



***Transcript of the
Staffing 360 Solutions, Inc.
Annual Shareholder Meeting
January 26, 2017***

Speakers

Brendan Flood – Executive Chairman, Director
Matt Briand – President, Chief Executive Officer and Director
David Faiman – Chief Financial Officer and Corporate Secretary
Darren Minton – Executive Vice President

Board of Directors

Brendan Flood – Executive Chairman, Director
Matt Briand – President, Chief Executive Officer and Director
Jeff Grout – Independent Director
Dimitri Villard – Independent Director
Nicholas Florio – Independent Director

Presentation

Brendan Flood - Executive Chairman

Good morning fellow stockholders. My name is Brendan Flood, and I'm the Executive Chairman of the Board of Staffing 360 Solutions, and I will serve as the Chairman of this our first Annual Shareholders Meeting.

On behalf of the Board of Directors and management of Staffing 360, I welcome those shareholders who have managed to join us here today at the offices of Citrin Cooperman, to which we express our thanks also, for the use of their facilities.

I will now call this meeting to order.

Will any person who has not already done so please sign in with the Secretary of the Company, Mr. David Faiman. If anybody has not received an Agenda for the meeting, then please put your hand up and one will be provided to you.

Mr. Secretary, is there a quorum present?

David Faiman - Chief Financial Officer

Good morning ladies and gentlemen. My name is David Faiman and I am the Company's Chief Financial Officer and Company Secretary.

Mr. Chairman, I am happy to report that we have a quorum present.

The number of shares of Common Stock represented in person or by proxy at this meeting is 6,849,231, or 74.93% of the total issued and outstanding shares of Common Stock as of the record date, December 16, 2016.

Brendan Flood - Executive Chairman

Thank you Mr. Secretary. With a quorum being present, I hereby declare the Annual Meeting of the Stockholders of Staffing 360 Solutions duly and properly convened and open for the transaction of business.

Before we proceed with the items on the agenda, I would like to introduce the directors and executives of the Company. Please stand, to identify yourself when I call your name.

Matt Briand – President and Chief Executive Officer and Director
Dimitri Villard – Director and Chairman of the Nominating and Corporate Governance Committee
Jeff Grout – Director and Chairman of the Compensation Committee
Nicholas Florio – Director and Chairman of the Audit Committee
David Faiman – Chief Financial Officer and Company Secretary
Darren Minton – Executive Vice President

In addition, Alexander May from Jenner & Block, the Company's legal counsel is also present.

Thank you everyone.

A copy of the list of stockholders has been made available at the Company's headquarters and is also in possession of the Secretary at this meeting.

Following a short presentation from the executive management team, we will move to voting on the 8 proposals included with the Proxy Statement before opening the floor to a Question and Answer session.

Matt Briand - President, Chief Executive Officer

Good morning ladies and gentlemen. My name is Matt Briand and I am the President and CEO of the Company. It is my pleasure to bring you through some of the high level statistics and strategy of Staffing 360 Solutions.

Staffing 360 Solutions has made huge strides, in terms of size and performance, over a relatively short period of time. We uplisted to Nasdaq in September 2015 and had the pleasure and honor of opening the market this past August 2016.

Some of our key metrics are that we have over 4,000 temporary employees, based at our clients' sites that we are paying (mostly) on a weekly basis. We have a diverse number of clients and we have approximately 200 internal employees in whom we are very proud. We are focused on the two markets of The United States and The United Kingdom, as both markets are well developed and have flexible labor laws, which are beneficial to staffing companies.

To date we have made six acquisitions, ranging in dates from November 2013 to November 2015. At the moment we have not made an acquisition in the past 14 months as we have concentrated on integrating what we have done so far and, as you will hear from Dave Faiman, focusing on improving our underlying financials and Balance Sheet.

Our acquisition strategy is managed around what we call our 'Five Strategic Pillars'. Any potential acquisition target must provide staffing solutions in at least one of these verticals.

We are highly disciplined in our approach to acquisitions and each and every transaction contemplated MUST tick each and every one of these criteria.

This is a list of our six acquisitions and the brands under which they trade. They range from our largest, and most diverse business, of Monroe Staffing Services, to two businesses (The JM Group and Longbridge) in the UK.

I will now hand the floor to David Faiman, our Chief Financial Officer.

David Faiman - Chief Financial Officer

Thank you Matt. Staffing 360 Solutions has experienced consistent growth over the period November 2013 through to our most recent quarter end, November, 2016. Underpinning this growth has been an organic growth rate averaging 8%. From an Adjusted EBITDA perspective, the growth has been even more pronounced resulting in growth from a loss of \$2.7 million in FISCAL 2014 to \$5.3 million, positive for the trailing twelve months ended November 30, 2016.

Sharing some details of our P&L performance, we have delivered \$95 million of revenue in our first six months of this year, a 23% growth year on year. We are delivering a positive EBITDA and, at the Adjusted EBITDA level, we have grown 67% from \$1.9 million to \$3.2 million.

We have also spent a lot of time improving our Balance Sheet, most notably in the amount of debt that we are carrying and our ability to service it. Over the past seven quarters, we have reduced our Leverage Ratio (defined as Total Debt, excluding our Asset Backed Lending Facilities, but including Other Long Term liabilities), from 10.4 times Adjusted EBITDA to 1.9 times in the most recent Balance Sheet. This will continue to be an area of great focus for us.

Additionally, we just announced yesterday, the successful closing of a \$7.4 million non-convertible strategic financing with Jackson Investment Group, backed by successful entrepreneur Rick Jackson, who manages over \$1.5 billion of assets and owns one of the largest staffing firms in the United States. Needless to say, we are excited for what this funding and this strategic partnership brings for our company, our balance sheet, and our shareholders.

I'll now had the floor back to Brendan.

Brendan Flood - Executive Chairman

Thank you gentlemen.

We will now vote on the eight proposals that are outlined in the proxy statement. Ballots will be distributed to those of you who have not already voted by Proxy and to those of you who have voted by Proxy, but who wish to change your vote.

If you have already voted by Proxy and do not wish to change your vote, you do not need to complete and submit a ballot.

I have appointed Alexander J. May as the Inspector of Elections to tabulate and to count the ballots. Mr. May, as I mentioned earlier, is employed by Jenner & Block, which is legal counsel to the Company. Mr. May has executed the Inspector's Oath and filed it with the Secretary. He will collect the votes for each proposal, and then tabulate the results for each proposal. At this time the polls are now open. The polls will close following the presentation of the final proposal.

Darren Minton, Executive Vice President of Staffing 360 Solutions will present the proposals.

Darren Minton - Executive Vice President

Good morning ladies and gentlemen. My name is Darren Minton, Executive Vice President. We will now be going through each voting proposal while the polls are open:

Proposal 1: Election of Directors

The first proposal is the election of directors. As set forth in the Notice of the Annual Meeting and proxy statement, the Board of Directors has nominated five individuals as candidates for election as directors. This include: Brendan Flood, Matthew Briand, Jeff Grout, Dimitri Villard and Nick Florio. Further information about the director nominees is contained in the proxy statement.

Will stockholders desiring to vote by ballot please mark their ballots now. The Inspector of Election will collect all hand-marked ballots after the final proposal.

As a reminder, if you have already submitted a proxy and do not wish to revoke your proxy or to otherwise change your vote, then you do not need to submit a ballot.

Proposal 2: Approve the Change in Corporate Domicile from the State of Nevada to the State of Delaware

We will now proceed to the next proposal as set forth in the Notice of the Annual Meeting and the proxy statement – the approval of the change of the company’s corporate domicile from the State of Nevada to the State of Delaware. Information about this proposal is included in the proxy statement.

Will stockholders desiring to vote by ballot please mark their ballots now.

Proposal 3: Approval of the 2016 Omnibus Incentive Plan

We will now proceed to the 3rd proposal as set forth in the Notice of the Annual Meeting and the proxy statement – the approval of the Company’s 2016 Omnibus Incentive Plan. Information about this proposal is included in the proxy statement.

Stockholders voting by ballot may mark your ballots now.

Proposal 4: Approval of the 2016 Long-Term Incentive Plan

Now the 4th proposal as set forth in the Notice of the Annual Meeting and the proxy statement – the approval of the Company’s 2016 Long-Term Incentive Plan. Information about this proposal is included in the proxy statement as well.

Stockholders desiring to vote by ballot should do so now.

Proposal 5: Advisory Vote to Approve Executive Compensation

Now the 5th proposal as set forth in the Notice of the Annual Meeting and the proxy statement – the non-binding advisory vote to approve the executive compensation paid to our named executive officers. Information about this proposal is included in the proxy statement.

Stockholders voting by ballot should do so now.

Proposal 6: Frequency of Stockholder Advisory Votes on Executive Compensation

We will now proceed to the 6th proposal as set forth in the Notice of the Annual Meeting and the proxy statement – the vote on the frequency of the advisory vote on executive compensation. This includes options for 3 years, 2 years or 1 year. Information about this proposal is included in the proxy statement.

Will stockholders desiring to vote by ballot please mark their ballots now.

Proposal 7: Approval of Potential Issuance of More than 19.99% of our Outstanding Common Stock under the Series D Redeemable Convertible Preferred Stock under Nasdaq Listing Rules

We will now proceed to the 7th proposal as set forth in the Notice of the Annual Meeting and the proxy statement – the approval of the potential issuance of more than 19.99% of the Company's outstanding Common Stock under Nasdaq listing rules. More information is in the proxy statement.

Stockholders voting by ballot, please mark your ballots now.

Proposal 8: Approval of an Amendment to the Company's Articles of Incorporation to Increase the Number of Authorized Shares of Common Stock from 20,000,000 Shares to 40,000,000

We will now proceed to the 8th and final proposal as set forth in the Notice of the Annual Meeting and the proxy statement – which is the approval of an amendment to the Company's articles of incorporation to increase the authorized shares of common stock from 20 million to 40 million. More information is in the proxy statement.

Stockholders voting by ballot, please mark your ballots now.

At this time, I will hand the floor back to Brendan for Q&A and closure of the polls.

Brendan Flood - Executive Chairman

Ladies and gentlemen, I will now open the floor to any questions that anybody may have on any of the proposals presented. As you ask a question, please identify yourself for the record and address all questions through the Chair.

[Pause]

Q&A Session

Mr. Richard Kopelman requested to view the first six month financials. Mr. Flood mentioned that this was publicly available information and agreed to send the link to the SEC website, which includes all of the filings made for the Company.

No further questions were asked.

Brendan Flood - Executive Chairman

If there are no further questions, then the polls for all proposals are now closed. We will tabulate the votes and announce the results on Form 8-K within the next few days.

With no further ado, the meeting is now adjourned. Thank you very much for coming.