

**Procore Technologies, Inc.**  
**Condensed Consolidated Statements of Operations** *(unaudited)*

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(in thousands, except share and per share amounts)			
Revenue	\$ 302,048	\$ 260,041	\$ 1,151,708	\$ 950,010
Cost of revenue <sup>(1)(2)(3)</sup>	56,834	47,831	205,612	174,462
Gross profit	245,214	212,210	946,096	775,548
Operating expenses				
Sales and marketing <sup>(1)(2)(3)(4)</sup>	161,733	122,511	552,019	494,908
Research and development <sup>(1)(2)(3)(4)</sup>	89,289	74,611	312,987	300,571
General and administrative <sup>(1)(3)(4)</sup>	60,436	52,422	217,513	195,746
Total operating expenses	311,458	249,544	1,082,519	991,225
Loss from operations	(66,244)	(37,334)	(136,423)	(215,677)
Interest income	5,980	5,167	23,694	19,779
Interest expense	(460)	(480)	(1,899)	(1,957)
Accretion income, net	2,918	3,179	13,583	9,794
Other income (expense), net	(3,110)	649	(3,136)	(360)
Loss before provision for income taxes	(60,916)	(28,819)	(104,181)	(188,421)
Provision for income taxes	1,375	700	1,775	1,273
Net loss	\$ (62,291)	\$ (29,519)	\$ (105,956)	\$ (189,694)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.42)	\$ (0.20)	\$ (0.72)	\$ (1.34)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	149,202,684	144,074,303	147,444,772	141,961,467

- (1) Includes stock-based compensation expense and amortization of capitalized stock-based compensation as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(in thousands)			
Cost of revenue	\$ 4,422	\$ 3,134	\$ 15,478	\$ 11,491
Sales and marketing	15,333	13,198	58,058	55,162
Research and development	18,277	15,874	67,961	68,275
General and administrative	13,734	11,769	53,336	44,406
Total stock-based compensation expense*	\$ 51,766	\$ 43,975	\$ 194,833	\$ 179,334

\*Includes amortization of capitalized stock-based compensation of \$2.5 million and \$1.4 million, respectively, for the three months ended December 31, 2024 and 2023; and \$8.0 million and \$4.5 million, respectively, for the years ended December 31, 2024 and 2023, which was initially capitalized as capitalized software and cloud-computing arrangement implementation costs, and was primarily amortized in cost of revenue.

- (2) Includes amortization of acquired intangible assets as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(in thousands)			
Cost of revenue	\$ 6,698	\$ 5,904	\$ 25,437	\$ 22,396
Sales and marketing	3,224	3,106	12,700	12,425
Research and development	650	670	2,657	2,757
Total amortization of acquired intangible assets	\$ 10,572	\$ 9,680	\$ 40,794	\$ 37,578

- (3) Includes employer payroll tax on employee stock transactions as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(in thousands)			
Cost of revenue	\$ 126	\$ 101	\$ 612	\$ 540
Sales and marketing	360	383	3,227	2,766
Research and development	446	332	3,535	3,217
General and administrative	266	274	2,086	1,910
Total employer payroll tax on employee stock transactions	\$ 1,198	\$ 1,090	\$ 9,460	\$ 8,433

- (4) Includes acquisition-related expenses as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(in thousands)			
Sales and marketing	\$ —	\$ 481	\$ 1,448	\$ 2,483
Research and development	32	46	32	6,370
General and administrative	194	16	808	35
Total acquisition-related expenses	\$ 226	\$ 543	\$ 2,288	\$ 8,888

**Procore Technologies, Inc.**  
**Condensed Consolidated Balance Sheets** *(unaudited)*

	December 31,	
	2024	2023
	(in thousands)	
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 437,722	\$ 357,790
Marketable securities, current	337,673	320,161
Accounts receivable, net	246,472	206,644
Contract cost asset, current	33,922	28,718
Prepaid expenses and other current assets	47,013	42,421
Total current assets	1,102,802	955,734
Marketable securities, non-current	46,042	—
Capitalized software development costs, net	112,321	83,045
Property and equipment, net	43,592	36,258
Right of use assets - finance leases	31,727	34,375
Right of use assets - operating leases	28,790	44,141
Contract cost asset, non-current	47,505	44,564
Intangible assets, net	120,946	137,546
Goodwill	549,651	539,354
Other assets	20,918	18,551
Total assets	\$ 2,104,294	\$ 1,893,568
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities		
Accounts payable	\$ 36,069	\$ 13,177
Accrued expenses	88,740	100,075
Deferred revenue, current	584,719	501,903
Other current liabilities	21,427	27,275
Total current liabilities	730,955	642,430
Deferred revenue, non-current	5,815	7,692
Finance lease liabilities, non-current	41,352	43,581
Operating lease liabilities, non-current	32,697	37,923
Other liabilities, non-current	5,122	6,332
Total liabilities	815,941	737,958
Stockholders' equity		
Common stock	15	15
Additional paid-in capital	2,535,868	2,295,807
Accumulated other comprehensive loss	(2,737)	(1,375)
Accumulated deficit	(1,244,793)	(1,138,837)
Total stockholders' equity	1,288,353	1,155,610
Total liabilities and stockholders' equity	\$ 2,104,294	\$ 1,893,568

**Remaining performance obligation:**

The following table presents our current and non-current RPO at the end of each period:

	<u>December 31,</u>		<u>Change</u>	
	<u>2024</u>	<u>2023</u>	<u>Dollar</u>	<u>Percent</u>
(dollars in thousands)				
<b>Remaining performance obligations</b>				
Current	\$ 829,666	\$ 698,284	\$ 131,382	19 %
Non-current	456,801	302,215	154,586	51 %
Total remaining performance obligations	<u>\$ 1,286,467</u>	<u>\$ 1,000,499</u>	<u>\$ 285,968</u>	<u>29 %</u>

**Procore Technologies, Inc.**  
**Condensed Consolidated Statements of Cash Flows** *(unaudited)*

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(in thousands)			
<b>Operating activities</b>				
Net loss	\$ (62,291)	\$ (29,519)	\$ (105,956)	\$ (189,694)
Adjustments to reconcile net loss to net cash provided by operating activities				
Stock-based compensation	49,348	42,601	186,880	174,835
Depreciation and amortization	24,626	19,690	89,753	71,633
Accretion of discounts on marketable debt securities, net	(2,699)	(3,175)	(12,830)	(9,790)
Abandonment of long-lived assets	610	676	1,428	1,488
Noncash operating lease expense	3,196	5,160	11,102	13,092
Unrealized foreign currency loss (gain), net	2,009	(1,263)	2,304	(524)
Deferred income taxes	(885)	(776)	(881)	(769)
Provision for credit losses	(57)	1,170	591	8,052
Decrease (increase) in fair value of strategic investments	3	132	(454)	287
Changes in operating assets and liabilities, net of effect of asset acquisitions and business combinations				
Accounts receivable	(73,797)	(60,636)	(39,501)	(57,492)
Deferred contract cost assets	(5,776)	(4,207)	(8,993)	(9,306)
Prepaid expenses and other assets	5,880	(4,490)	(6,241)	(6,368)
Accounts payable	11,623	(3,196)	22,652	(938)
Accrued expenses and other liabilities	(7,026)	6,734	(15,501)	4,759
Deferred revenue	85,359	77,510	79,091	106,590
Operating lease liabilities	(1,067)	(5,668)	(7,272)	(13,840)
Net cash provided by operating activities	29,056	40,743	196,172	92,015
<b>Investing activities</b>				
Purchases of property and equipment	(11,633)	(2,252)	(19,143)	(10,325)
Capitalized software development costs	(17,076)	(9,498)	(49,529)	(34,685)
Purchases of strategic investments	(450)	(238)	(2,367)	(764)
Purchases of marketable securities	(80,856)	(93,142)	(491,475)	(402,424)
Maturities of marketable securities	68,819	84,620	440,537	372,240
Sales of marketable securities	—	—	—	5,452
Originations of materials financing	—	(387)	—	(23,972)
Customer repayments of materials financing	34	5,189	1,605	26,242
Asset acquisitions, net of cash acquired	—	(1,814)	(3,792)	(7,825)
Acquisition of businesses, net of cash acquired	—	—	(25,945)	—
Net cash used in investing activities	\$ (41,162)	\$ (17,522)	\$ (150,109)	\$ (76,061)

**Procore Technologies, Inc.**  
**Condensed Consolidated Statements of Cash Flows** *(unaudited)*

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
(in thousands)				
<b>Financing activities</b>				
Proceeds from stock option exercises	\$ 3,366	\$ 2,524	\$ 15,737	\$ 17,618
Proceeds from employee stock purchase plan	10,882	12,394	24,069	25,400
Payment of deferred business combination consideration	—	—	(1,470)	—
Payment of deferred asset acquisition consideration	—	—	(81)	—
Principal payments under finance lease agreements, net of proceeds from lease incentives	(450)	(403)	(2,019)	(1,853)
Net cash provided by financing activities	<u>13,798</u>	<u>14,515</u>	<u>36,236</u>	<u>41,165</u>
Net increase in cash, cash equivalents and restricted cash	1,692	37,736	82,299	57,119
Effect of exchange rate changes on cash	(3,268)	1,736	(2,367)	855
Cash, cash equivalents and restricted cash, beginning of period	439,298	318,318	357,790	299,816
Cash, cash equivalents and restricted cash, end of period	<u>\$ 437,722</u>	<u>\$ 357,790</u>	<u>\$ 437,722</u>	<u>\$ 357,790</u>

**Procore Technologies, Inc.**  
**Reconciliation of GAAP to Non-GAAP Financial Measures** *(unaudited)*

**Reconciliation of gross profit and gross margin to non-GAAP gross profit and non-GAAP gross margin:**

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(dollars in thousands)			
Revenue	\$ 302,048	\$ 260,041	\$ 1,151,708	\$ 950,010
Gross profit	245,214	212,210	946,096	775,548
Stock-based compensation expense	4,422	3,134	15,478	11,491
Amortization of acquired technology intangible assets	6,698	5,904	25,437	22,396
Employer payroll tax on employee stock transactions	126	101	612	540
Non-GAAP gross profit	\$ 256,460	\$ 221,349	\$ 987,623	\$ 809,975
Gross margin	81%	82%	82%	82%
Non-GAAP gross margin	85%	85%	86%	85%

**Reconciliation of operating expenses to non-GAAP operating expenses:**

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(dollars in thousands)			
Revenue	\$ 302,048	\$ 260,041	\$ 1,151,708	\$ 950,010
GAAP sales and marketing	161,733	122,511	552,019	494,908
Stock-based compensation expense	(15,333)	(13,198)	(58,058)	(55,162)
Amortization of acquired intangible assets	(3,224)	(3,106)	(12,700)	(12,425)
Employer payroll tax on employee stock transactions	(360)	(383)	(3,227)	(2,766)
Acquisition-related expenses	—	(481)	(1,448)	(2,483)
Non-GAAP sales and marketing	\$ 142,816	\$ 105,343	\$ 476,586	\$ 422,072
GAAP sales and marketing as a percentage of revenue	54%	47%	48%	52%
Non-GAAP sales and marketing as a percentage of revenue	47%	41%	41%	44%
GAAP research and development	\$ 89,289	\$ 74,611	\$ 312,987	\$ 300,571
Stock-based compensation expense	(18,277)	(15,874)	(67,961)	(68,275)
Amortization of acquired intangible assets	(650)	(670)	(2,657)	(2,757)
Employer payroll tax on employee stock transactions	(446)	(332)	(3,535)	(3,217)
Acquisition-related expenses	(32)	(46)	(32)	(6,370)
Non-GAAP research and development	\$ 69,884	\$ 57,689	\$ 238,802	\$ 219,952
GAAP research and development as a percentage of revenue	30%	29%	27%	32%
Non-GAAP research and development as a percentage of revenue	23%	22%	21%	23%
GAAP general and administrative	\$ 60,436	\$ 52,422	\$ 217,513	\$ 195,746
Stock-based compensation expense	(13,734)	(11,769)	(53,336)	(44,406)
Employer payroll tax on employee stock transactions	(266)	(274)	(2,086)	(1,910)
Acquisition-related expenses	(194)	(16)	(808)	(35)
Non-GAAP general and administrative	\$ 46,242	\$ 40,363	\$ 161,283	\$ 149,395
GAAP general and administrative as a percentage of revenue	20%	20%	19%	21%
Non-GAAP general and administrative as a percentage of revenue	15%	16%	14%	16%



**Reconciliation of loss from operations and operating margin to non-GAAP income (loss) from operations and non-GAAP operating margin:**

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(dollars in thousands)			
Revenue	\$ 302,048	\$ 260,041	\$ 1,151,708	\$ 950,010
Loss from operations	(66,244)	(37,334)	(136,423)	(215,677)
Stock-based compensation expense	51,766	43,975	194,833	179,334
Amortization of acquired intangible assets	10,572	9,680	40,794	37,578
Employer payroll tax on employee stock transactions	1,198	1,090	9,460	8,433
Acquisition-related expenses	226	543	2,288	8,888
Non-GAAP income (loss) from operations	\$ (2,482)	\$ 17,954	\$ 110,952	\$ 18,556
Operating margin	(22%)	(14%)	(12%)	(23%)
Non-GAAP operating margin	(1%)	7%	10%	2%

**Reconciliation of net loss and net loss per share to non-GAAP net income and non-GAAP net income per share:**

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
	(in thousands, except share and per share amounts)			
Revenue	\$ 302,048	\$ 260,041	\$ 1,151,708	\$ 950,010
Net loss	(62,291)	(29,519)	(105,956)	(189,694)
Stock-based compensation expense	51,766	43,975	194,833	179,334
Amortization of acquired intangible assets	10,572	9,680	40,794	37,578
Employer payroll tax on employee stock transactions	1,198	1,090	9,460	8,433
Acquisition-related expenses	226	543	2,288	8,888
Non-GAAP net income	<u>\$ 1,471</u>	<u>\$ 25,769</u>	<u>\$ 141,419</u>	<u>\$ 44,539</u>
<b>Numerator:</b>				
Non-GAAP net income	<u>\$ 1,471</u>	<u>\$ 25,769</u>	<u>\$ 141,419</u>	<u>\$ 44,539</u>
<b>Denominator:</b>				
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic	149,202,684	144,074,303	147,444,772	141,961,467
Effect of dilutive securities: Employee stock awards	4,192,863	5,329,311	5,004,643	6,591,783
Weighted-average shares used in computing net income per share attributable to common stockholders, diluted	153,395,547	149,403,614	152,449,415	148,553,250
GAAP net loss per share, basic	\$ (0.42)	\$ (0.20)	\$ (0.72)	\$ (1.34)
GAAP net loss per share, diluted	\$ (0.42)	\$ (0.20)	\$ (0.72)	\$ (1.34)
Non-GAAP net income per share, basic	\$ 0.01	\$ 0.18	\$ 0.96	\$ 0.31
Non-GAAP net income per share, diluted	\$ 0.01	\$ 0.17	\$ 0.93	\$ 0.30

**Computation of free cash flow:**

	<b>Three Months Ended December 31,</b>		<b>Year Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>(in thousands)</b>			
Net cash provided by operating activities	\$ 29,056	\$ 40,743	\$ 196,172	\$ 92,015
Purchases of property, plant, and equipment	(11,633)	(2,252)	(19,143)	(10,325)
Capitalized software development costs	(17,076)	(9,498)	(49,529)	(34,685)
Non-GAAP free cash flow	\$ 347	\$ 28,993	\$ 127,500	\$ 47,005