

**First Half FY 2022  
Financial and  
Programmatic Release**

**May 2022**

# The Fedcap Group: First Half FY 2022 Key Takeaways

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Served 30,000 more people in the first half of 2022 than in the first half of 2021

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Double-digit Revenue Growth Reflects Robust Domestic and International Service Platform

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Top-tier performance on existing contracts has resulted in +99% win rate on recompetes; Innovation has resulted in winning new contracts

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Strong programmatic, financial, and technology infrastructures support large roll outs

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# Top Tier Performance

300 Contracts  
Across 4 Countries

**Achieved 96%**  
of contract  
deliverables

Leveraged  
Evidence  
Based Tools  
and  
Interventions

Ensured Value  
Through  
Governance,  
Corporate  
Policies and  
Structure

Invested in  
Communities  
Where We  
Work

# Increased Revenue is Driven By Organic Growth and Acquisitions

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**Overall Revenue growth for first half of FY 2022 14.4%**

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Domestic work represented 70% of First Half of FY 2022; International was 30%

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Business Development Pipeline at March 31st, 2022 was \$427MM

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68% of the Pipeline is new business and 32% recompetes.

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60% of the Pipeline is Domestic and 40% International.

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# Leveraged the Strength of Recent Acquisitions to Build out Education Practice

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Apex Technical School acquisition continued to be a positive contributor to revenue.

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Civic Hall acquisition provides a platform for Technology Training—to reskill and upskill workers to meet demand of transforming economy.

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## **Strategic Actions**

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Planned launch of innovative digital training center—leveraging Apex and Civic Hall – the estimated 8000K sq foot digital training center is set to train up to 3000 students a year.

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Partnership with Paul Smith College rounds out Education Practice continuum.

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Expansion into training on “green technologies” allows us to train a workforce to enter this emerging field.

# Expansion of Proprietary Single Stop Platform

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In the first half of FY 2022 Single Stop served over **25,000 new people**, connecting them to over **\$88 million in resources**.

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We have expanded Pell grant screening functionality and added several new states.

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Serving **10,000** college students in the first half of FY 2022 across 50 college campuses.

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Benefits Screener provides users with information about federal and state benefits that meet their needs based on information they provide.

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Premium case management tool allows partner organizations to follow individuals throughout their continuum of benefits.

# International Growth

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Ramped up large, multi-year contracts in the UK (England and Scotland) to provide support for individuals unemployed due to pandemic.

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Continue to effectively manage large Canadian workforce development contract.

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Responded to an RFP in Ireland and recently won a new award in Canada.

# Impact Highlights

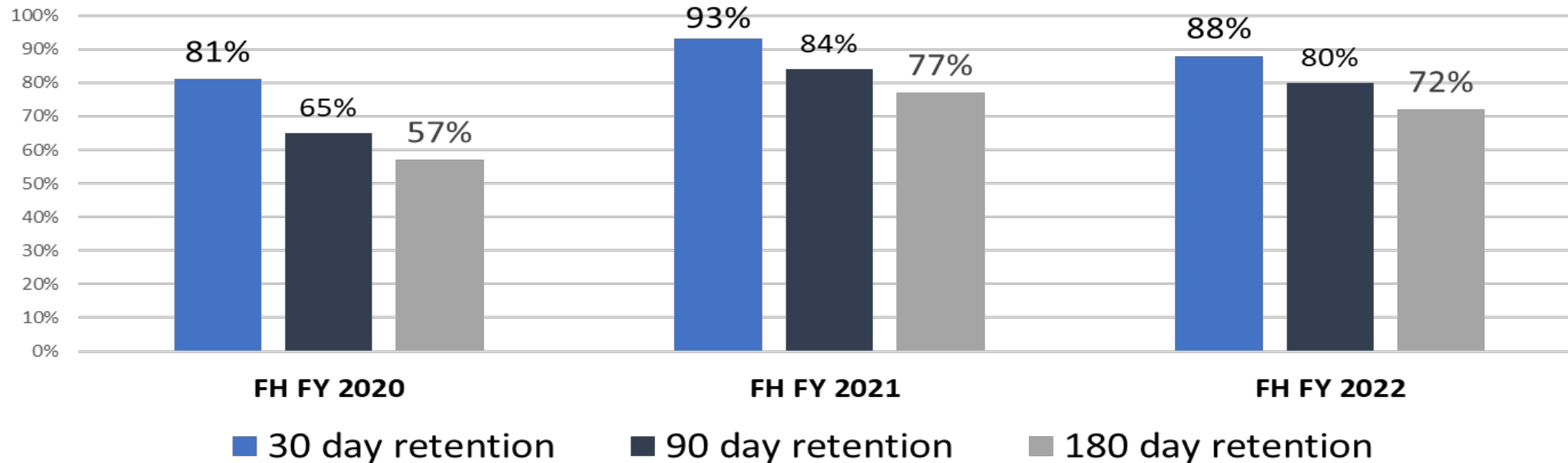


# Workforce Development Impact Highlights

## Job Placements

- 10,685 individuals placed in jobs
- This is compared to 5,808 job placements

## Three Year Trend in Job Retention—Solid Performance



## Salary

- **27%** (2,912) of new job placements earned \$17.00 or more per hour.

# Education Impact Highlights

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**Early Education (Children Ages 0-8)** Served 2,164 children ages 0-8 + another 859 children with support services including emergency food and clothing. **93%** of children from inclusive childcare program entered regular kindergarten settings.

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**Special Education–Fedcap School in New Jersey** In the past three years 100% of the seniors graduated; **31% of youth were accepted into college** and another **31% were accepted into Trade Schools**.

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**Transitional Education–Greenleaf Neurodiversity Community Center in Austin, Texas** assisted **110** youth/young adults with autism transition to adulthood with a job.

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**Technical Training** 2,028 students achieved certifications in high growth sectors from **Apex Technical School and Career Design Schools**

# Health Impact Highlights

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**23,270** people engaged in wellness services that assist individuals in obtaining and retaining employment.

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**3,812** veterans and their families received an array of wellness, educational and employment services from the Dixon Center.

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ReServe has received multiple contracts in New York City totaling \$10MM annually, deploying 734 ReServists to address the COVID-19 pandemic in the neighborhoods most adversely impacted. **To date this work has impacted nearly 730,000 New Yorkers.**

# Economic Development Impact Highlights

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A total of **1,798** people are employed in our commercial businesses. Individuals employed in our commercial businesses have a disability or barrier to employment.

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**158 new jobs** were added in Total Facilities Management—our largest commercial enterprise. Average annual salary approaching \$40,000.

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Green energy is quickly becoming a source of jobs within our commercial businesses.



**International:  
Strong  
Performance  
and Planned  
Growth**

# Fedcap UK-Strong Performance Contributes to Growth

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Fedcap UK continues to grow. Last year our revenue grew to £23MM, from the previous year's £11.8MM; and by 2023 we forecast this will increase by at least another 100%.

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Fedcap is a trusted partner of the Scottish government in delivering their 'dignity and respect, fairness and equality in work' agenda—delivering services across the South of Scotland and as far North as Aberdeenshire.

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In England we have implemented the Department for Work and Pensions flagship 'Restart' scheme, serving those people who have become long-term unemployed.

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**4,460 people placed in jobs** across our programs in England and Scotland.

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For the past three months, **we have been at the top of the DWP league table in achieving sustainable outcomes for our customers.** Our goal is to be the top strategic employer to DWP.

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The Fedcap Group is committed to the United Kingdom and we look forward to developing our provision with our partners in the Department of Work and Pensions, the Scottish Government and beyond.

# Fedcap Canada—Strong Impact Results

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Fedcap Canada was awarded a \$56MM (Canadian Dollars) annual contract to serve as the Administrative lead for the Hamilton-Niagara region of Ontario to provide tailored support for people unemployed including those with disabilities.

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The original Network comprises 37 different organizations covering 1,600 kilometers.

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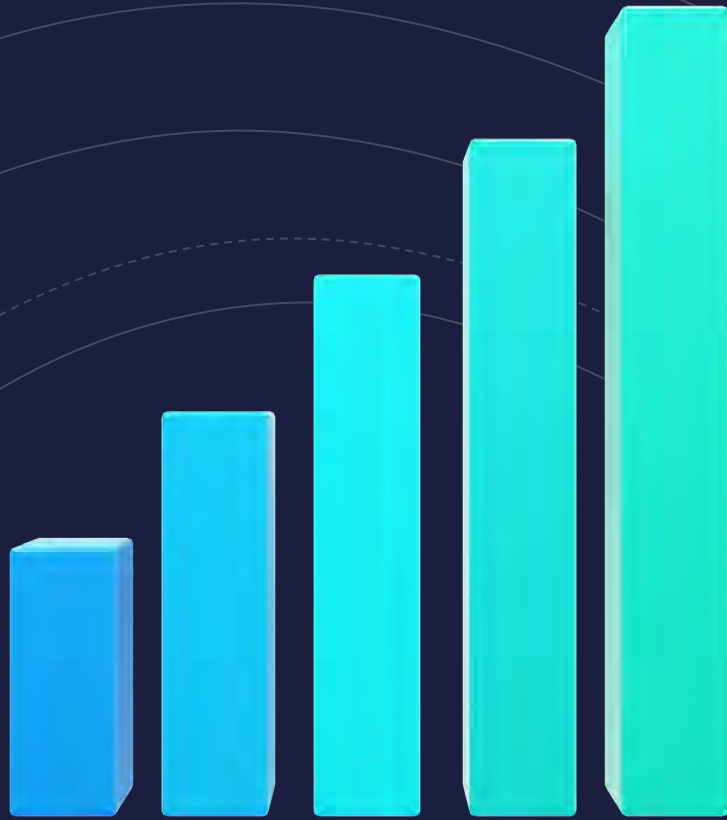
To date, we have served 15,772 people across the Hamilton-Niagara catchment area in the province of Ontario.

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Recently won an additional catchment area just northeast of Hamilton, which will begin integrated services in April of 2023.

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In the Hamilton-Niagara catchment 86% of clients completing their employment plans have found jobs and 80 percent are working more than 20 hours a week.

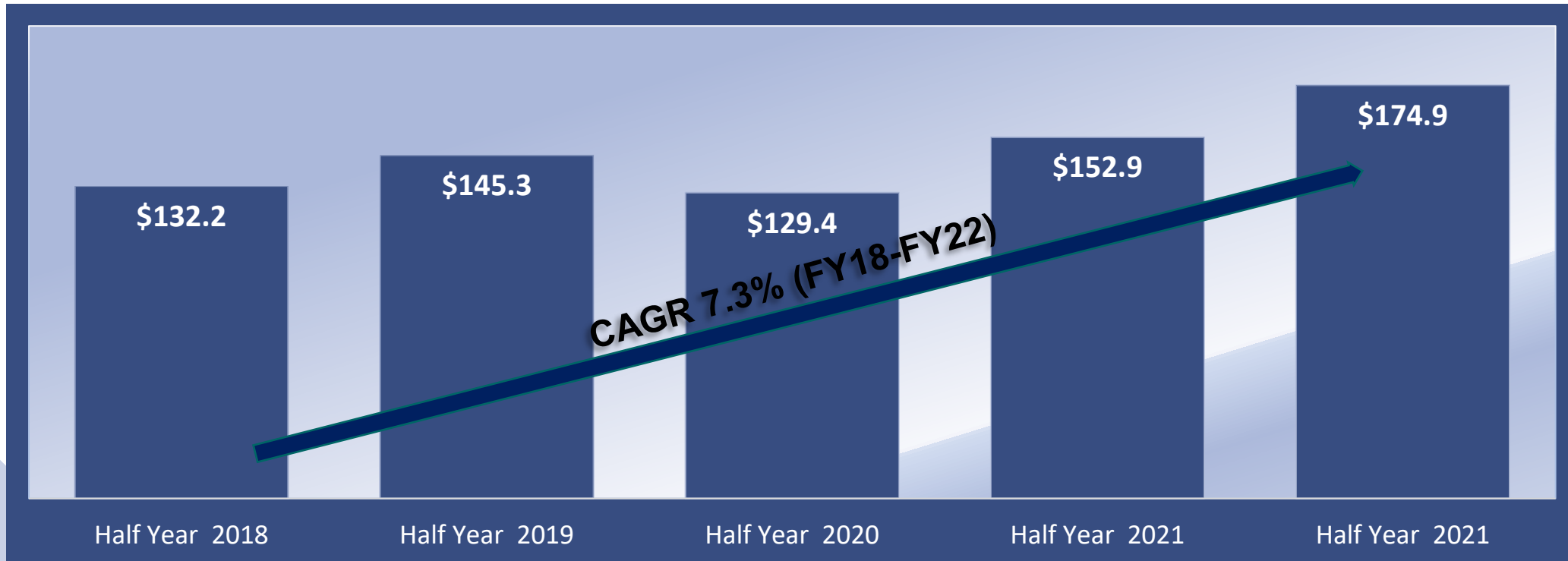


# Core Financial Health



# Capacity to Support Growth and Expansion

1<sup>st</sup> Half FY 2022 Revenue Growth: 2018-2022 (in Millions)



Fedcap has achieved a 5-year compound first half growth rate of 7.3% from 2018 – 2022. Fiscal 2022 recurring revenues increased 14.4% from 2021 levels.

# Balance Sheet Highlights

(\$MM)	1 <sup>st</sup> Half 2015	1 <sup>st</sup> Half 2016	1 <sup>st</sup> Half 2017	1 <sup>st</sup> Half 2018	1 <sup>st</sup> Half 2019	1 <sup>st</sup> Half 2020	1 <sup>st</sup> Half 2021	1 <sup>st</sup> Half 2022
<b>Cash and Investments</b>	\$21.8	\$27.9	\$29.3	\$24.7	\$23.3	\$15.9	\$33.7	\$50.2
<b>Total Assets</b>	\$115.7	\$145.9	\$146.3	\$155.1	\$173.7	\$181.3	\$190.0	\$213.7
<b>Long-Term Debt</b>	\$54.0	\$79.2	\$78.6	\$75.7	\$97.6	\$97.1	\$107.7	\$115.3
<b>Net Assets</b>	\$34.9	\$34.9	\$35.5	\$35.6	\$37.2	\$36.1	\$38.6	\$45.1

# Key Financial Ratios

## Income Statement

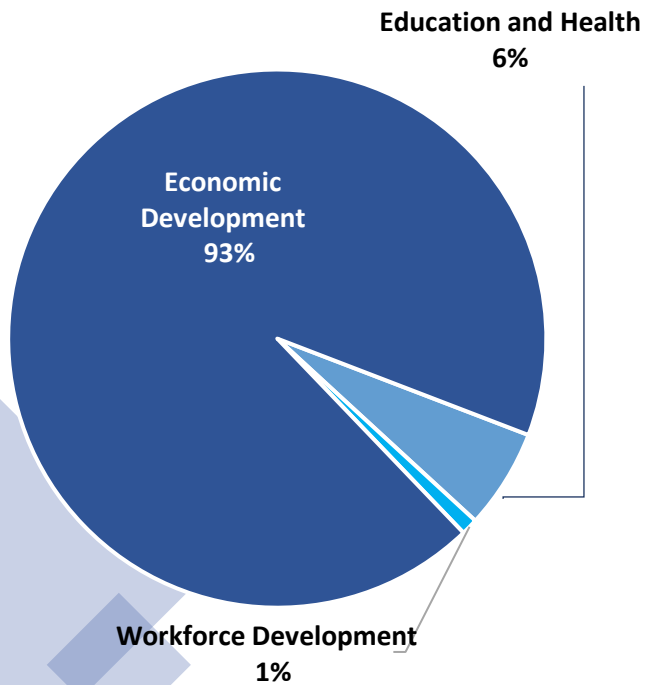
- **Operating Margin: 0.88%**
- **Personnel Cost Ratio: 52%**
- **Program Expense Ratio: 88%**

## Balance Sheet

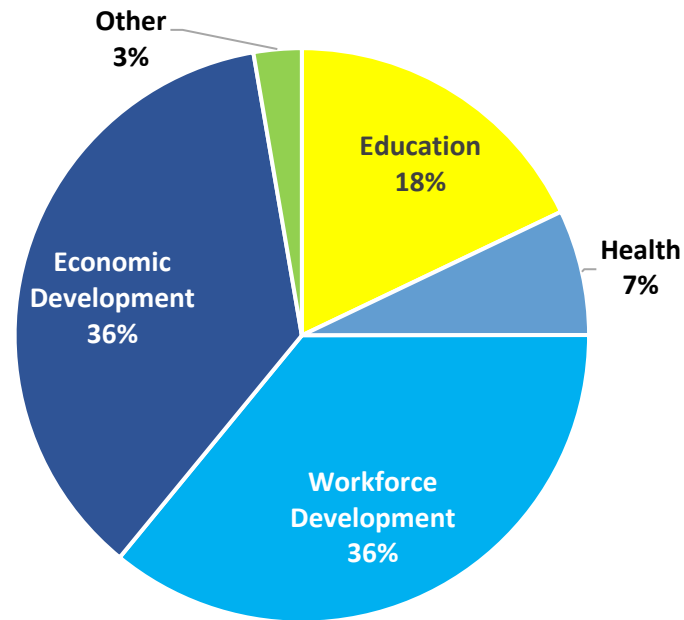
- **Debt Coverage Ratio: 2.29**
- **Current Ratio: 2.20**
- **Average DSOs: 59 Days**

# Revenue Diversification

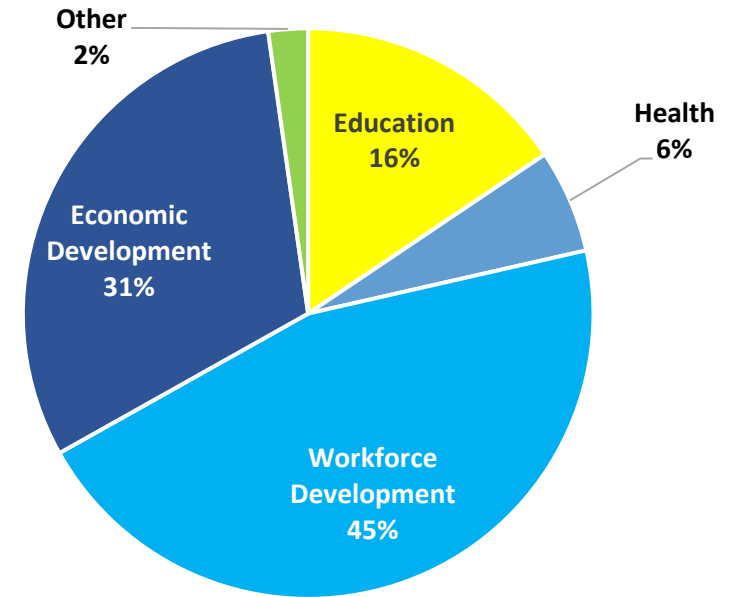
**FY2010 - \$74 Million**



**FY2021 - \$331 Million**



**FY2022P - \$380 Million**



# SUMMARY and OUTLOOK

# Multiple Catalysts for Long-term Economic Well-being

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Substantial benefits from Apex and Civic Hall acquisitions and partnership with Paul Smith College – addressing the reskilling and upskilling of workers, supplying a trained workforce to meet demands of transforming economy.

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New Training Curriculum in Green Technologies will expand our ability to educate, prepare and train individuals for employment in the high demand areas of clean energy and renewables.

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Commitment to innovation—identifying new strategies to affect change in people’s lives and the systems within which services are delivered.

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As we make a positive impact on society, we are also managing to the highest Environmental, Social and Governance Standards (ESG) by reducing our energy usage, maintaining a collaborative working environment and prioritizing transparency.

# Fiscal and Programmatic Performance Aligned with Strategic Objectives



ACHIEVED  
INDUSTRY-LEADING  
OUTCOMES FOR  
INDIVIDUALS WITH  
BARRIERS TO  
ECONOMIC WELL-  
BEING



SUSTAINED AND  
GREW OUR  
EXPERTISE IN CORE  
MARKETS



LEVERAGED  
SUCCESSFUL  
PROGRAMS IN NEW  
FORMATS AND NEW  
GEOGRAPHIES



UTILIZED  
TECHNOLOGY  
ACROSS PRACTICE  
AREAS TO ENGAGE  
POPULATIONS AND  
MEASURE RESULTS



SERVED AS A  
GROWTH PLATFORM  
FOR LIKE-MINDED  
ORGANIZATIONS  
WITH SYNERGISTIC  
MISSIONS

# QUESTIONS



# OUR MISSION

The Fedcap Group is committed to creating opportunities and improving the lives of people with barriers to economic well-being.

THE  
**FEDCAP**  
GROUP

**FEDCAP**  
inc.

**RESERVE**

**easterseals**

**FEDCAP**  
Rehabilitation

**WW**  
THE WAY TO WORK

**Single Stop**<sup>™</sup>

**TOTS**

**Wildcat**  
POWER OF OPPORTUNITY

**CIVIC HALL**

**FEDCAP**  
Canada

**DIXON CENTER**  
Reaching America

**GRANITE PATHWAYS**

**FEDCAP**  
Scotland

**APEX**  
TECHNICAL SCHOOL

**Community Work Services**  
ON THE WAY TO WORK

**FEDCAP**  
Ireland

**MVLE**  
Working with Purpose

**benevolent**

**FEDCAP**  
Employment

**SEACOAST PATHWAYS**