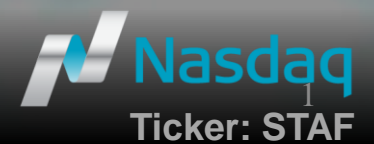




Fiscal 2018 Investor Call – March 21, 2019



Investor Call Agenda

- Introduction and Safe-Harbor
- Opening Remarks
Brendan Flood, *Chairman & Chief Executive Officer*
- Financial Results
David Faiman, *Chief Financial Officer*
- Recent Developments
Brendan Flood, *Chairman & Chief Executive Officer*
- Q&A
Brendan Flood, *Chairman & Chief Executive Officer*
David Faiman, *Chief Financial Officer*
- Closing Remarks
Brendan Flood, *Chairman & Chief Executive Officer*

Forward-Looking Statements; Non-GAAP Financial Measures

- Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements regarding the business of the Company and its industry generally, business strategy and prospects. These statements are based on the Company's estimates, projections, beliefs and assumptions and are not guarantees of future performance. These forward-looking statements are subject to various risks and uncertainties, which may cause actual results to differ materially from the forward-looking statements. The Company disclaims any obligation to update these forward-looking statements except as required by law.

- Use of Non-GAAP Financial Measures

We may use non-GAAP financial measures. Other companies may have different definitions of these non-GAAP financial measures, and as a result they may not be comparable with non-GAAP financial measures provided by other companies. Non-GAAP measures are calculated in a manner consistent with that shown in the table at the end of this presentation and should not be considered alternatives to measurements required by U.S. GAAP, such as net revenue, operating profit or net income, and should not be considered a measure of the Company's liquidity.

Remarks from the Chairman and Chief Executive Officer

- Record quarterly revenue. Annualized revenue of \$308 million
- Fourth consecutive quarter of positive EBITDA
- Initiated first-ever common stock dividend
- Fourth Quarter 2018 Financial Highlights:
 - Revenue growth of 25% to \$74.1 million
 - Gross profit growth of 4% to \$12.3 million
 - Net loss of \$1.4 million (Breakeven excluding non-cash items), versus a loss of \$7.3 million (\$1.7 million loss excluding non-cash items)

<i>\$ millions</i>	Q4 2018 (Unaudited)	Q4 2017 (Unaudited)
Net Loss	\$ (1.4)	\$ (7.3)
Total non-cash Items	1.4	5.7
Net Loss excluding non-cash items	<u>\$ -</u>	<u>\$ (1.7)</u>

- Adjusted EBITDA of \$2.8 million
- Full Year 2018 Financial Highlights:
 - Revenue growth of 35% to \$260.9 million.
 - Gross profit growth of 31% to \$48.3 million
 - Net loss of \$6.5 million (\$2.3 million loss excluding non-cash items), versus a loss of \$18.5 million (\$1.3 million loss excluding non-cash items)
 - Adjusted EBITDA growth of 22% to \$9 million
 - TTM Pro Forma Adjusted EBITDA of \$11.4 million

Q4 and Fiscal 2018 Financial Performance

\$000s	Q4 2018	Q4 2017	Growth	Fiscal 2018	Fiscal 2017	Growth
	(Unaudited)	(Unaudited)				
Commerical Staffing - US	\$ 33,877	\$ 25,045		\$ 107,318	\$ 96,399	
Professional Staffing - US	9,718	14,917		49,752	51,104	
Professional Staffing - UK	30,496	19,514		103,856	45,147	
Revenue ⁽¹⁾	\$ 74,091	\$ 59,476	24.6%	\$ 260,926	\$ 192,650	35.4%
Commerical Staffing - US	\$ 5,218	\$ 3,966		\$ 17,496	\$ 16,913	
Professional Staffing - US	3,342	4,091		15,610	10,619	
Professional Staffing - UK	3,785	3,857		15,198	9,209	
Gross Profit ⁽²⁾	\$ 12,345	\$ 11,914	3.6%	\$ 48,304	\$ 36,741	31.5%
<i>Gross Margin</i>	<i>16.7%</i>	<i>20.0%</i>		<i>18.5%</i>	<i>19.1%</i>	
Selling, general and administrative expenses	\$ 10,264	\$ 10,457		\$ 43,579	\$ 32,819	
Depreciation and amortization	873	1,256		3,124	3,566	
Impairment of goodwill	-	4,790		-	4,790	
Operating expenses - restructuring	(57)	780		(57)	780	
Total Operating Expenses	\$ 11,080	\$ 17,283	(35.9)%	\$ 46,646	\$ 41,955	11.2%
Income (Loss) from Operations	\$ 1,265	\$ (5,369)		\$ 1,658	\$ (5,214)	131.8%
Interest expense	\$ (2,201)	\$ (1,902)		\$ (8,386)	\$ (3,745)	
Amortization of debt discount and deferred financing costs	(187)	(135)		(580)	(2,745)	
Change in fair value of warrant liability	-	876		879	383	
Re-measurement loss on intercompany note	(354)	-		(686)	-	
Gain from sale of business	-	-		238	-	
Loss on extinguishment of debt, net	-	-		-	(6,132)	
Other, net	171	(75)		398	(106)	
Total Other Expenses	\$ (2,571)	\$ (1,236)	108.0%	\$ (8,137)	\$ (12,345)	(34.1)%
Loss Before Provision For Income Tax	\$ (1,306)	\$ (6,605)		\$ (6,479)	\$ (17,559)	
Provision for income taxes	(100)	(719)		(22)	(932)	
Net Loss	\$ (1,406)	\$ (7,324)	(80.8)%	\$ (6,501)	\$ (18,491)	(64.8)%

1) Revenue associated with Peopleserve included in the comparative periods as follows: \$4.3 million in Q4 2017, \$7.7 million in Fiscal 2018, \$18.3 million in Fiscal 2017

2) Gross Profit associated with Peopleserve included in the comparative periods as follows: \$0.4 million in Q4 2017, \$0.8 million in Fiscal 2018, \$1.7 million in Fiscal 2017

Balance Sheet

\$000s	December 29, 2018	December 30, 2017
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 3,181	\$ 3,100
Accounts receivable, net	32,746	33,392
Prepaid expenses and other current assets	1,197	1,443
Total Current Assets	<u>37,124</u>	<u>37,935</u>
Property and equipment, net	1,639	1,618
Goodwill	32,061	27,169
Intangible assets, net	22,657	17,145
Other assets	2,956	2,881
Total Assets	<u>\$ 96,437</u>	<u>\$ 86,748</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 18,283	\$ 15,349
Current portion of long term debt	657	245
Accounts receivable financing	21,979	25,983
Other current liabilities	9,642	6,372
Total Current Liabilities	<u>52,018</u>	<u>49,309</u>
Term loan - related party, net	34,568	38,749
Term loan	997	—
Warrant Liability	—	1,426
Other long-term liabilities	4,659	4,049
Total Liabilities	<u>92,242</u>	<u>93,533</u>
Stockholders' Deficit:		
Preferred Stock	13	—
Additional paid in capital	73,772	57,574
Accumulated other comprehensive income	2,053	783
Accumulated deficit	(71,643)	(65,142)
Total Stockholders' Equity (Deficit)	<u>4,195</u>	<u>(6,785)</u>
Total Liabilities and Stockholders' Deficit	<u>\$ 96,437</u>	<u>\$ 86,748</u>

Cash Flow

\$000s	Fiscal 2018	Fiscal 2017
Cash Flows Provided By (Used In):		
Operating Activities	\$ 1,971	\$ (7,233)
Investing Activities	1,666	(21,588)
Financing Activities	<u>(3,556)</u>	<u>31,273</u>
NET INCREASE IN CASH	81	2,452
Foreign Exchange Impact	—	(2)
Cash, Beginning of Period	<u>3,100</u>	<u>650</u>
Cash, End of Period	<u>\$ 3,181</u>	<u>\$ 3,100</u>
<u>Memo:</u>		
Operating Cash Flow	\$ 1,971	\$ (7,233)
Collection of UK factoring facility deferred purchase price	10,448	—
Repayments on accounts receivable financing	<u>(13,759)</u>	<u>8,079</u>
Net cash (used in) provided by operating activities including proceeds from accounts receivable financing	<u>\$ (1,340)</u>	<u>\$ 846</u>

Recent Developments

- Recent equity raises (\$4.925 million gross)
 - \$1.125 million used to settle remaining \$2.158 million of Firstpro acquisition deferred consideration

	<u>Registered Direct</u>	<u>S-1</u>	<u>Total</u>
Gross Proceeds	\$ 775	\$ 4,150	\$ 4,925
Shares Issued	387,500	2,515,180	2,902,680
Price	\$ 2.00	\$ 1.65	\$ 1.70
Firstpro Deferred Consideration Remaining		\$ 2,158	
Settlement Consideration		<u>(1,125)</u>	
Cash Gain			\$ 1,033
Total Gross Proceeds			<u>4,925</u>
			<u>\$ 5,958</u>
Total Shares Issued			2,902,680
Implied Effective Price			<u>\$ 2.05</u>

Recent Developments

- Three-Year Extension of British American Tobacco contract (largest global client)
 - Provides cross-selling opportunity of other skillsets (e.g., Accounting, Legal, etc.)
- Began servicing new large Commercial client in Northeast
- Settled Firstpro Deferred Consideration at 50% discount (approximate \$840k gain)
- Paid First-Ever Common Stock Dividend
- Strengthening of Pound Sterling likely to provide foreign currency gain (Fiscal 2018 = \$700k loss)

Questions & Answers

Closing Remarks

Appendices

Adjusted EBITDA Reconciliation

	Q4 2018 (Unaudited)	Q4 2017 (Unaudited)	Fiscal 2018	Fiscal 2017
Net Loss	\$ (1,406)	\$ (7,324)	\$ (6,501)	\$ (18,491)
Adjustments:				
Interest Expense	\$ 2,201	\$ 1,902	\$ 8,386	\$ 3,745
Provision for income taxes	100	719	22	932
Depreciation and Amortization ⁽¹⁾	1,060	1,391	3,704	6,311
EBITDA	1,955	(3,312)	5,611	(7,503)
Acquisition, capital raising and other non-recurring expenses ⁽²⁾	482	945	3,124	2,139
Other non-cash charges ⁽³⁾	207	368	1,158	1,330
Loss on extinguishment of debt, net	-	-	-	6,132
Restructuring charges	(57)	780	(57)	780
Impairment of goodwill	-	4,790	-	4,790
Change in fair value of warrant liability	-	(876)	(879)	(383)
Gain from sale of business	-	-	(238)	-
Re-measurement loss on intercompany note	354	-	686	-
Other (income) / expense	(171)	75	(398)	106
Adjusted EBITDA	\$ 2,770	\$ 2,770	\$ 9,007	\$ 7,391
<i>Adjusted EBITDA Margin</i>	<i>3.7%</i>	<i>4.7%</i>	<i>3.5%</i>	<i>3.8%</i>
TTM Adjusted EBITDA	\$ 9,007	\$ 7,391	\$ 9,007	\$ 7,391
Gross Profit TTM	\$ 48,304	\$ 36,741	\$ 48,304	\$ 36,741
<i>TTM Adjusted EBITDA as percentage of gross profit TTM</i>	<i>18.6%</i>	<i>20.1%</i>	<i>18.6%</i>	<i>20.1%</i>
Pro Forma TTM Adjusted EBITDA ⁽⁴⁾	\$ 11,384	N/A	\$ 11,384	\$ 10,847

(1) Includes amortization included in other expenses.

(2) Acquisition, capital raising and other non-recurring expenses primarily relate to capital raising expenses, acquisition and integration expenses and legal expenses incurred in relation to matters outside the ordinary course of business.

(3) Other non-cash charges primarily relate to staff option and share compensation expense, expense for shares issued to directors for board services, and consideration paid for consulting services.

(4) Pro Forma TTM Adjusted EBITDA includes the Adjusted EBITDA of acquisitions for the period prior to the acquisition date.

Net Income Excluding Non-Cash Items Reconciliation

Net Income Excluding Non-Cash Items Reconciliation

\$ millions

	Q4 2018 (Unaudited)	Q4 2017 (Unaudited)	Fiscal 2018	Fiscal 2017
	\$ (1.4)	\$ (7.3)	\$ (6.5)	\$ (18.5)
Net Income				
Depreciation and amortization	0.9	1.3	3.1	3.6
Foreign currency re-measurement gain on intercompany note	0.4	-	0.7	-
Amortization of debt discount and deferred financing costs	0.2	0.1	0.6	2.7
Other non-cash charges	0.2	0.4	1.2	1.3
Impairment of Goodwill	-	4.8	-	4.8
Extinguishment of debt	-	-	-	5.1
Gain on sale of Peopleserve	-	-	(0.2)	-
Other income/expenses non-cash	(0.2)	-	(0.2)	-
Change in fair value of warrant liability	-	(0.9)	(0.9)	(0.4)
Total non-cash Items	\$ 1.4	\$ 5.7	\$ 4.2	\$ 17.2
Net Income excluding non-cash items	\$ -	\$ (1.7)	\$ (2.3)	\$ (1.3)

Capital Structure and Leverage

	<u>Fiscal 2018</u>	<u>Fiscal 2017</u>
Total Long-Term Debt, Net	\$ 35,565	\$ 38,749
Addback: Total Debt Discount and Deferred Financing Costs	\$ 1,171	\$ 1,251
Total Long-Term Debt	<u>\$ 36,736</u>	<u>\$ 40,000</u>
 Pro Forma TTM Adjusted EBITDA	 <u>\$ 11,384</u>	 <u>\$ 10,847</u>
 Pro Forma Leverage Ratio	 3.2x	 3.7x

TTM Pro Forma Leverage Ratio: Calculated as Total Long-Term Debt, Net, gross of Debt Discount and Deferred Financing costs, divided by Pro Forma Adjusted EBITDA for the trailing twelve-months (“TTM”).

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