

# PaperTrl, Inc.

Procure-to-pay for construction companies

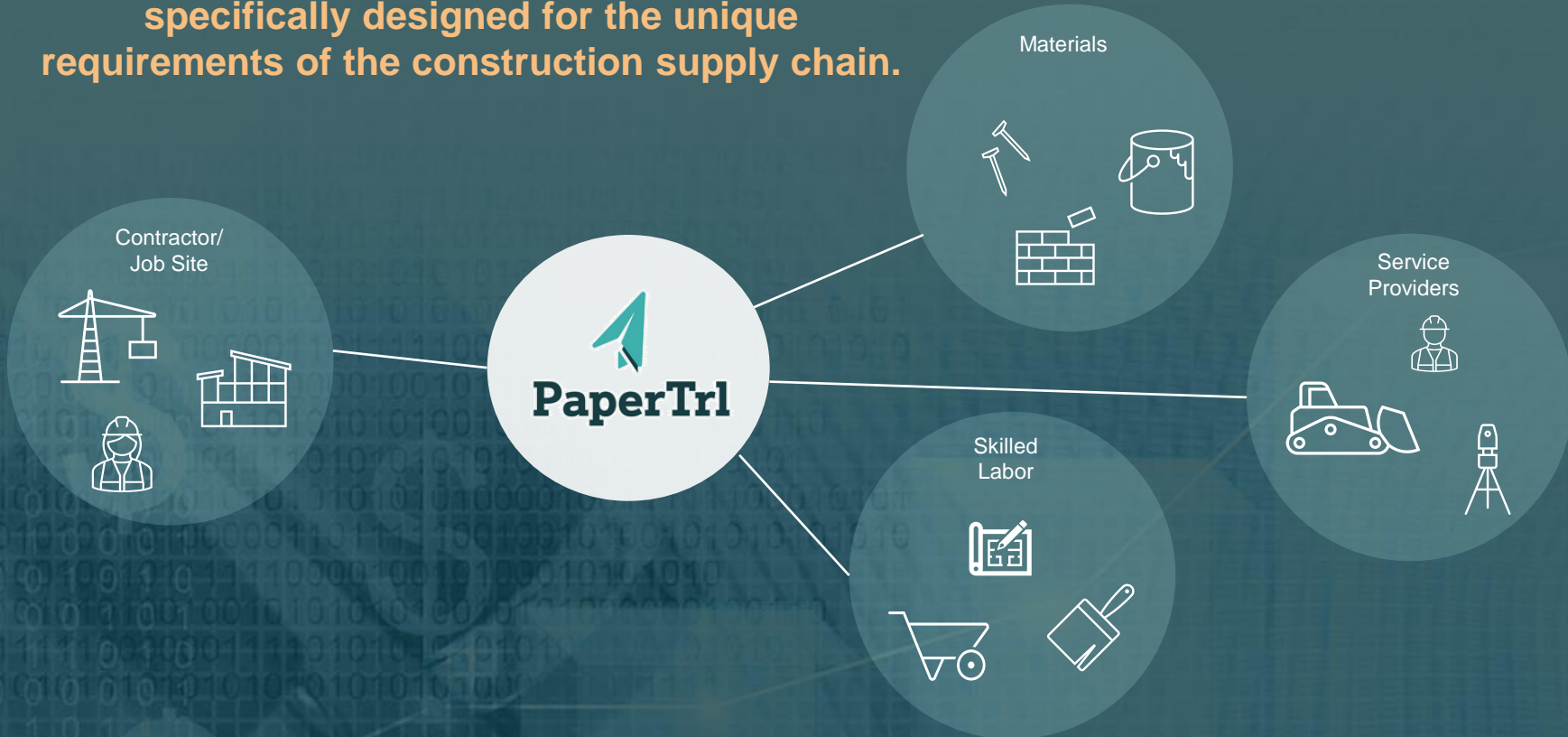
Steve Weber  
President & CEO

## THE PROBLEM:

**The construction industry is plagued by supply chain issues that threaten contractors' project profitability, their ability to deliver, and (most importantly) cash flow.**

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

**PaperTrl is a procure-to-pay software platform  
specifically designed for the unique  
requirements of the construction supply chain.**



# How PaperTrl Solves the Problem



## Procure-to-Pay

Accelerates transaction flow for POs, invoices, material receipts and expense reports



## Automation

Automates approvals throughout the procurement process, granular control from PO to payment



## Embedded Banking

Speeds up payments and reconciliation, embedding banking functions directly into the workflow



## Project Orientation

Tracks expenses by project to gain better visibility into project profitability



## Vendor Portal

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

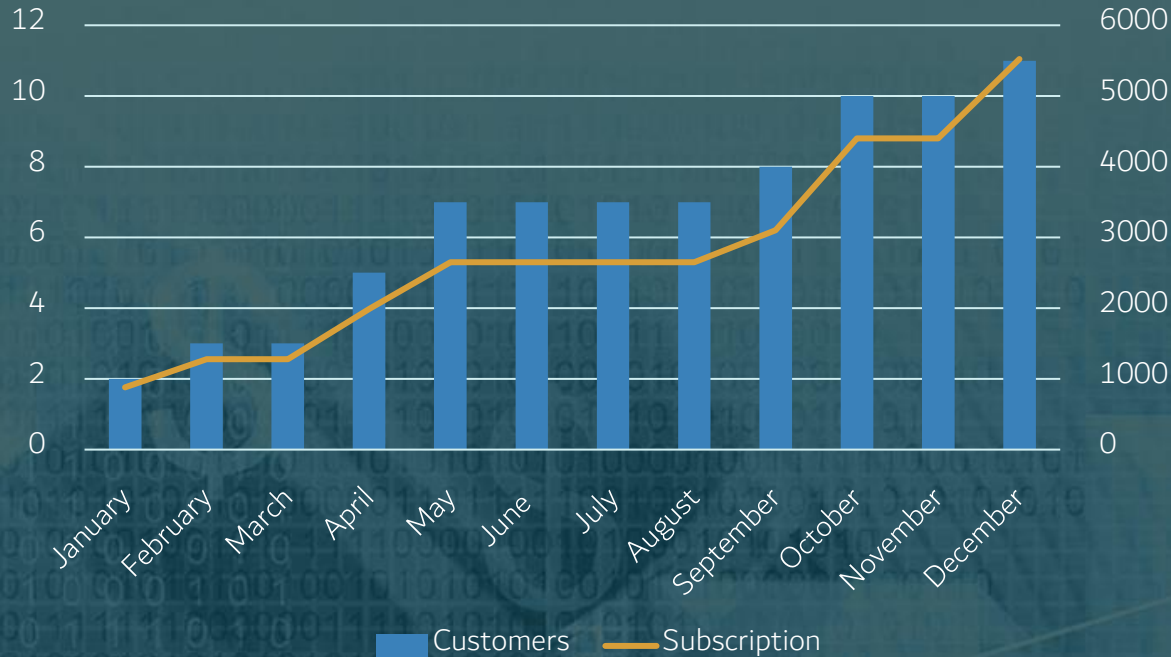


## Mobile

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

# Early Traction

2022 Revenue



INTERNATIONAL  
SUPPORT GROUP



# How We Make Money – Tiered per-transaction model

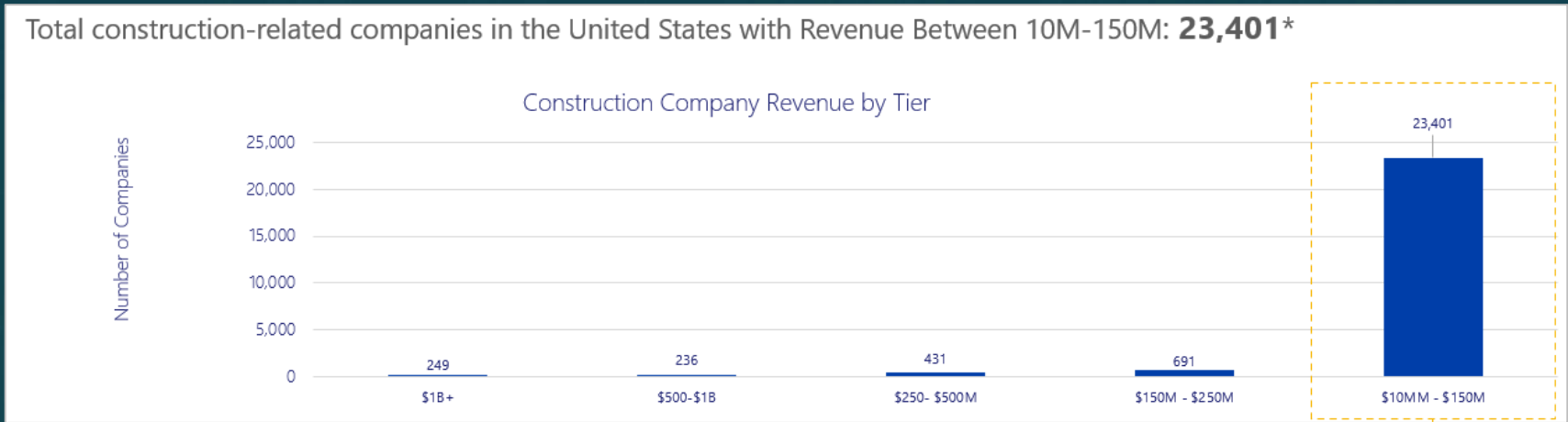
	Transactions	Monthly Subscription	Monthly Payments Revenue	Target ACV
Tier 1	Up to 800	\$600	\$480	\$15,000
Tier 2	Up to 1,750	\$1,000	\$800	\$24,000
Tier 3	Up to 3,000	\$1,500	\$1,200	\$35,000

## Sample customer invoice:

Monthly subscription	\$1,500
Integration	\$ 250
PO and Expense add-on	<u>\$ 200</u>
<b>Total customer invoice</b>	<b>\$1,950</b>
+Payments commission (paid by bank)	\$1,100
<b>Total monthly revenue</b>	<b>\$3,050</b>

# We plan to capture 10% of the 23,000 mid-market construction companies by 2027

- \$5.7 Billion software market with \$1.4 Trillion in annual payment volume in the US



\* 2021 Study – National Center for the Middle Market

# Customer acquisition strategy

- Direct
  - Inbound – SEO, paid search, paid social
  - Outbound
    - Email
    - Sales development reps
    - Account-based marketing (by region, by tier)
- Channel
  - 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 (non-dilutive)
  - US Bank
    - Completed co-marketing agreement allows for US Bank payment specialists to market PaperTrl services as part of Visa construction set play
    - \$60k marketing investment (non-dilutive)



# PaperTrl: Purpose-built for 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	Automate transactions	Project-based	Self-service implementation	Self-service customization	Mobile app
PaperTrl	✓	✓	✓	✓	✓
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

# Fueling the Growth

	2023	2024	2025	2026	2027		2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
<b>Income</b>																		
Revenue	\$733,716	\$4,780,655	\$14,693,746	\$26,965,675	\$36,683,332		\$53,520	\$96,239	\$201,724	\$382,231	\$602,808	\$858,781	\$1,346,829	\$1,972,237	\$2,566,127	\$3,193,079	\$4,005,412	\$4,929,129
ARR	\$943,440	\$5,054,686	\$14,420,675	\$24,944,901	\$33,920,596		\$142,357	\$280,938	\$546,992	\$943,440	\$1,487,382	\$2,213,764	\$3,408,844	\$5,054,686	\$6,952,822	\$9,045,549	\$11,540,369	\$14,420,675
Customers	80	371	1021	1726	2321		17	29	50	80	118	173	256	371	505	654	825	1021
<b>COST OF GOODS SOLD</b>																		
	\$254,586	\$536,924	\$922,172	\$1,604,945	\$2,132,592		\$32,263	\$60,247	\$76,123	\$85,953	\$102,807	\$113,769	\$148,434	\$171,914	\$197,336	\$211,849	\$245,125	\$267,863
Personnel	\$175,000	\$394,000	\$665,500	\$1,112,000	\$2,668,000		\$16,500	\$42,000	\$55,000	\$61,500	\$74,500	\$81,000	\$110,500	\$128,000	\$146,500	\$153,000	\$177,000	\$189,000
Non-Personnel	\$79,586	\$142,924	\$256,672	\$492,945	\$864,592		\$15,763	\$18,247	\$21,123	\$24,453	\$28,307	\$32,769	\$37,934	\$43,914	\$50,836	\$58,849	\$68,125	\$78,863
<b>Gross Profit</b>	\$479,130	\$4,243,731	\$13,771,575	\$25,360,730	\$34,550,741		\$21,258	\$35,992	\$125,601	\$296,279	\$500,001	\$745,012	\$1,198,394	\$1,800,324	\$2,368,791	\$2,981,230	\$3,760,288	\$4,661,266
<b>GP %</b>	65.30%	88.80%	93.70%	94.00%	94.20%		39.70%	37.40%	62.30%	77.50%	82.90%	86.80%	89.00%	91.30%	92.30%	93.40%	93.90%	94.60%
<b>Expenses</b>																		
<b>R&amp;D</b>	\$432,227	\$810,286	\$1,185,608	\$1,616,678	\$2,316,425		\$93,264	\$95,051	\$121,699	\$122,213	\$174,588	\$172,358	\$223,827	\$239,513	\$287,713	\$283,946	\$295,835	\$318,114
Personnel	\$403,331	\$770,081	\$1,126,253	\$1,528,735	\$2,185,623		\$86,725	\$88,083	\$114,261	\$114,261	\$165,940	\$162,863	\$213,333	\$227,946	\$274,962	\$269,940	\$280,336	\$301,015
Non-Personnel	\$28,896	\$40,204	\$59,355	\$87,944	\$130,802		\$6,538	\$6,968	\$7,438	\$7,951	\$8,648	\$9,495	\$10,495	\$11,567	\$12,750	\$14,006	\$15,499	\$17,099
<b>SALES &amp; MARKETING</b>	\$661,505	\$2,484,337	\$8,671,172	\$9,227,326	\$9,615,904		\$52,305	\$120,222	\$221,084	\$267,894	\$372,684	\$482,867	\$703,784	\$925,002	\$1,769,710	\$1,993,396	\$2,280,453	\$2,627,612
Personnel	\$597,355	\$2,337,037	\$8,491,222	\$8,812,693	\$9,144,437		\$34,905	\$88,872	\$169,034	\$235,544	\$315,734	\$425,617	\$645,484	\$866,202	\$1,704,210	\$1,927,646	\$2,214,253	\$2,561,112
Non-Personnel	\$64,150	\$147,300	\$179,950	\$414,633	\$471,467		\$17,400	\$31,350	\$52,050	\$32,350	\$56,950	\$57,250	\$58,300	\$58,800	\$65,500	\$65,750	\$66,200	\$66,500
<b>GENERAL &amp; ADMINISTRATIVE</b>	\$536,125	\$1,429,437	\$2,045,001	\$2,467,494	\$2,532,010		\$105,041	\$142,657	\$140,710	\$147,717	\$264,008	\$267,820	\$334,507	\$563,101	\$428,726	\$444,447	\$481,394	\$690,434
Personnel	\$300,000	\$1,051,433	\$1,259,190	\$1,601,760	\$1,622,760		\$60,000	\$60,000	\$84,000	\$96,000	\$190,800	\$190,800	\$228,600	\$441,233	\$269,798	\$269,798	\$269,798	\$449,798
Non-Personnel	\$236,125	\$378,004	\$785,811	\$865,734	\$909,250		\$45,041	\$82,657	\$56,710	\$51,717	\$73,208	\$77,020	\$105,907	\$121,869	\$158,929	\$174,649	\$211,596	\$240,636
<b>Total Operating Expenses</b>	\$1,629,857	\$4,724,060	\$11,901,780	\$13,311,499	\$14,464,338		\$250,609	\$357,930	\$483,494	\$537,823	\$811,280	\$923,046	\$1,262,118	\$1,727,616	\$2,486,149	\$2,721,789	\$3,057,682	\$3,636,160
<b>Net Operating Income</b>	(\$1,150,727)	(\$480,329)	\$1,869,794	\$12,049,230	\$20,086,403		(\$229,351)	(\$321,938)	(\$357,892)	(\$241,545)	(\$311,279)	(\$178,033)	(\$63,724)	\$72,708	(\$117,358)	\$259,441	\$702,606	\$1,025,106
<b>Headcount</b>	14	31	45	47	49		13	16	22	22	27	29	36	39	44	45	49	50
COGS	3	7	12	14	16		1	2	3	3	4	5	7	7	9	9	11	12
R&D	2	4	4	4	4		0	1	2	2	3	3	4	4	4	4	4	4
S&M	6	14	22	22	22		2	3	6	6	8	10	13	14	18	19	21	22
G&A	3	6	6	7	7		2	2	3	3	4	4	5	6	6	6	6	6

Years 1 - 5

Quarters 1 - 12

# PaperTrl is Seeking \$1.5M in Seed Funding

- To drive company towards growth stage and potential Series A in mid 2024
- 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

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**PaperTrl**

Create Account

Cell Phone #: 760-289-9913

First: Bob

Last: Prince

Company: Absolom Electric

Email: steve@absolom.com

Create Account

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**PaperTrl**

Create Account

vCards Pending  
Tidewater, Inc

Cell Phone #: 760-289-9913

**usbank** **PLATINUM**

Max Limit: \$1566.18  
Uses Remaining: 2

Issued by Keith Fields 2/13/2022  
PO Number: [RES-1006](#)

Bob Prince **VISA**

Add to Apple Wallet

Create Account

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**PaperTrl**

PO # RES-1006

Vendor: The Home Depot

Qty: 36  
Unit Price: 39.55  
Item Number: Sprinkler Heads  
Item Name: Sprinkler Heads  
Description: Findley Sprinkler Head

Qty: 1  
Unit Price: 49.85  
Item Number: L7889  
Item Name: Langstrom 7" Gangly Wrench  
Item Description: Lanstrom wrench compatible with the Findlay sprocket

Total: \$1423.80

Project: ADAMS Residence  
Lot # 88  
Seaside Village

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

## Term Sheet Summary

Total Raise	\$750k
Raised to Date:	\$450k
Instrument	Preferred Equity
Pre-Money	\$5 Million
Minimum	\$15,000
Option Pool	10%

# Exit Strategy

- Planned exit in Q22026
  - Growth at over 100% on \$14M in 2025 revenues
  - More than 1000 customers
  - Expected valuation \$105M - \$175M
  - Start process in Q32024
- Financial Institutions
  - PaperTrl is a turnkey solution to enable embedded banking
  - PaperTrl makes banking products stickier as our typical customer has no fewer than 24 users.
  - US Bank, PNC, Commerce Bank are all candidates
- Fintech software companies or PE firms
  - Competitors seeking tech refresh, line extension, or product roll-up
  - Vertical ERP software providers seeking to add payments capabilities
  - Procore, Vista, DelTek,

# 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
<b>Bentley</b>	22 <sup>(1)</sup>	 (2019)  (2019)  (2019)  (2019)  (2020)  (2020)  (2020)  (2021)  (2021)  (2021)  (2022)
<b>eci</b>	16 <sup>(1)</sup>	 (2018)  (2018)  (2019)  (2020)  (2020)  (2020)  (2020)  (2021)  (2021)  (2021)
<b>AUTODESK</b>	12	 (2018)  (2018)  (2019)  (2020)  (2020)  (2020)  (2021)  (2021)  (2021)  (2021)  (2022)  (2022)
<b>Trimble</b>	12	 (2018)  (2018)  (2018)  (2018)  (2018)  (2019)  (2019)  (2019)  (2019)  (2020)  (2020)  (2021)
<b>JDM Technology Group</b>	9	 (2018)  (2018)  (2018)  (2018)  (2018)  (2020)  (2021)  (2022)  (2022)
<b>CONGRUEX</b>	9	 (2018)  (2018)  (2019)  (2019)  (2020)  (2020)  (2021)  (2021)
<b>HEXAGON</b>	8	 (2018)  (2018)  (2018)  (2018)  (2019)  (2021)  (2021)  (2021)
<b>PROCORE</b>	8	 (2018)  (2019)  (2019)  (2020)  (2020)  (2021)  (2021)  (2021)
<b>Evercommerce</b>	6	 (2019)  (2019)  (2020)  (2020)  (2020)  (2021)
<b>PROMETHEUS GROUP</b>	6	 (2019)  (2020)  (2020)  (2020)  (2022)  (2022)

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



# 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

Countries  
US & Sri Lanka





# Advisors

- Acting CFO – Ron Watson 1/n Consultants, former partner at Dundee Capital, Lewis & Clark Ventures
- Legal – John Monohan, Thomson & Hine
- Banker Tess Terry, US Bank

# Thank you

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