGENCE
Full Lifecycle Insights on a Single Platform

THE PROCORE PLATFORM

Web | Mobile

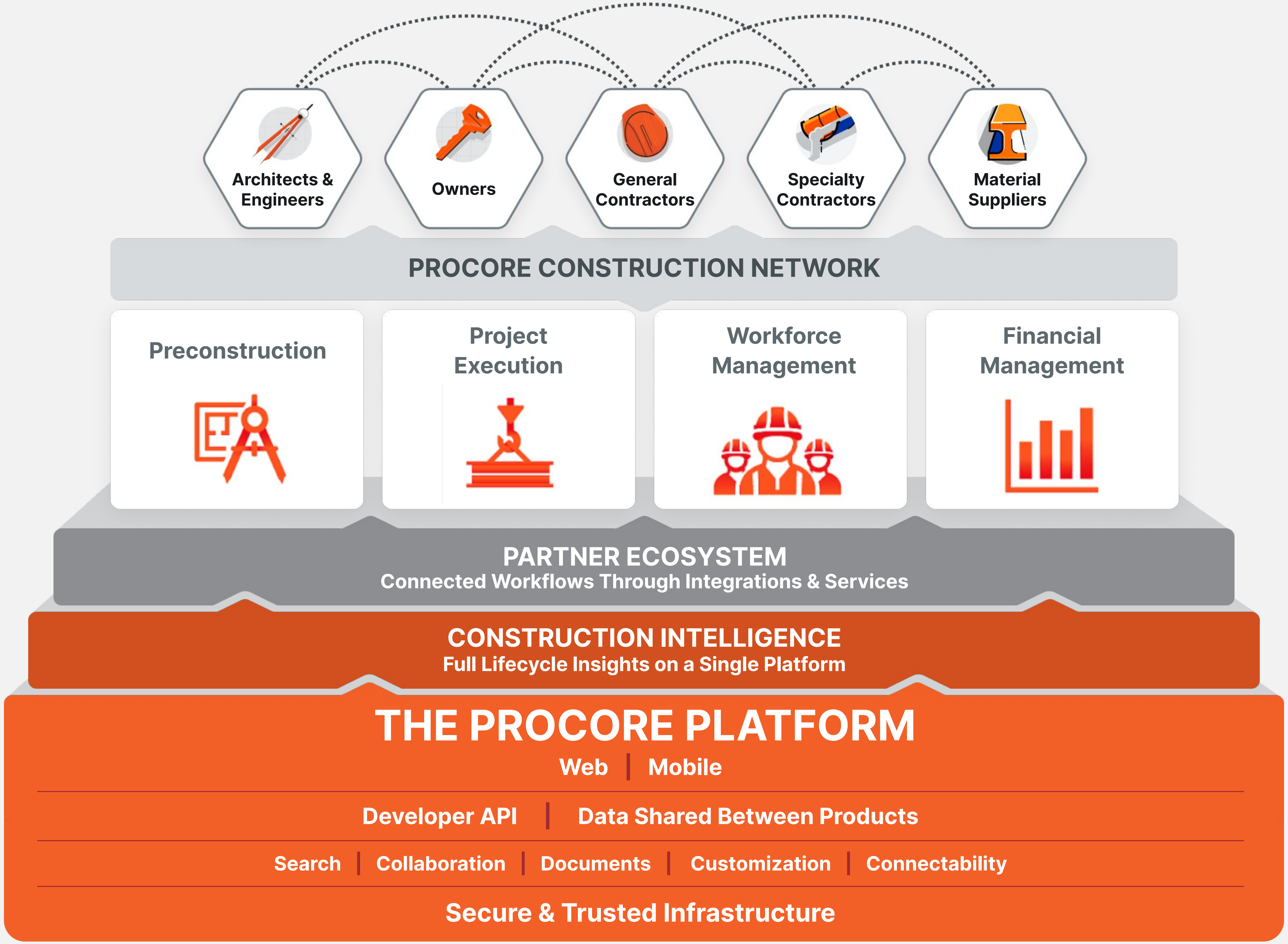
Developer API | Data Shared Between Products

Search | Collaboration | Documents | Customization | Connectability

Secure & Trusted Infrastructure

PROCORE

The Procore Platform



General Contractors Are Supernodes in the Network

Example Project Types

- Multi-Family
- Office
- Commercial
- Healthcare
- Education
- Transportation
- Power
- Manufacturing

17,000+
Company Directory Entries for an Example Enterprise GC

520,000+
Collaborator Companies: GCs, SCs, Owners, Architects, Engineers, Suppliers, & Insurers

40%+
of New Logos in H1'23 Were Initially Free Collaborators within Procore

Vertigo Construction

Project Type:	**Office Building**
Location:	**Midwest, USA**
Owner:	**TLD Research**
Size:	**~$45M**
Architect:	**Lumina Design**

Collaborator Companies

32	**Total**
6 (19%)	Procore Customers
26 (81%)	Non-Customers
4	ENR 400 Companies

Midwest Media Center

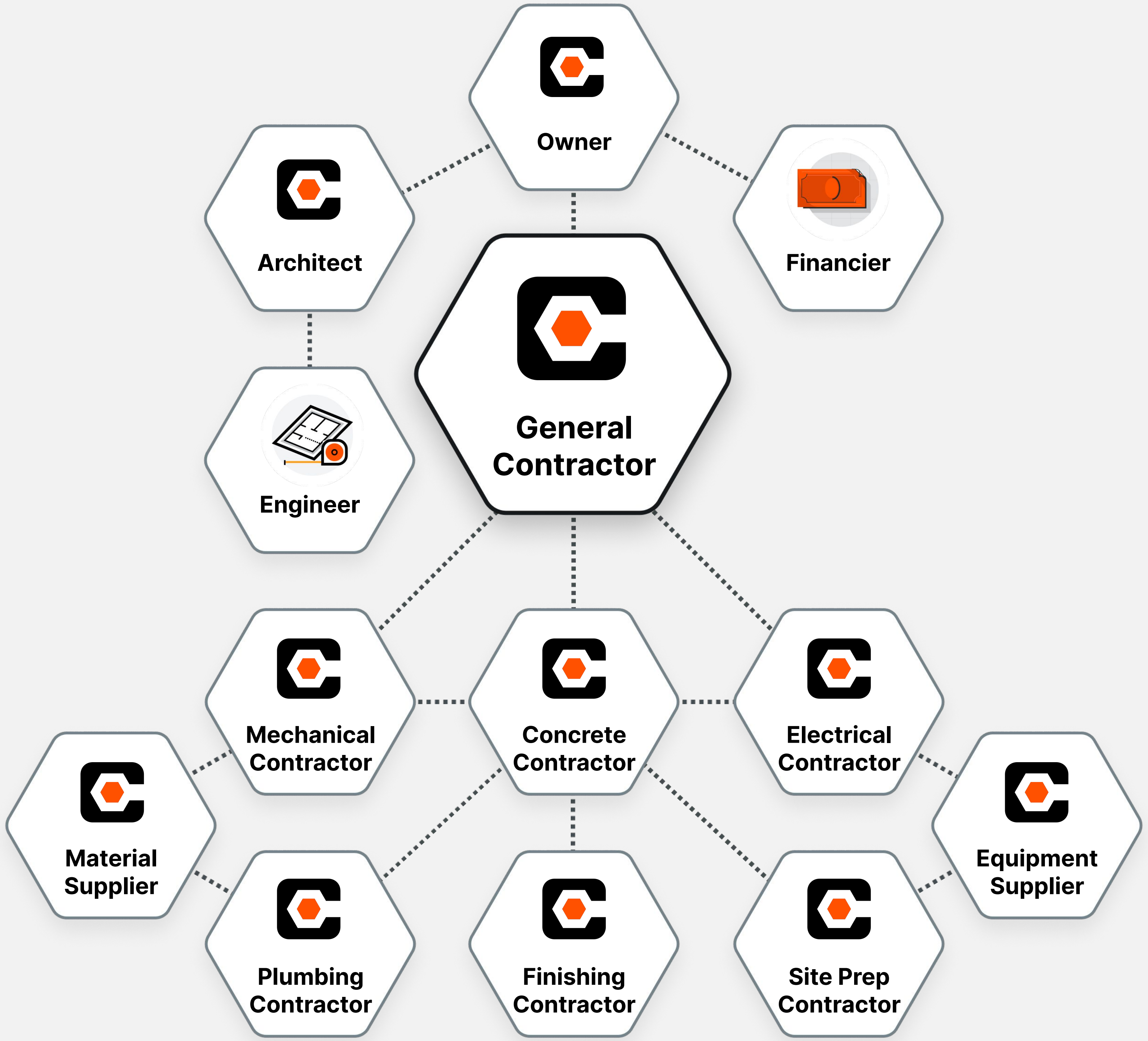
Note: All characters, companies, and project data are fictional for storytelling purposes.

Procore Connectability

Enables Customers to collaborate on projects across accounts.

Allows Collaborators to easily retain project data within their own account.

Creates unique value for all participants on the network.



How We Deliver Unique Value to Each Stakeholder

	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	Workforce Management	Project Financials
2	Project Financials	Project Management	Analytics
3	Quality & Safety	Project Financials	Project Management
4	Invoice Mgmt & Pay	Estimating	Bid Management 2.0
5	Analytics	Quality & Safety	Quality & Safety

Note: Based on Procore research.

Global Value for Stakeholders

Top Market Needs

Project Management

- Document Management
- Correspondence Management

Building Information Modeling (BIM)

Quality & Safety

- Action Plans

Project Financials

- Multi-Currency

Hard to Copy Differentiators

Built Natively, End to End Construction Lifecycle

Collaboration Network Effects

Round-Tripping Data & Insights

Financials and ERP Connectors

Procore Pay Extends Financial Network Effects

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Deep Dive #2: Platform & Product

Procore Pay

Geoff Lewis
Vice President,
Product Management

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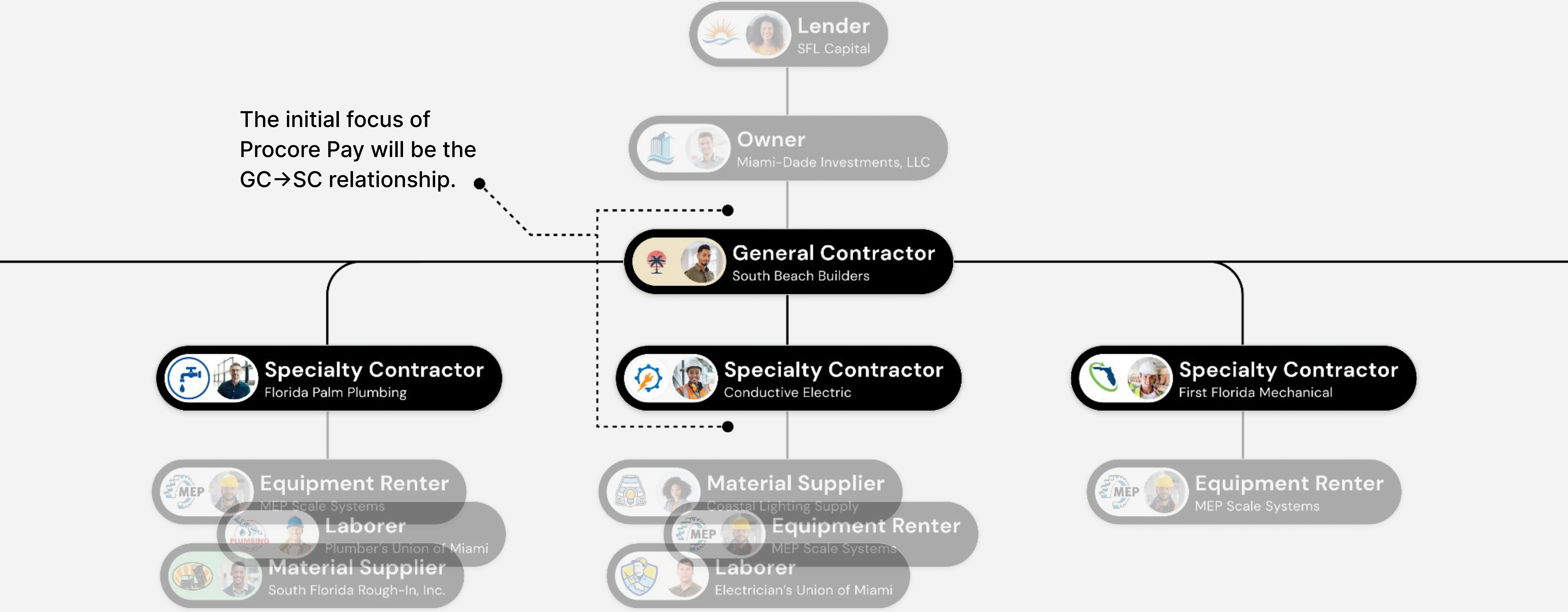
The Current State of Construction Payments

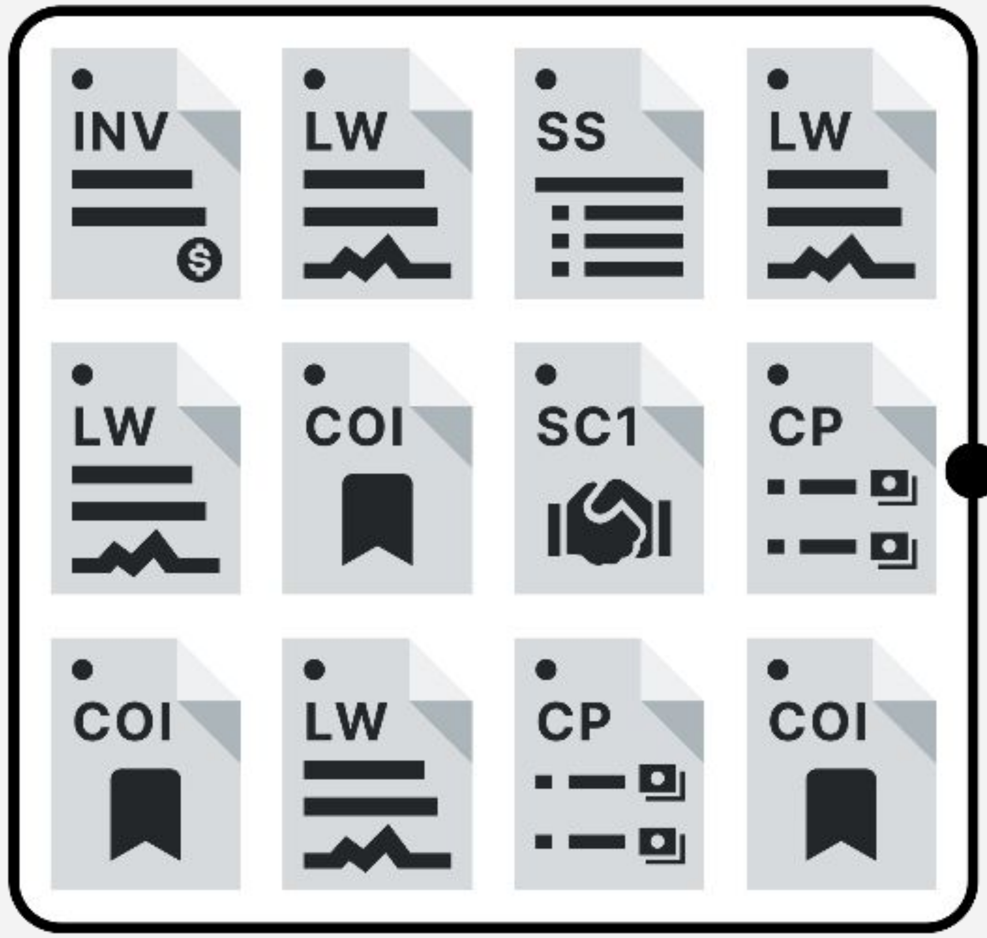
The initial focus of Procore Pay will be the GC→SC relationship.



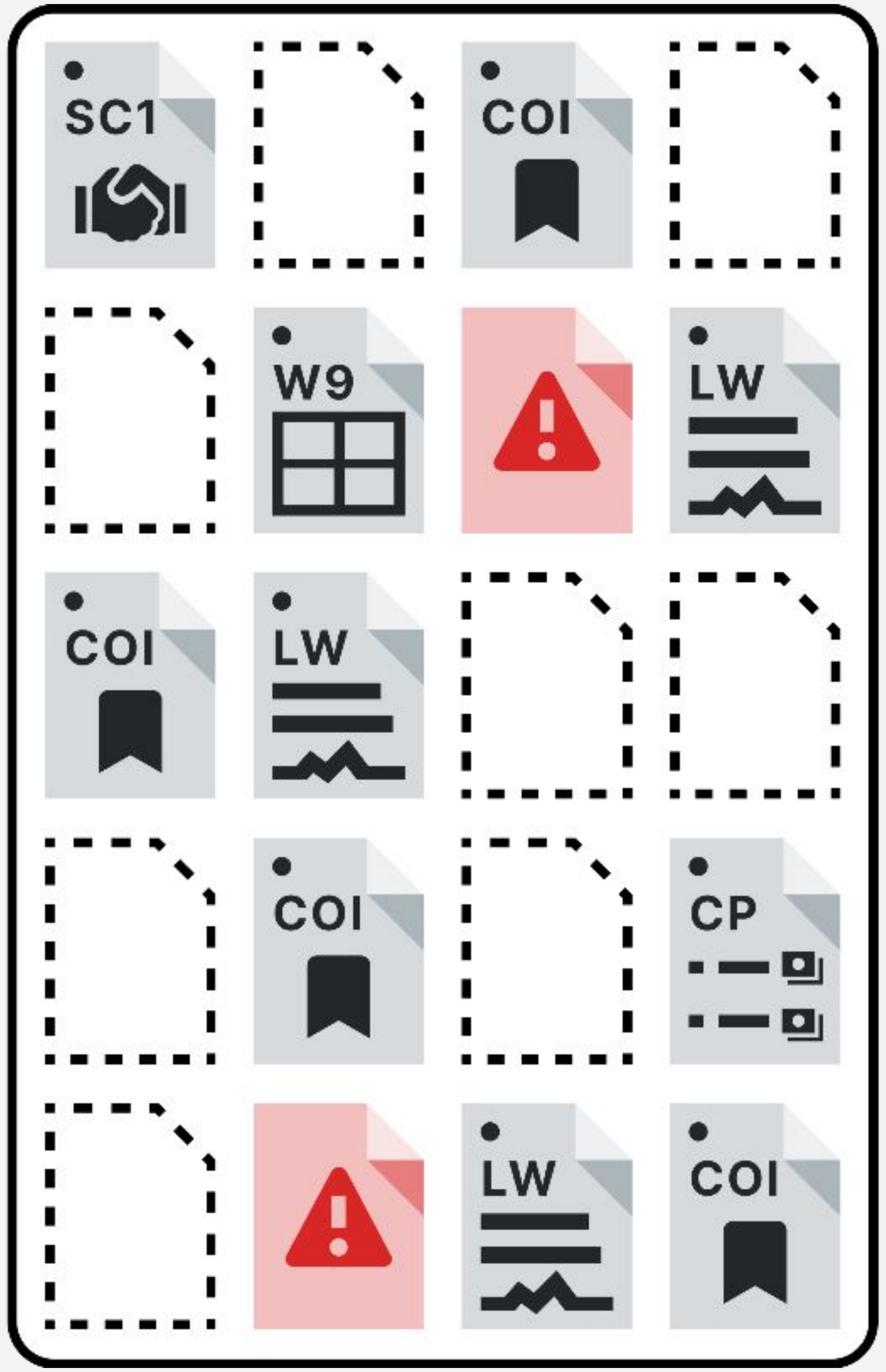
Note: All characters, companies, and project data are fictional for storytelling purposes.

The Current State of Construction Payments

SC's Pay Application



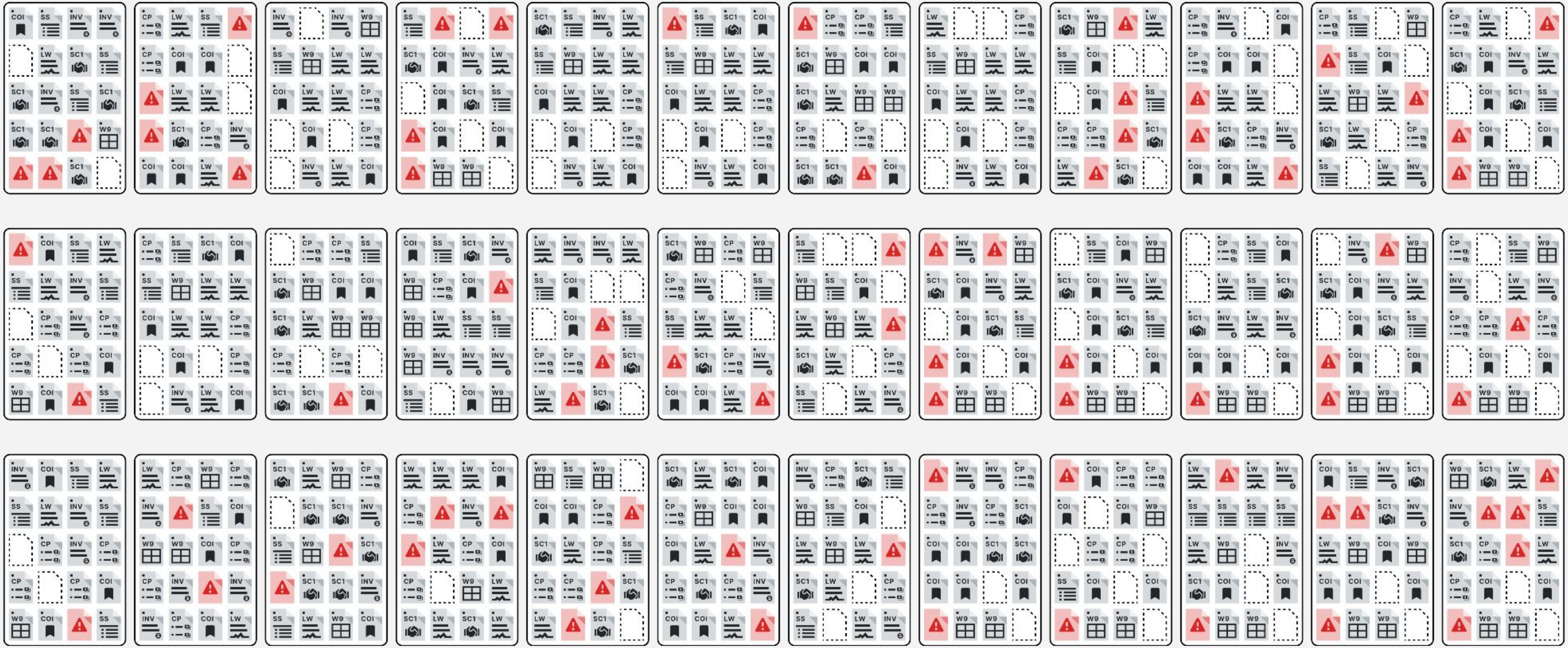
GC's Pay Application Expectations



When SCs submit pay applications, they are attempting to meet the GC's expectations with limited visibility into what documentation the GC already has and what the GC needs.

The Current State of Construction Payments

Managing dozens of incoming pay apps across dozens of projects is extremely painful for GCs.



The Construction Payment Process is Unique

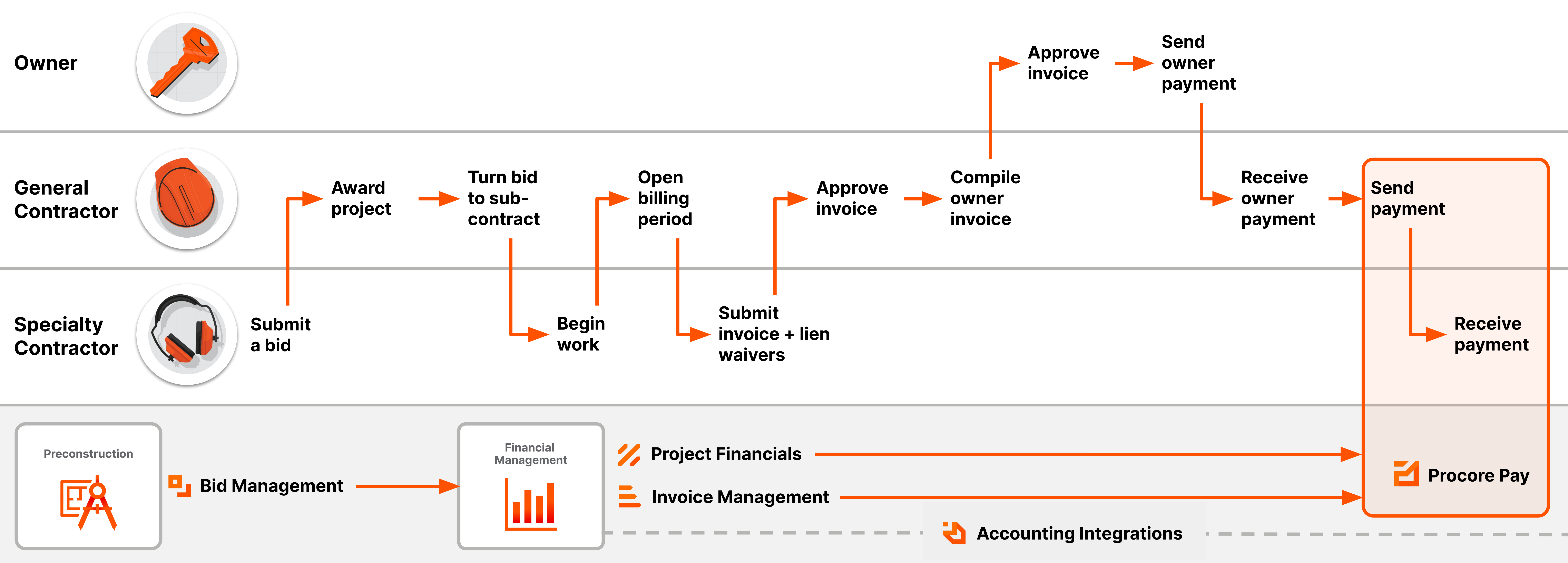
Generic invoicing and payments solutions do not solve for the construction use case.

Invoicing for Project Teams	Contract Compliance	Conditional Lien Waivers
Lien Waiver Lockboxes	Invoicing for Accountants	Unconditional Lien Waivers
Insurance Tracking	Sworn Statements	Payment Requirements
Sub-Tier Tracking	Sub-Tier Lien Waivers	ERP Integrations
Owner Invoicing	Contract Execution	Invoice Workflows

→ Moving money

15+ processes must be supported before processing payments truly matters.

Procore Pay Builds on Everything That Procore Already Does for Our Customers



Pay

Procore Pay completely reimagines this process and eliminates the pain.

	Invoice No.	Company	Payment Requirements		Amount Due
			Requirements	Manual Holds	
Golden Sands Ocean Club					$3,106,210.65
10/01/23 - 10/30/23					$1,570,702.88
☐	001	Conductive Electric	6/10	1 applied	$119,870.18
☑	003	Florida Palm Plumbing	10/10		$151,691.61
☐	002	First Florida Mechanical	9/10		$275,072.13
☑	003	Dade Framing	10/10		$34,716.11
☑	007	Heat Wave HVAC	10/10		$59,188.45
☐	001	Gulf Drywall	9/10		
☑	006	Peninsula Concreters	10/10		[illegible]
☐	005	SF Excavation	9/10		$519,739.55

Authorize Payments

Note: All characters, companies, and project data are fictional for storytelling purposes.

Pay

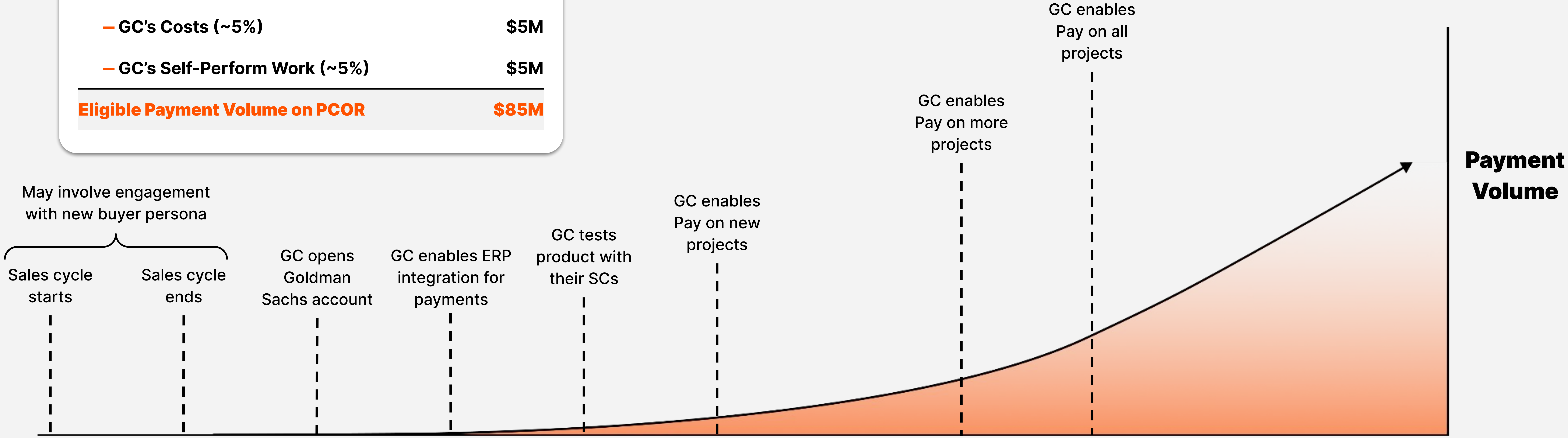
Launched September 2023

Available to select US-based General Contractors who currently use Invoice Management

Pay Opportunity Considerations

Illustrative General Contractor

Annual Construction Volume on PCOR	**$100M**
– GC's Margin (~5%)	$5M
– GC's Costs (~5%)	$5M
– GC's Self-Perform Work (~5%)	$5M
Eligible Payment Volume on PCOR	**$85M**



Expected Time to Full Ramp (6 to 24 months)

Note: Not to scale

PROCORE

Will Offer Multiple Pricing Models

GC Chooses

Standard Pricing Model		Shared Cost Model
• Midmarket & SMB GCs • Typically underserved by existing solutions	**Likely Interest From**	• Enterprise GCs • Typically comfortable with this pricing model due to existing options in the market
• GC pays typical annual SaaS fee on annual construction volume (ACV)	**Payor Monetization**	• GC pays smaller annual SaaS fee on annual construction volume (ACV)
• None	**Payee Monetization**	• SC pays fees per project (up to a cap)
• Higher upfront ARR • Low/no usage fees • Typical RPO→Revenue conversion timing	**Potential Financial Impact**	• Lower upfront ARR • Higher usage fees • Transactional revenue contribution (minimal activity booked to RPO)

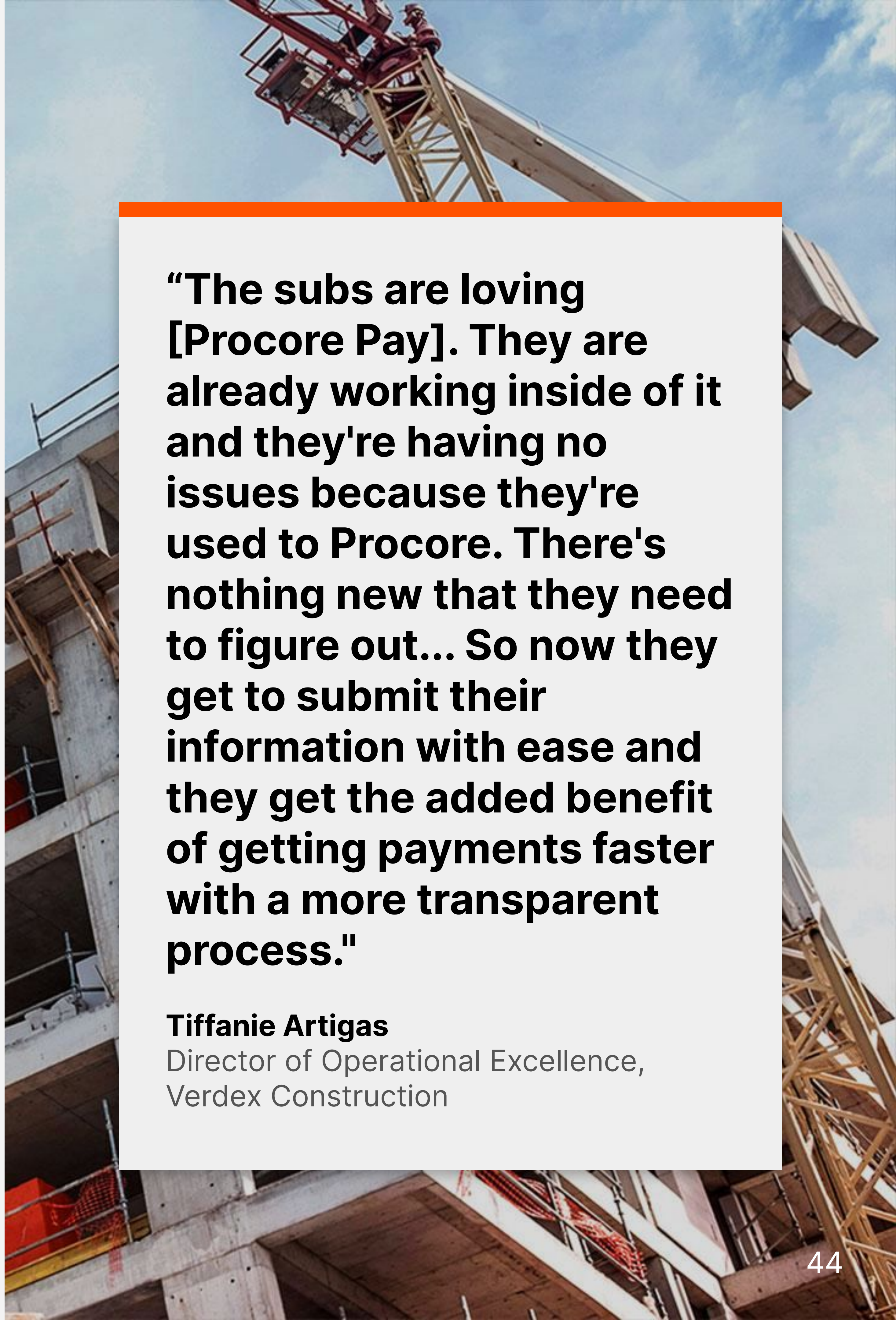
Procore Pay Represents an Attractive Opportunity

Provides Cross-Sell Opportunities
Opportunity to cross-sell Pay to existing customers and drive further adoption of other Financials products

Drives Platform Stickiness
Potential for high customer lifetime value due to connected, embedded payment workflows

Fuels Network Effects
Leveraging and building on collaborator network effects to accelerate the Procore flywheel

Future Fintech Opportunities
Opens up future potential fintech opportunities (e.g., early pay, factoring) to solve working capital challenges



“The subs are loving [Procore Pay]. They are already working inside of it and they're having no issues because they're used to Procore. There's nothing new that they need to figure out... So now they get to submit their information with ease and they get the added benefit of getting payments faster with a more transparent process."

Tiffanie Artigas
Director of Operational Excellence, Verdex Construction

— INVESTOR DAY 2023

Deep Dive #3: Fintech Update

PROCORE

Paul Lyandres
President of Fintech

PROCORE
Risk Advisors

PROCORE
Capital

Insurance

Problem Statement:

- **Insurance processes are 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 Risk Advisors

Procore Is Serving As...

Broker

- Sell policies from third-party carriers
- Earn brokerage commission (varies by policy type)
- Leverage proprietary industry data to enhance applications

Underwriting Agent
(for select policies)

- Partner with carriers (who assume claims risk) to evaluate policies
- Provide additional industry expertise & risk data in exchange for share of premiums

*In both scenarios, Procore assumes **zero balance sheet risk to claims***

Validating Our Theses:

1. **Construction industry & insurance carriers see the value in our data, brand, and customer relationships and are willing to partner with us**
2. **We can disrupt long-standing insurance relationships by providing superior value proposition**

Early Progress & Learnings

30+

Carrier relationships

150+

First meetings with customers since launch of Procore Risk Advisors

↓ **26-40%**

Lower incident rate[1] for Procore customers compared to construction industry average

↓ **22-39%**

Lower lost days rate[2] for Procore customers compared to construction industry average

1. Getting sufficient coverage at a reasonable price is a **clear pain point for customers**
2. Customers **understand our vision** and **recognize why data is important**
3. There has been **strong early interest** in our offering
4. Early sales cycles reflect **deep existing broker relationships**

Source: Procore Risk Advisors, Frost & Sullivan Study: Risk Data Uncovered. [1] Reflects Total Recordable Incident Rate (TRIR), which is an Occupational Safety and Health Administration (OSHA) calculation based on the number of recordable incidents per 100 full-time workers annually. Reduction in TRIR varies by Procore usage score. [2] Reflects Days Away, Restricted, or Transferred (DART) rate, which is an OSHA calculation based on the number of recordable incidents per 100 full-time workers annually that result in time away from work, restricted job roles/tasks, or permanent transfer to a new position. Reduction in DART rate varies by Procore usage score.

"I am a construction attorney and **have been following the growth of Procore's brokerage and risk management initiatives over the past year.**

I believe that there is often **a major disconnect between the clients I represent and the brokers/agents they use to seek out and purchase insurance products.** [...] **Your average insurance broker just does not grasp the multitude of interrelated risks faced by dynamic, ambitious construction firms** and others providing services in the constantly changing design/development/construction space."

Construction Attorney

"Now I have to call my broker and break the news. I really like him, but **you can't argue with the results here**."

Surety Customer

Continuing to Prove Out Our Thesis

Insurance Is a Relationship-Based Business

50%

of customers surveyed are **interested in purchasing construction insurance coverage through Procore**

72%

of customers surveyed are **satisfied with their current insurance agent**

Our Focus Going Forward:

1. Educating the industry on **what a modern broker can truly do for their business**
2. Conveying **the value of our proprietary industry data** to carriers for risk evaluation
3. Opportunity to **offer SaaS products together with an insurance solution** to meaningfully reduce the cost of insurance
4. Utilizing **our brand & distribution network** to **build initial customer proof points**

Source: Procore research. Note: Based on Procore survey of 250 special contractor customers conducted in 2021.

Working Capital

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 Capital

We Have Been Experimenting With…

Materials Financing

+ **~$50M** lifetime originations
+ Purchase materials from suppliers and sell to SCs on deferred payment terms
+ Leverage available proprietary data during underwriting process
+ Secure our financing with lien rights
+ Collect upfront origination fee + weekly finance charge
+ Expect to get paid back in full when SC is paid
+ Committing to small amount of capital (<10% of cash on balance sheet) to build our "gametape"

And Are Actively Evaluating…

Early Pay/Factoring

+ **Up to ~90 days** on average[1] for SCs to get paid once invoice is approved
+ Massive invoice flow already captured on Procore platform
+ Can initially leverage 3rd-party capital partner without incurring balance sheet risk
+ Procore can pay out approved invoices to SCs early, collect a fee, and recoup payment once GC is paid
+ Potential to leverage Procore Pay payment flows
+ Potential for more efficient monetization

Determining the Optimal Approach

1. **Long term, our intent is not to scale on our own balance sheet**
2. **We are evaluating the most attractive, efficient approach to solving the working capital problem statement**

Source: PWC Working Capital Report (2019/2020): Creating Value Through Working Capital. Note: All statistics as of June 30, 2023.
[1] Reflects median days sales outstanding (DSO) for the engineering & construction industry.

— INVESTOR DAY 2023

Deep Dive #4: Financial Philosophy

PROCORE

Howard Fu
CFO & Treasurer

My CFO Priorities

Capital Allocation

Operational Excellence

Growth & Monetization

Financial History & Context

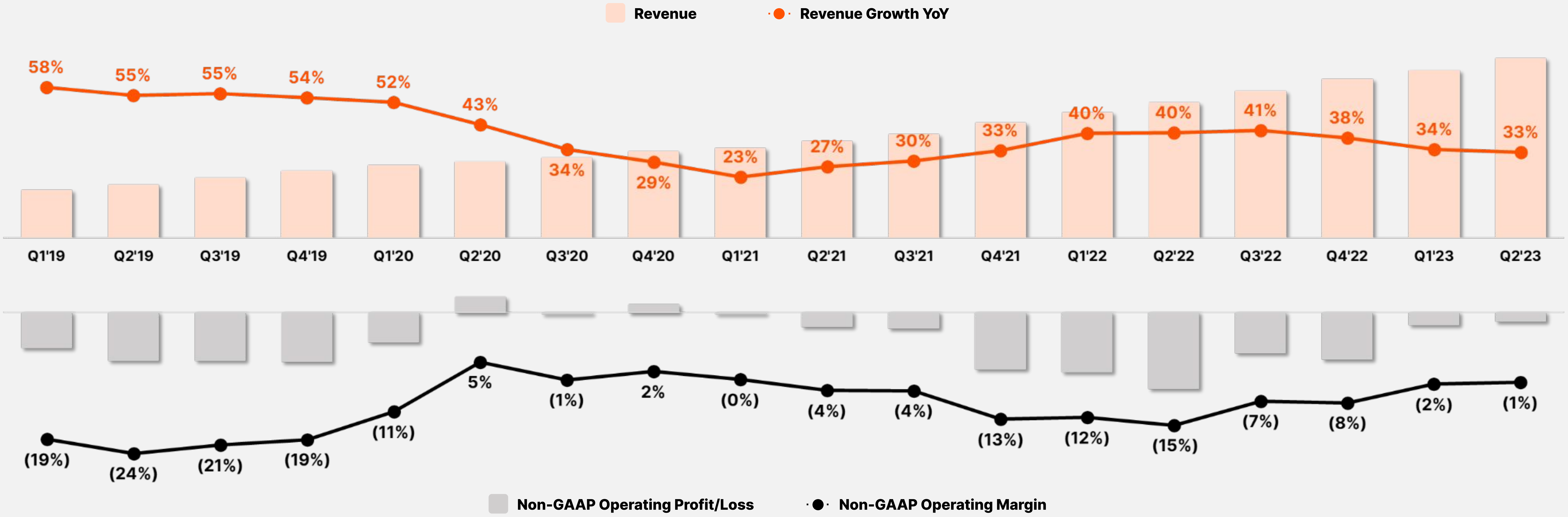
2019: Strong Growth Year
Focus on driving topline growth

2020: COVID
Impact on growth
Scaling back on spend

2021: Recovery
Growth reaccelerates
"Ramp up" of investments

2022: Strong Growth Year
Pent-up demand post-COVID
Add'l "ramp up" of investments
Levelset impact to top & bottom line

2023: Tougher Demand Environment
Growth normalizes
"Catch up" on margin



Note: All financial figures are non-GAAP. Shows fiscal year non-GAAP operating profit/(loss) and non-GAAP operating profit/(loss) as a % of revenue. Non-GAAP operating expenses and operating margin are calculated as operating expenses excluding stock-based compensation, amortization of acquired intangible assets, employer payroll tax related to employee stock transactions, and acquisition-related expenses. 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.

Financial Framework

*How we intend to manage our financials in **stronger vs. weaker** economic conditions. Framework relevant over **next few years.***

Potential Drivers	Further macro deterioration Tighter financing environment		Economic tailwinds Digitization catalysts
Revenue Growth % YoY	**Low 20's**	**High 20's / Low 30's**	**Mid 30's**
Non-GAAP Operating Margin	**500-600 bps** expansion per year on average	**~350 bps** expansion per year on average	**100-200 bps** expansion per year on average
Free Cash Flow Margin	**Slightly lower expansion** than Non-GAAP op margin	**In line expansion** with Non-GAAP op margin	**Slightly higher expansion** than Non-GAAP op margin
GAAP Operating Margin		**Higher expansion than Non-GAAP operating margin**	
Share Count Dilution %	**Very low single-digits**		**Low single-digits**

Note: Non-GAAP operating expenses and operating margin are calculated as operating expenses excluding stock-based compensation, amortization of acquired intangible assets, employer payroll tax related to employee stock transactions, and acquisition-related expenses. 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.

CFO Priorities → FCF Per Share Growth

Accelerating
Free Cash Flow Per Share

Capital Allocation

- Ensure resources are allocated to the highest-ROI opportunities
- Strategically sequence the timing of investments and associated returns to foster sustainable growth
- Thoughtfully balance cash vs. equity when evaluating both organic and inorganic investment opportunities

Operational Efficiency

- S&M: Improve GTM motions with consideration for growth-adjusted CACs
- R&D: Drive leverage via foundational platform capabilities
- G&A: Scale via automation and lower cost service centers

Growth & Monetization

- New logo acquisition in both the U.S. and International
- Expand existing customers
  - Upsell via additional construction volume
  - Cross-sell via new products
- Optimize product development → GTM execution cycles

Break

Executive Q&A

Thank You

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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. The aforementioned customer count metrics exclude customers acquired from Levelset and Esticom that have not yet been renewed onto standard Procore annual contracts. Remaining Levelset and Esticom legacy customers will be included in our customer metrics once they are renewed onto standard Procore annual contracts or upon integration of the sales process.

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, and D&B Hoovers data. ACV capture rates reflect construction volume run by customers on Procore products as of December 31, 2022, as a percentage of the total estimated ACV in Procore's addressable markets. Logo capture rates reflect our customer count as of December 31, 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 December 31, 2022, or that which we are negotiating a subscription renewal for. Our estimates are based on latest available annual data and are limited to the following countries: Australia, Canada, France, Germany, Ireland, Italy, New Zealand, Saudi Arabia, Spain, United Arab Emirates, United Kingdom, United States. Please note that more countries are served than represented by our data.

GAAP to Non-GAAP Reconciliation

(dollars in thousands)	FY19	FY20	FY21	FY22	Q1'23	Q2'23
Revenue	**$ 289,194**	**$ 400,291**	**$ 514,821**	**$ 720,203**	**$ 213,526**	**$ 228,536**
Reconciliation of gross profit and gross margin to non-GAAP gross profit and non-GAAP gross margin:						
GAAP gross profit	**$ 236,028**	**$ 328,628**	**$ 416,509**	**$ 571,787**	**$ 173,324**	**$ 186,232**
Stock-based compensation expense	1,095	1,722	8,094	7,253	2,496	2,880
Amortization of acquired technology intangible assets	1,643	3,315	7,522	22,428	5,493	5,493
Employer payroll tax on employee stock transactions	7	7	457	308	167	139
Acquisition-related expenses	-	-	2	-	-	-
Restructuring related charges	-	127	-	-	-	-
Non-GAAP gross profit	**$ 238,773**	**$ 333,799**	**$ 432,584**	**$ 601,776**	**$ 181,480**	**$ 194,744**
GAAP gross margin	**82%**	**82%**	**81%**	**79%**	**81%**	**81%**
Non-GAAP gross margin	**83%**	**83%**	**84%**	**84%**	**85%**	**85%**
Reconciliation of operating expenses to non-GAAP operating expenses:						
GAAP sales and marketing	**$ 173,472**	**$ 189,032**	**$ 308,511**	**$ 424,976**	**$ 117,363**	**$ 125,362**
Stock-based compensation expense	(7,463)	(13,385)	(68,755)	(53,397)	(13,104)	(14,470)
Amortization of acquired technology intangible assets	(728)	(1,728)	(3,600)	(12,425)	(3,107)	(3,106)
Employer payroll tax on employee stock transactions	(71)	(205)	(2,325)	(1,955)	(999)	(618)
Acquisition-related expenses	-	-	(488)	(1,725)	(906)	(548)
Restructuring related charges	-	(1,824)	-	-	-	-
Non-GAAP sales and marketing	**$ 165,210**	**$ 171,890**	**$ 233,343**	**$ 355,474**	**$ 99,247**	**$ 106,620**
GAAP sales and marketing as a percentage of revenue	**60%**	**47%**	**60%**	**59%**	**55%**	**55%**
Non-GAAP sales and marketing as a percentage of revenue	**57%**	**43%**	**45%**	**49%**	**46%**	**47%**

Note: Fiscal year ends on December 31 of each respective year. Numbers may not foot due to rounding.

GAAP to Non-GAAP Reconciliation (Cont.)

(dollars in thousands)	FY19	FY20	FY21	FY22	Q1'23	Q2'23
GAAP research and development	**$ 87,022**	**$ 124,661**	**$ 237,290**	**$ 270,982**	**$ 80,036**	**$ 73,216**
Stock-based compensation expense	(6,584)	(12,930)	(85,040)	(63,262)	(19,781)	(16,270)
Amortization of acquired technology intangible assets	-	(721)	(2,674)	(3,528)	(734)	(675)
Employer payroll tax on employee stock transactions	(16)	(88)	(2,606)	(2,474)	(1,356)	(891)
Acquisition-related expenses	-	-	(1,348)	(5,549)	(5,984)	(204)
Restructuring related charges	-	(1,681)	-	-	-	-
Non-GAAP research and development	**$ 80,422**	**$ 109,241**	**$ 145,622**	**$ 196,169**	**$ 52,181**	**$ 55,176**
GAAP research and development as a percentage of revenue	**30%**	**31%**	**46%**	**38%**	**37%**	**32%**
Non-GAAP research and development as a percentage of revenue	**28%**	**27%**	**28%**	**27%**	**24%**	**24%**
GAAP general and administrative	**$ 58,158**	**$ 73,465**	**$ 156,635**	**$ 166,283**	**$ 45,188**	**$ 46,383**
Stock-based compensation expense	(4,096)	(15,923)	(65,272)	(38,974)	(10,475)	(9,909)
Employer payroll tax on employee stock transactions	(18)	(272)	(1,127)	(1,202)	(632)	(503)
Acquisition-related expenses	(1,218)	(792)	(7,442)	(2,128)	-	-
Restructuring related charges	-	(801)	-	-	-	-
Non-GAAP general and administrative	**$ 52,826**	**$ 55,677**	**$ 82,794**	**$ 123,979**	**$ 34,081**	**$ 35,971**
GAAP general and administrative as a percentage of revenue	**20%**	**18%**	**30%**	**23%**	**21%**	**20%**
Non-GAAP general and administrative as a percentage of revenue	**18%**	**14%**	**16%**	**17%**	**16%**	**16%**
Reconciliation of loss from operations and operating margin to non-GAAP loss from operations and non-GAAP operating margin:						
GAAP loss from operations	**$ (82,624)**	**$ (58,530)**	**$ (285,927)**	**$ (290,454)**	**$ (69,263)**	**$ (58,729)**
Stock-based compensation expense	19,238	43,960	227,161	162,886	45,856	43,529
Amortization of acquired technology intangible assets	2,371	5,764	13,796	38,381	9,334	9,274
Employer payroll tax on employee stock transactions	112	572	6,515	5,939	3,154	2,151
Acquisition-related expenses	1,218	792	9,280	9,402	6,890	752
Restructuring related charges	-	4,433	-	-	-	-
Non-GAAP loss from operations	**$ (59,685)**	**$ (3,009)**	**$ (29,175)**	**$ (73,846)**	**$ (4,029)**	**$ (3,023)**
GAAP operating margin	**(29%)**	**(15%)**	**(56%)**	**(40%)**	**(32%)**	**(26%)**
Non-GAAP operating margin	**(21%)**	**(1%)**	**(6%)**	**(10%)**	**(2%)**	**(1%)**

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Note: Fiscal year ends on December 31 of each respective year. Numbers may not foot due to rounding.

Free Cash Flow Bridge

(dollars in thousands)	FY19	FY20	FY21	FY22	Q1'23	Q2'23
Revenue	**$ 289,194**	**$ 400,291**	**$ 514,821**	**$ 720,203**	**$ 213,526**	**$ 228,536**
Computation of free cash flow and free cash flow margin:						
Net cash (used in) provided by operating activities	$ (7,004)	$ 21,853	$ 36,730	$ 12,608	$ 29,275	$ (11,674)
Purchases of property and equipment	(13,054)	(7,202)	(12,383)	(15,782)	(2,173)	(2,521)
Capitalized software development costs	(14,936)	(11,764)	(15,248)	(33,648)	(7,951)	(9,400)
Non-GAAP free cash flow	**$ (34,994)**	**$ 2,887**	**$ 9,099**	**$ (36,822)**	**$ 19,151**	**$ (23,595)**
Non-GAAP free cash flow margin	**(12%)**	**1%**	**2%**	**(5%)**	**9%**	**(10%)**

Note: Fiscal year ends on December 31 of each respective year. Numbers may not foot due to rounding.

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