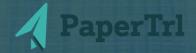
# PaperTrl, Inc.

Brilliantly Capable. Remarkable Affordable

Steve Weber President & CEO



# PaperTrl Overview Procure-to-Pay for the Construction Industry

- 1 INTEGRATED PLATFORM
- PaperTrl automates the procure-to-pay process for project-based organizations PROCURE > RECEIVE > 3-WAY MATCH > APPROVE BILL > PAY DIGITALLY
- 2 DIFFERENTIATED APPROACH
- Built specifically to support project accounting needs in the construction industry, yet flexible enough to support horizontal AP needs in any industry
- 3 EXPERIENCED LEADERSHIP
- Led by a team with deep SaaS, payments, and construction experience including 3 exits and \$13B in credit card processing
- 4 HUGE MARKET OPPORTUNITY
- Focused on mid-sized companies in the construction market (24,000+ companies between \$10-500M)

#### **THE PROBLEM:**

The construction industry is plagued by supply chain issues that threaten contractors' cash flow, project profitability, and their ability to deliver on time and on budget.

According to PwC, the construction industry has a sales outstanding average of 51 days—the longest of any industry in the US.

PAPERTRL STRICTLY CONFIDENTIAL



# **How PaperTrl Solves the Problem**



#### **Procurement**

Unlike other AP solutions, includes procurement to manage purchase orders, receive materials, and match them to vendor invoices



#### Project Orientation

Tracks expenses by project to gain better visibility into project profitability



# Automated Workflows

Automates invoice approval workflows to eliminate paper and email from the process



# Embedded Payments

Integrated digital payments including credit card and mobile wallet payments



#### Vendor Portal

Vendor portal to exchange purchase orders, invoices, and payments with project suppliers.

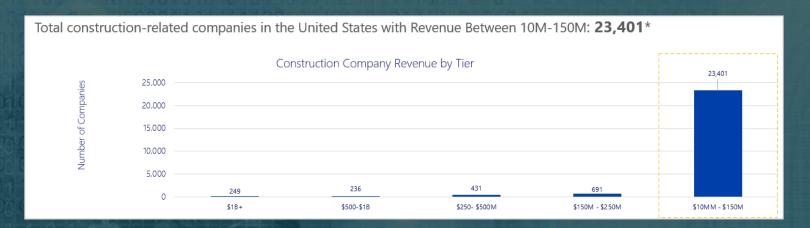


Mobile

From home office to job site to vendors, everyone is connected!

# Our target market is the more 23000 mid-market construction companies in the US

- Tracking purchases at the project level on multiple job sites makes construction more complex than other industries
- Construction has been slow to evolve away from check payments, providing a large opportunity to convert to payments to credit card and virtual credit card payments
- With highly manual procurement processes, construction is a perfect marketplace opportunity (PaperTrl's Vendor Portal has been designed to meet that need)



PAPERTRL STRICTLY CONFIDENTIAL SLIDE 6

### Project integration differentiates us in construction

- No competitor was built from the ground up and specifically designed for construction
- Procurement and project-based account is critical for construction companies to manage project profitability
- The mid-market needs easy-to-use software with low entry costs

Software	Purchase, receive, process bill, pay	Project-based	Self-service implementation	Self-service customization	Mobile app
PaperTrl	$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$
Corpay	Bill only	No	Implementation required	No	No
Avid Xchange	✓	No	Large implementation fee	No	No
Stampli	Light purchasing, no receiving	No	Implementation required	No	No
Beanworks (Qadient)	Light purchasing, no receiving	No	Implementation required	No	No
Bottomline Technologies	Bill only	No	Implementation required	No	No

PAPERTRL STRICTLY CONFIDENTIAL SLIDE 7

### **Direct and channel sales models**

	Approach	Traction
Direct	Inbound	<ul><li>Product led via paid search and social</li><li>Signed 11 customers</li></ul>
	Outbound	<ul> <li>Targeted construction-focused email and calling campaigns</li> <li>12% open rate, 66% average click rate, 177 live contacts, 48 warm leads</li> </ul>
	Visa/Banks	<ul> <li>Marketing partnership agreement signed with US Bank in June 2022</li> <li>Received \$60k of marketing investment</li> <li>Q2 joint product launch</li> </ul>
Channel	ERP ISVs	<ul> <li>Intuit Solution Partner agreement signed in October 2022</li> <li>Selected as only AP Automation partner for Construction market</li> <li>Q2 joint product launch</li> </ul>
	ERP Resellers	<ul><li>Microsoft, Sage and Intuit resellers</li><li>Planned hire with Seed funding</li></ul>

PAPERTRL STRICTLY CONFIDENTIAL

SLIDE 8

# **Construction Customers** 100% retention













# **How We Make Money**

	Transactions	Monthly Subscription	Monthly Payments Revenue	Target ACV
Tier 1	Up to 800	\$600	\$480	\$15,000
Tier 2	Up to 1,750	\$1,000	\$800	\$24,000
Tier 3	Up to 3,000	\$1,500	\$1,200	\$35,000

• One-time implementation fee: \$5,000+

• Sample target construction customer invoice:

Monthly subscription	\$1,500
Payments	\$1,200
Integration	\$ 250
PO and Expense add-on	\$ 200
Total monthly	\$3,150
ACV	\$37,800

# PaperTrl is Seeking \$1.5M in Seed Funding

- To drive company towards growth stage
- 45% Marketing and business development
  - Perfect sales-led growth and customer acquisition strategies
  - Match and expand marketing investments from Visa, US Bank and Intuit
  - Develop vertical marketing programs with key industry influencers: trade association, banks, ERP vendors and software resellers
- 25% Product Development
  - Mobile App
  - Digital wallet capability
- 20% Operations and support
  - Enhance product QA and DevOps
  - Build support & implementation team
- 10% General & Administrative
  - Recruiting and Culture
  - Finance & Legal

# **Term Sheet Summary**

Total Raise	\$1.5 Million
Raised to Date:	\$475k
Instrument	SAFE Note
Сар	\$10 Million
Minimum	\$15,000
Expected Close	February 28

PAPERTRL STRICTLY CONFIDENTIAL SLIDE 12

# Experienced Leadership with Startup, Construction, SaaS, Payments, and M&A experience

- Founded 4 previous startups with 3 exits
- Founder/CEO at nChannel,
   RetailerInc, and CTO K12 Complete
- VP, Marketplace Services, IBM Sterling Commerce
- · Deep ERP experience

Steve Weber, Founder, President & CEO



- CMO at nChannel Inc.
- · Independent agency owner
- Product Management and Sales, IBM Sterling Commerce
- Deep experience in business development and partner sales

Shilpa Marano, Founder, Chief Operating Officer



- PaperTrl Founder
- President, Tidewater, Inc, a \$50M+ federal contractor
- More than 25 years construction and contracting experience

Prasad Dissanayake, Founder, Managing Director, Sri Lanka



Supported by a team of

19

exceptional people



Located in

2





#### **Advisors**

- Acting CFO Ron Watson 1/n Consultants, former partner at Dundee Capital, Lewis & Clark Ventures
- Legal John Monohan, Thomson & Hine
- Banker Cathy Saunders, Chase Worthington

# Thank you

Steve Weber President & CEO 760-289-9913 steve@papertrl.com





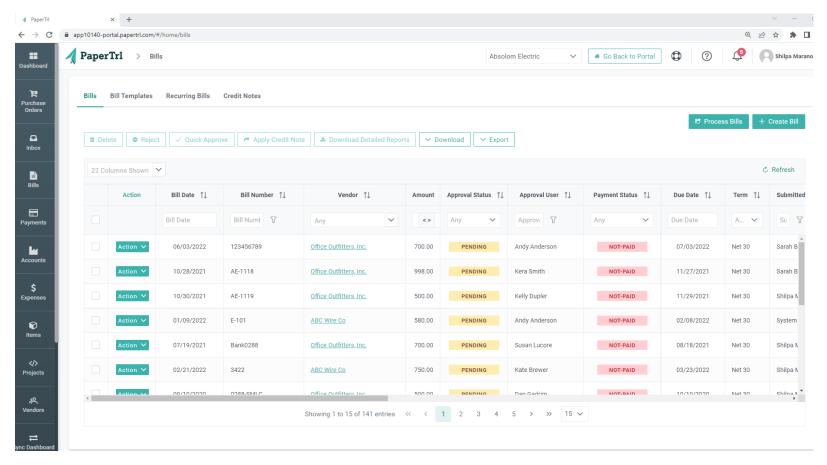
# **Appendix**



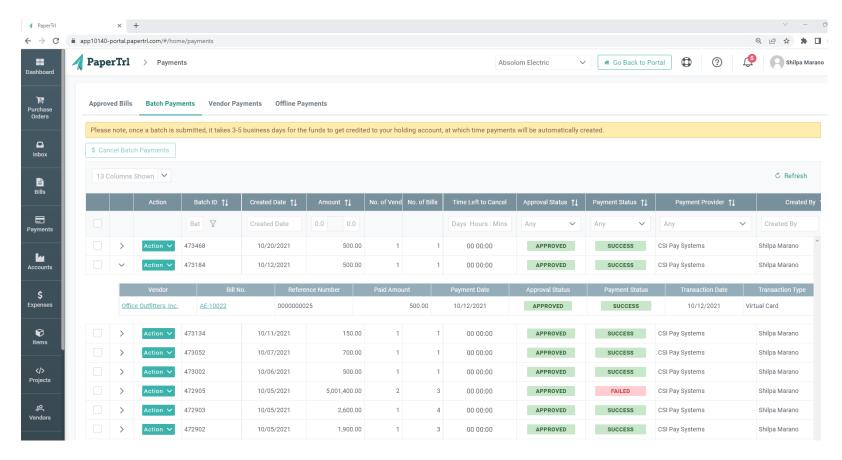
# **Product**

Select Screen Shots

# **Processing Bills**

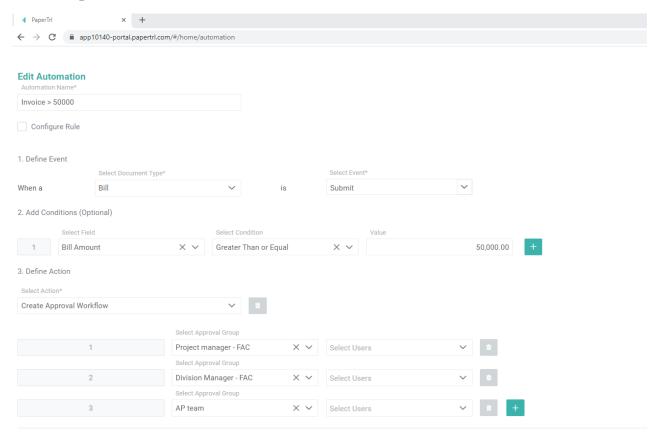


## **Payments**

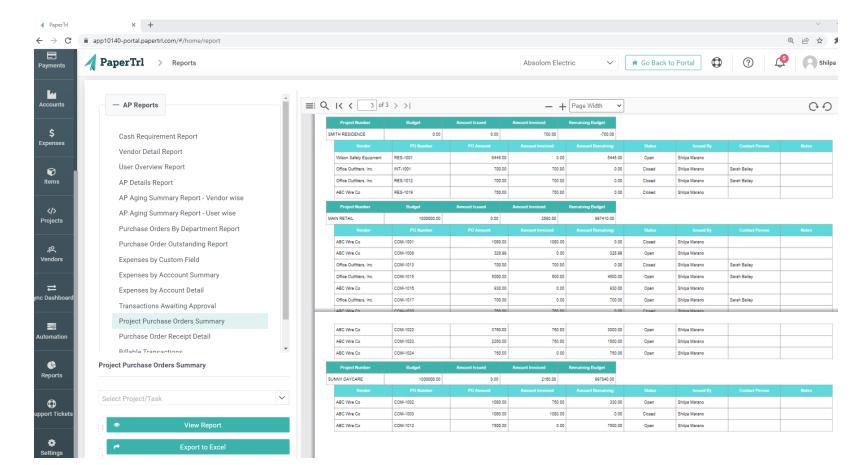


### **Configuring Automations**

#### **Example:** Handling invoices greater than \$5000

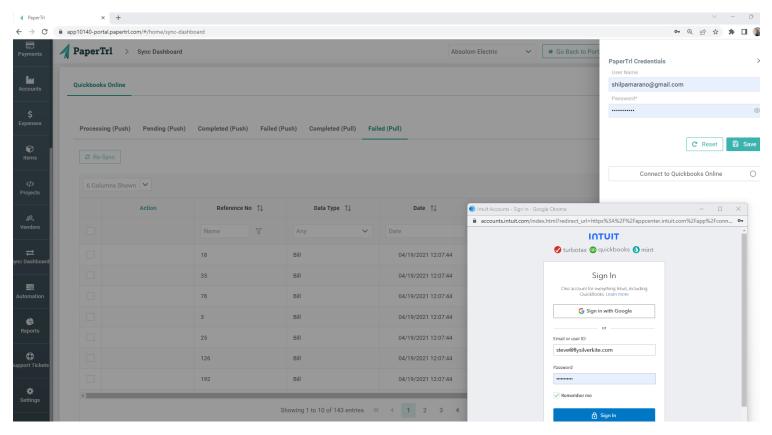


## **Reporting – Project Purchasing Summary**



### Integration – User configurable integration

#### **Shown: Setting up QuickBooks Online Integration**



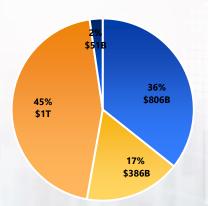


# **Market/Exit Opportunity**

**Marketing Strategy** 

#### **Construction Market Size**

# Main Activities of the US Construction Industry & 2019 revenue sizing



- Buildings Construction (residential & non residential, commercial buildings)
- Heavy and Civil Engineering ( roads, highways, bridges, tunnels & other related govt infrastructure
- Specialty Trade Contractors (mobile homes, carpentry, electrical & other specialized activities
- All Others

- The US construction industry revenue was \$2.3T in 2019 and is expected to grow at a rate of 1.1% over the next 5 years to 2024
- Spending in non-residential construction represented 60% of total and residential accounted for 40%.
- Construction spending increased 0.6% to \$1.32 trillion in November 2019
- Global construction costs are expected to rise 4.3% on average<sup>3</sup>
- At \$992B, 77% of construction spending occurred in the private sector in 2018, while public sector construction was at \$302B<sup>3</sup>

Construction is a major contributor to the U.S. economy. The industry has more than 680,000 employers with over 7 million employees and creates nearly \$1.3 trillion worth of structures each year. Construction is one of the largest customers for manufacturing, mining and a variety of services

<sup>1.</sup> United States Construction Spending1964-2019 Data | 2020-2022 Forecast | Chart- https://tradingeconomics.com/united-states/construction-spending

<sup>2.</sup> Construction Data- https://www.agc.org/learn/construction-data

US Public Construction - Statistics & Facts- https://www.statista.com/topics/1256/public-construction/

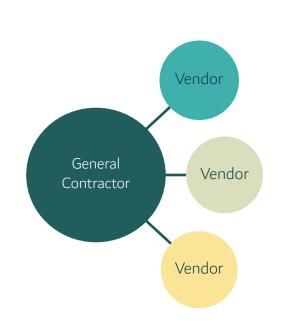
## **Marketplace Opportunity in Construction**

Contractor

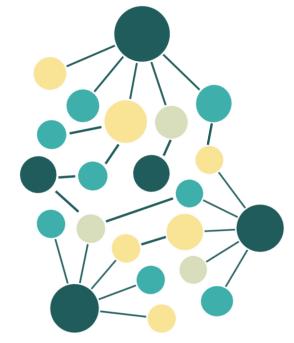
Contractor + Vendors

Marketplace

General Contractor



Subscription + Payments (transactions + interchange fee) \$2,800/month



Subscription + Payments + Item Catalog (transactions + interchange fee + listing fee) \$3,650/month (future opportunity)

Subscription Revenue (transactions) \$1,200/month

PAPERTRL STRICTLY CONFIDENTIAL

#### **Go-to-Market Partners**

- Visa Inc.
  - PaperTrl has been accepted into Visa Fintech Fast Track Program
  - Visa marketing PaperTrl to banks and vertical industry as a part of their construction industry 'set play'
  - Includes \$150k marketing investment
- US Bank
  - Our first Visa introduction
  - Completed co-marketing agreement allows for US Bank payment specialists to market PaperTrl services as part of Visa construction set play
  - Includes \$50k marketing investment
- Intuit
  - Accepted into the Solution Provider Program
  - Selected as the only Procure-to-Pay Automation provider in the construction vertical
  - Intuit to provide marketing dollars and resources to support customer acquisition
  - PaperTrl to be part of Intuit's aggressive initiative to convert QuickBooks Desktop users to the cloud
- Comarketing agreements in progress with other banks including Old National Bank, PNC,
   Citizens and First National Bank of Omaha
  - All Visa introductions

### Representative Construction Technology Vendors



### **Select Active Strategic Acquirers**

Traditional and tech-focused incumbents are actively acquiring companies in the space to enhance end-to-end capabilities across the construction value chain.

Acquirer	# of Acquisitions (Since January 1, 2018)	Targets
Bentley <sup>-</sup>	<b>22</b> <sup>(1)</sup>	(2019) (2019) (2019) (2019) (2019) (2019) (2020) (2020) (2020) (2021) (2021) (2021) (2021)
eci	16 <sup>(1)</sup>	LASSO Trivest Shoptech
✓ AUTODESK	12	Assemble
<b>≫Trimble</b> .	12	Stabiplan   Suilder   April   Viewpoint   Viewpoint
JDM Technology Group	9	StreamBIM COSTON Nimbus Splusfactor TeamWirks mestro Spearchead Coston (2018) (2018) (2018) (2018) (2018) (2018) (2018) (2018) (2018) (2020) (2021) (2022) (2022)
<b> CONGRUEX</b>	9	© CHC CONSULTING WHITE TERRA (2018) (2018) (2019) (2019) (2020) (2020) (2021) (2021) (2021)
HEXAGON	8	AGTEK US CAD QGUARDVANT 1/2 Bricsys CO18 (2018) (2018) (2018) (2018) (2018) (2018) (2018) (2018) (2019) (2021) (2021) (2021)
PROCORE	8	(2018) (2019) (2019) (2020) (2020) (2021) (2021) (2021)
Evercommerce	6	\(\bar{\chi}\) ROOFSNAP (2019) (2019) (2020) (2020) (2020) (2020) (2021)
PROMETHEUS GROUP	6	(2019) (2020) (2020) (2020) (2020) (2022) (2022)

### **Highly Active Investors and Financial Sponsors**

Accelerating activity of platform acquisitions, add-ons, and financings; investors with experience in the category continue to reinvest.

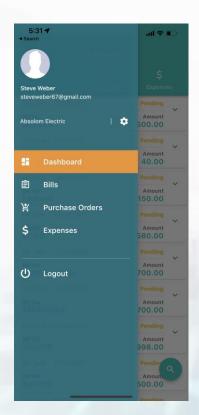
Investor	# of Investments (Since January 1, 2018)	Targets
BRICK & MORTAR	<b>26</b> <sup>(1)</sup>	CUTOIO CONNECT (*) Cumulus Safesite (A) FIELDWIRE (2018) (2018) (2018) (2018) (2018) (2018) (2019) (2019) (2019) (2019) (2019) (2020) (2020) (2021) (2021) (2022)
TIGERGLOBAL	12	moglix o EquipmentShare
TAASSOCIATES	11	CEMAR (2019) (2020) (2020) (2020) (2020) (2020) (2020) (2020) (2020) (2021) (2021) (2021) (2021) (2021) (2021) (2021)
THOMABRAVO	9	Veriforce         RUCKII         ^FOUNDATION*
INSIGHT PARTNERS	8	Monday.com      PlanRadar      Versatile
khosla ventures	6	KATERRA COVER AREVO SAVVIR BUILDINGS CHomebound (2021) (2021) (2021) (2021) (2022)
FIFTH WALL	6	Solid
Bessemer Venture Partners	5	<b>↑ Astorian PROCORE Miter Rundoo ServiceTitan</b> (2019) (2020) (2021) (2021) (2021)
SS Serent	5	(2019) (2020) (2021) (2021) (2021) (2021)
Accel	4	<b> propeller</b>

Sources: S&P Capital IQ, PitchBook, total global construction technology deals as of June 29, 2022. (1) Select acquisitions and investments shown.

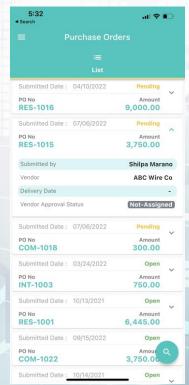
\*Indicates platform investment.

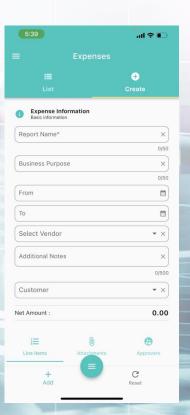
\*\*Indicates acquisitions that were acquired through portfolio companies.

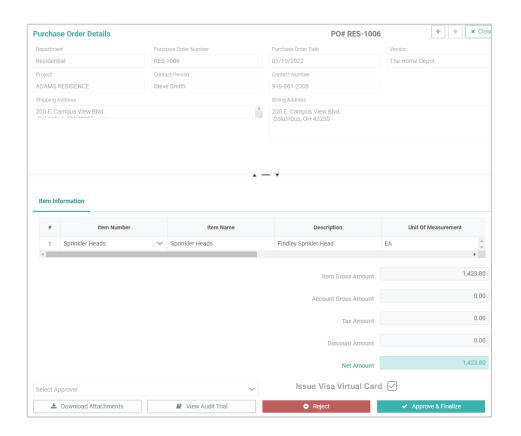
### **Mobile Application**

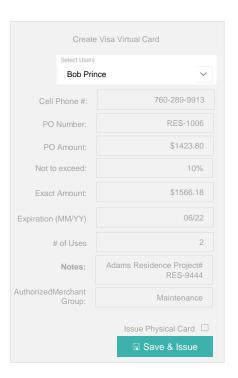




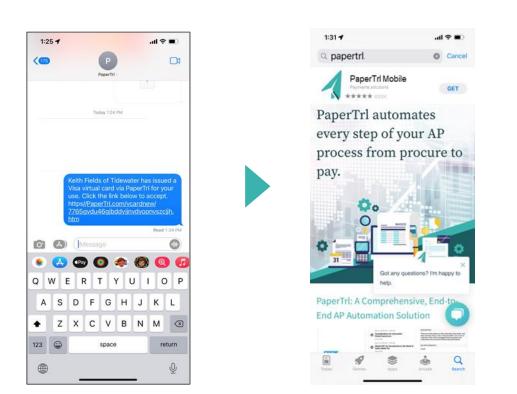






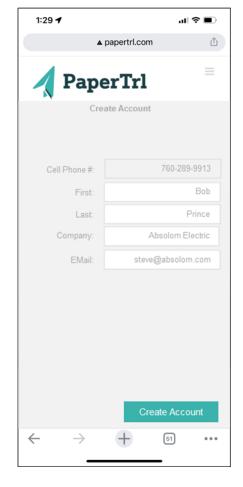


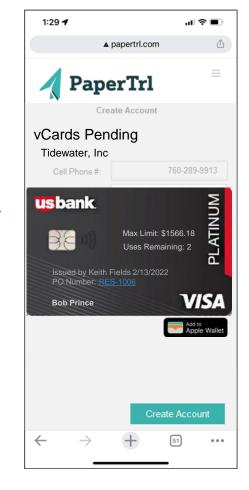
Proprietary and Confidential PaperTrl, Inc All terms of non-disclosure apply

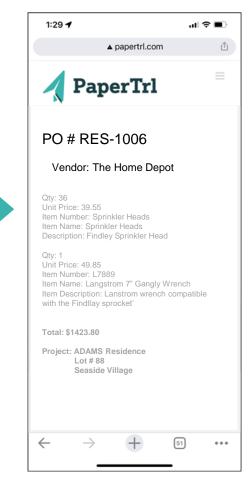




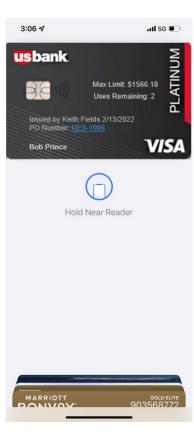
Proprietary and Confidential PaperTrl, Inc All terms of non-disclosure apply







Proprietary and Confidential PaperTrl, Inc All terms of non-disclosure apply



Proprietary and Confidential PaperTrl, Inc All terms of non-disclosure apply