



Nasdaq: STAF



# PLANET MICROCAP 2023 LAS VEGAS

APRIL 2023

## INVESTOR PRESENTATION

# FORWARD-LOOKING STATEMENTS

## 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. All statements that address expectations or projections about the future, including, but not limited to, statements about our plans, strategies, adequacy of resources and future financial results (such as revenue, gross profit, operating profit, cash flow), are forward-looking statements. Some of the forward-looking statements can be identified by words like “anticipates,” “believes,” “expects,” “may,” “will,” “could,” “should,” “intends,” “plans,” “estimates,” “goal,” “target,” “possible,” “potential” and similar references to future periods. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions that are difficult to predict. Because these forward-looking statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond our control or are subject to change, actual outcomes and results may differ materially from what is expressed or forecasted in these forward-looking statements. Important factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to: the geographic, social and economic impact of COVID-19 on the Company’s ability to conduct its business and raise capital in the future when needed; weakness in general economic conditions and levels of capital spending by customers in the industries we serve; weakness or volatility in the financial and capital markets, which may result in the postponement or cancellation of our customers’ capital projects or the inability of our customers to pay our fees; the termination of a major customer contract or project; delays or reductions in U.S. government spending; credit risks associated with our customers; competitive market pressures; the availability and cost of qualified labor; our level of success in attracting, training and retaining qualified management personnel and other staff employees; changes in tax laws and other government regulations, including the impact of health care reform laws and regulations; the possibility of incurring liability for our business activities, including, but not limited to, the activities of our temporary employees; our performance on customer contracts; negative outcome of pending and future claims and litigation; government policies, legislation or judicial decisions adverse to our businesses; potential cost overruns and possible rejection of our business model and/or sales methods; our ability to access the capital markets by pursuing additional debt and equity financing to fund our business plan and expenses on terms acceptable to us or at all; and our ability to comply with our contractual covenants, including in respect of our debt. A discussion of these and other factors, including risks and uncertainties with respect to the company, is set forth in the Company’s filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K filed with the Securities and Exchange Commission on June 24, 2022, as may be supplemented or amended by the Company’s Quarterly Reports on Form 10-Q. The Company disclaims any intention or obligation to revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

## Non-GAAP Financial Measures

The Company uses financial measures which are not calculated and presented in accordance with US generally accepted accounting principles (“GAAP”) in evaluating its financial and operational decision making regarding potential acquisitions and presenting the operating and financial performance of the Company, as well as a means to evaluate period-to period comparison. The Company presents these non-GAAP financial measures because it believes them to be an important supplemental measure of performance that is commonly used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. We refer you to the reconciliations in this presentation and applicable earnings releases issued by the Company for those respective periods. The Company defines Adjusted EBITDA as earnings (or loss) from continuing operations before interest expense, income taxes, depreciation and amortization, and amortization of non-cash stock-based compensation, non-recurring acquisition and restructuring expenses and goodwill impairment charges.

# ABOUT US

**Staffing 360 Solutions, Inc. (Nasdaq: STAF)** is an emerging public company in the international staffing sector with a paradigm changing service delivery approach engaged in the acquisition and integration of US and UK staffing agencies.

Staffing 360 Solutions is pursuing organic growth and targets acquisitions that place candidates in finance and accounting, administrative, engineering, information technology, and commercial staffing. The company not only brings experienced management with extensive staffing sector expertise, but a wealth of consultants and industry partners to effectively execute on various emerging opportunities within this high-growth sector of our economy.



# STAFFING 360 SOLUTIONS

**Stock Symbol: STAF (NASDAQ)**

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Headquarters: New York

6,000+ Temporary Employees

11 Acquisitions since 2013

800+ Customers

Est. Proforma Calendar Year 2022:

- \$300M Proforma Revenue
- \$43M Proforma Gross Profit
- \$5M Adjusted Net Income

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# STAFFING 360 SOLUTIONS (cont'd)

## Direct Hire/Search

- RPO
- Contingent



## Employer Solutions

- Employer of Record
- Full HR & Payroll Admin

## Temp Staffing

- Long Term Assignments
- Short Term Assignments
- Temp To Perm

# BUSINESS UNITS – US AND UK

## UNITED STATES



- Commercial Staffing
- Large Project Management
- VOP



- Large Project Management
- VMS/VOP/MSP
- Commercial Staffing



- Large Volume Recruitment and Processing
- Customized Commercial Solutions
- Nationwide Coverage



- Engineering
- Accounting and Finance
- Information Technology

Nasdaq: STAF



## UNITED KINGDOM



- Information Technology
- Accounting & Finance
- Legal



- Engineering
- Administration
- Accounting & Finance
- Information Technology



- Administrative & Compliance Recruitment



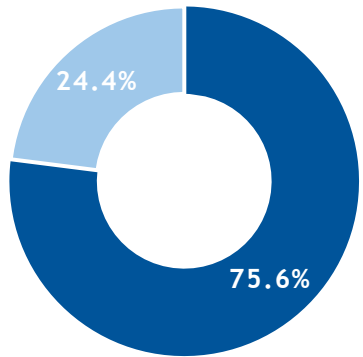
- Information Technology



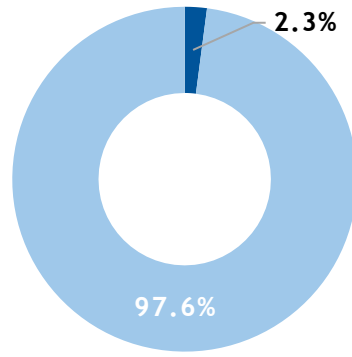
# THE WIND IS AT OUR BACK

- Record revenue with strong organic growth
- Globally added 75 new accounts in the past 24 months
- Forecast annualized revenue run rate of \$310 to \$330 million (f/x impact unknown)
- Significant operating leverage and rising conversion rates
- Forecast Adjusted EBITDA margins of 7% to 10%

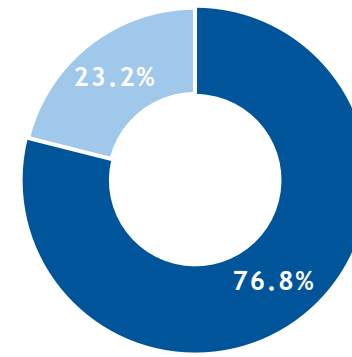
REVENUE - US & UK



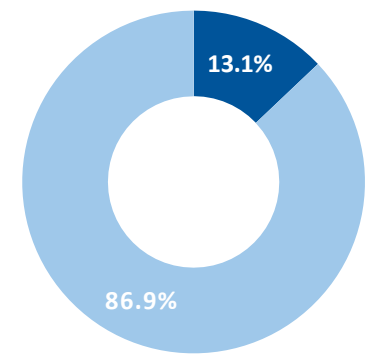
REVENUE - CONTRACT & DIRECT HIRE



GROSS PROFIT - US & UK

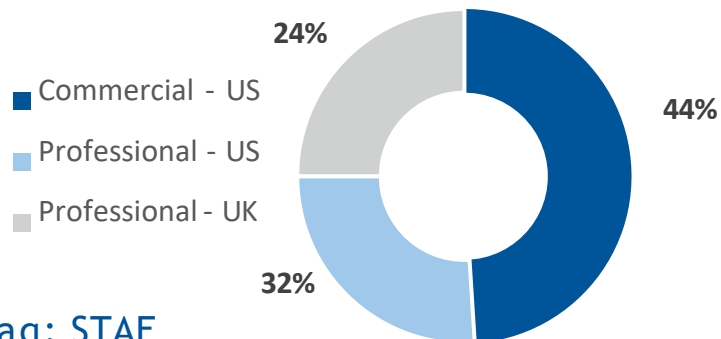


GROSS PROFIT - CONTRACT & DIRECT

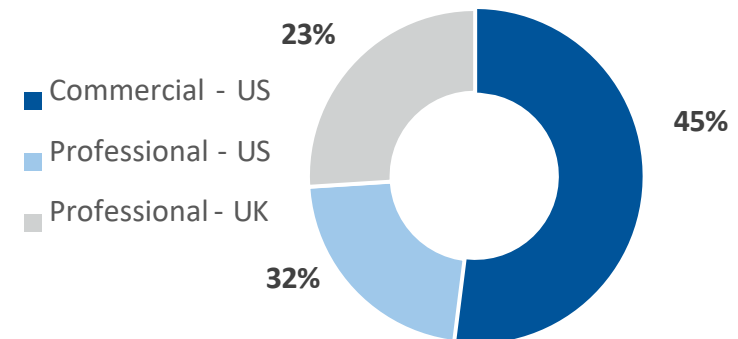


■ US ■ UK

SEGMENT REVENUES



SEGMENT GROSS PROFITS



# STAFFING 360 SOLUTIONS IS UNIQUELY POSITIONED

Rapid growth in the contingent workforce reflect changes in modern work cultures. Technology enabled tools has fueled and will lead to continued explosive growth.

## TECHNOLOGY

- Built and integrated operationally leveraged tech-driven business model being rolled out across all business functions

## US NATIONAL REACH

- Placed candidates in all 50 states (85% of all zip codes covered)

## UK SERVICES

- Concentrated footprint in London allows for placements across Europe without a need for offices

## EXCEPTIONAL EXPERTISE

- Deep human capital, HR knowledge, Processes and Tools

## ACCOUNT RELATIONSHIPS

- Sticky Account Relationships (average over 10 years) through people, processes and technology

We don't need "Bricks & Mortar" to grow Staffing 360 Solutions!



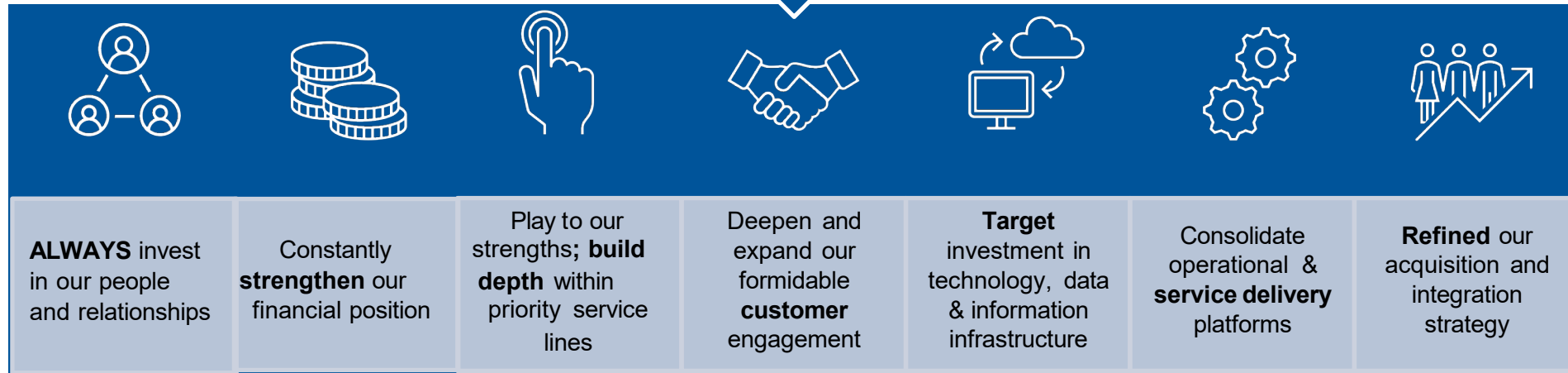
# LOCAL PRESENCE – GLOBAL REACH

- Materially lowers service delivery costs thru automation
- The benefit of this approach in flexibility to shift to different geographies
- The flexibility to shift resources based on need and business priorities
- The inherent internal service delivery flexibility to operate 24/7 serving different time zones
- The inherent benefit of a team-based approach for cross training and resource cross utilization



# THE “360 WAY” PERMEATES THROUGHOUT

Launched during COVID-19, our core-360 strategy & initiatives center on investing in Customers, Employees, and our Contingent Workforce



## *Our Technology*

The Staffing 360 HR Cloud provides everything business needs for world-class HR today, and tomorrow.

Our cloud delivers industry-leading payroll, benefits HR, hiring, and everything in between, combined with services and advice from our HR experts.



## US and UK Operations Recognized for Exceptional Client Service



For five consecutive years, US-based [Monroe Staffing Services](#), a leading staffing agency in the Commercial Staffing and Professional Staffing Services segments, has been awarded *Clearly Rated's* **Best of Staffing® Client Diamond Award** for consistently providing superior service to its clients.



US-based [Key Resources](#) (Commercial) and [Lighthouse Professional Services](#) (Professional) were each awarded *Clearly Rated's* **2022 Best of Staffing® Client Award** for the third consecutive year.

ClearlyRated's Best of Staffing® Award recognizes staffing agencies that have proven superior service quality based entirely on ratings provided by their clients.



UK-based [CBSbutler](#), a market-leading technical and engineering recruitment firm, has won the **2022 Feefo® Platinum Trusted Service Award** for the second consecutive year. [CBSbutler](#) was the 2020 Gold Trusted Service Award winner.

Feefo is a reviews and customer insights technology company that works with over 3,500 clients to ensure that all feedback is authentic by matching it to a legitimate transaction.

# EXPANSION STRATEGY LEVERAGES MACRO TRENDS

We have a two-fold valuation expansion strategy

1. Organic revenue and margin expansion driven by technology, processes and sales growth
2. Followed by a consolidation acquisition strategy

**\$600B**

GLOBAL MARKET

**\$212B**

US MARKET

**165K**

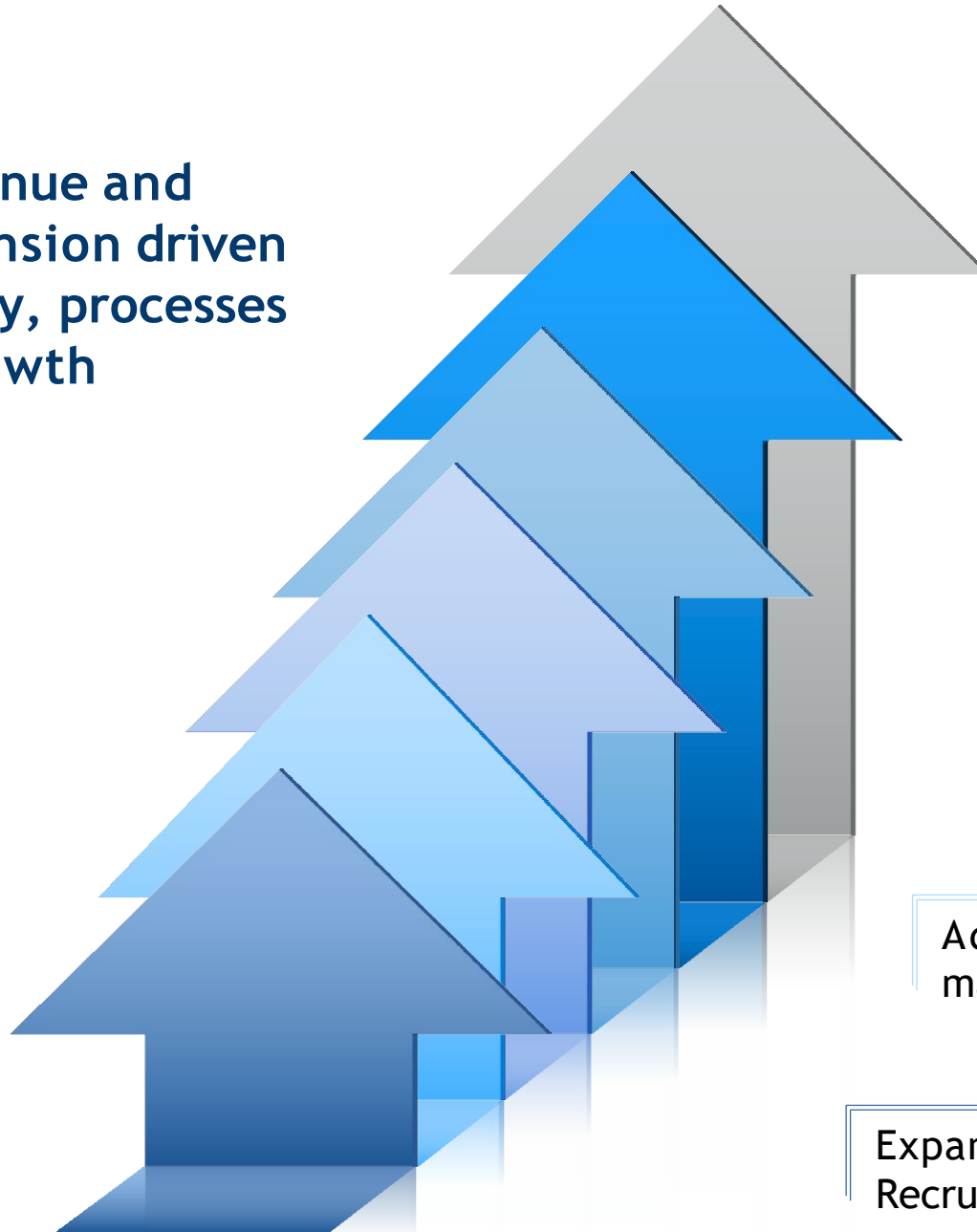
STAFFING  
COMPANIES  
GLOBALLY

**20K US**

COMPANIES  
<\$20M IN REVENUE

# STAFFING 360 SOLUTIONS GROWTH STRATEGY

**Organic revenue and margin expansion driven by technology, processes and sales growth**



Enhance our technology enablers, tools, processes

Build and nurture candidate-based communities

Focus on contracted 'outsourcing relationships'

Expand offerings across targeted geographies & disciplines

Add large scale payroll management solutions

Expand existing Staffing Recruitment Platforms

01

*Keep a keen eye and discipline for value and margin expansion*

02

*Preserve and nurture the distribution relationship of the acquired business*

01

02

03

*Integrate back-office functions Consolidate insurances, Accounting, IT Consolidate EINs Eliminate corporate duplications*

## 6-Step Strategy

06

*Target Adjusted EBITDA enhancement of a minimum of 30% within 12 months*

03

04

*Expand service offerings and leverage the CORE Service Delivery Platform*

05

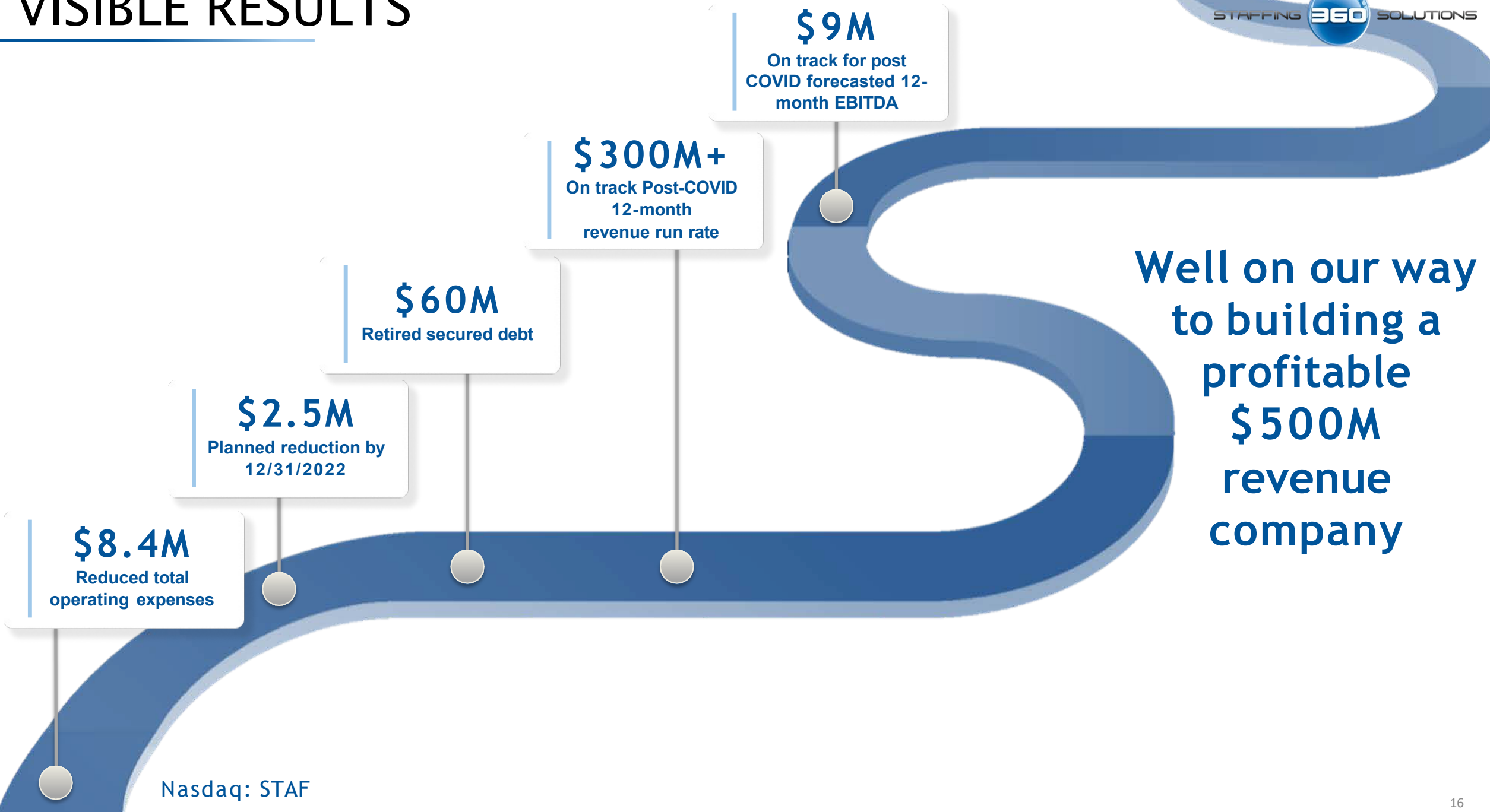
05

*Keep a keen eye and discipline for value and margin expansion*

04

06

# VISIBLE RESULTS



Well on our way to building a profitable \$500M revenue company

Nasdaq: STAF



# IMPROVED FINANCIAL POSITION

**Fixed term debt now at \$9.4 million a reduction from \$70 million in 2020**

**Consolidated US Asset Based Lending facility to significantly lower borrowing costs**

# “THE 360 WAY” WE NEVER STOP IMPROVING

- Consolidate 11 different front office data bases into one by 2023
- Developed standardized reporting and metrics
- Implemented systems initiatives to fully automate and integrate the staffing, payroll and billing functions
- Materially reduce worker’s compensation costs forecast - a million dollars per annum saving
- Across all functions - continuous process improvement concepts introduced
- Estimated annualized savings in these initiatives = \$3.0 million

# ADJUSTED EBITDA TRENDS



# CAPITALIZATION TABLE



	Jan 1, 2022	Dec 31, 2022	Apr 24, 2023
Shares of Common Stock Outstanding <sup>1</sup>	1,758,835	2,629,199	5,206,020
Warrants <sup>2</sup>	972,495	1,703,688	3,729,543
Options <sup>3</sup>	1,302	51,302	51,302
Series H Convertible Preferred Stock (common stock equivalent) <sup>4</sup>	0	350,000	350,000
Total Common Stock And Common Stock Equivalents Outstanding	2,732,632	4,734,189	9,336,865

<sup>1</sup> Includes 7,688 unvested equity shares for Jan 1, 2022, 68,592 unvested equity shares for Dec 31, 2022 and 128,496 unvested equity shares for April 24, 2023

<sup>2</sup> WA price of warrants for 1/1/22 - \$26.80, 12/31/22 - \$6.60 and 4/24/23 - \$4.97

<sup>3</sup> In January 2022, Brendan Flood was issued 50,000 (five-year) options at an exercise price of \$7.80

<sup>4</sup> In May 2022, the Company acquired Headway Workforce Solutions and issued the shareholders of Headway 9,000,000 Series H Preference Shares (treated as debt in financial statements)

Series H preferred shares convertible into 350,000 common shares

# 360 BUSINESS - THE SNOWBALL EFFECT

- Macro trends - we ride the wave
- Sticky tools - embedded process driven technologies
- Deep client relationships - keep close and sell
- Continue to accelerate organic growth
- Already Implemented Integration Savings will add \$3.0 million in annualized EBITDA - six-month lag
- Future Acquisition Accretion
  - Followed by integration savings; our objective is to organically, and by acquisition, add \$200 million in incremental topline within two to three years
  - Drive EBITDA to 5% and then to 10% of revenue over the same period



FIND THE  
RIGHT  
PEOPLE





Investor & Media Relations:

**CORE IR**

Matt Blazei

[mattb@coreir.com](mailto:mattb@coreir.com)