

The Fedcap Group

Fiscal year 2023 Full-Year Financial &
Programmatic Results

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CORPORATE PARTICIPANTS

Christine McMahon – *Chief Executive Officer*

Carol Khoury – *Chief Financial Officer*

PRESENTATION

Operator

Good day, and welcome to the release of The Fedcap Group Fiscal Year 2023 Full-Year Financial and Programmatic Results. All participants will be in a listen-only mode. If viewing on the webcast, please feel free to click to view the presentation in full screen mode. Should you need assistance, please signal a conference specialist by pressing the star key followed by zero.

After today's presentation, there'll be an opportunity to ask questions. To ask a question, you must be dialed in by phone. When the Q&A portion of the session begins, you will be prompted to press star then one to join the queue. Please note that this event is being recorded and the slides on your screen are user controlled. You may use the arrows at the bottom of your screen to move through the presentation.

On today's presentation, we have The Fedcap Group's President and CEO Christine McMahon and Carol Khoury, Chief Financial Officer.

At this time, I'd like to turn the conference over to Christine McMahon. Please go ahead.

Christine McMahon

Thank you so much, Sarah. And a special thanks to Advisory Partners, our IR partner for their ongoing work in preparing this release. Their not-for-profit division has guided our release for the past nine years. So, we are very, very grateful.

I'm joined this morning by Carol Khoury, our CFO. We both thank all of you on the line for your interest in our organization and your participation in this morning's call.

In addition to our financial and programmatic data, last year, in 2022, we began incorporating our sustainability ESG efforts. While still emerging, we are very proud to be focused in the same transparent way on those results. Our commitment to transparent reporting on our financial results and our programmatic impact and now our environmental results is longstanding. To our knowledge, we remain without peer in this regard. No other not-for-profit is releasing financial outcomes to the public in real time.

Our board of directors across our companies has driven this agenda and without a doubt it has made us stronger. In addition to our board members across our footprint, our impact is strengthened by our suppliers, our service and of course our government partners. Our strategic partnerships drive and support the many accomplishments represented in today's call. And, of course, our staff; 3,500 strong, extraordinary staff dedicated to one mission—improved economic well-being.

On slide 2, our vision, mission, and strategy is clear and a simple one: we build scalable solutions to advance economic well-being for all. We work hand in hand with a group of stakeholders, government partners, donors, supply chain to ensure that every individual has the opportunity to build an economically secure future. We're committed to remaining relevant, that's continuously innovating and focused on emerging sectors and models of service delivery. And, of course, we are committed to measurable impact; visible, meaningful impact that drives economic well-being across all areas of our work. I hope you will see evidence of this throughout today's presentation.

On slide 3, four practice areas drive our work: education, workforce development, health, and economic development. We operate these 20 not-for-profit subsidiary companies across the US, Canada and the UK. Our organizational strategy and structure is designed for meaningful impact, innovation and growth, and a healthy dose of financial and programmatic risk management. We're committed to providing responsible solutions that positively impact people who have barriers to economic well-being, solutions

for communities, including the environment, and we are committed to improving those systems that can be the very barriers to economic well-being.

Our operating principles focus on sustainable financial health, contract performance at top tier levels in each sector we operate, but we're also focused on innovation that amplifies well beyond contract performance requirements; inoculating government systems with innovations that propel individuals into the middle class, specifically wage and wealth metrics. Embedding parental education and financial literacy, for example, across all of our work are just two examples. We continue to highlight these priorities as we present this morning.

On slide 4, 2023 was marked by a high inflationary environment including government cuts and regulatory changes, which did lead to several contract eliminations and delays in a few of our major projects. But we ended the year slightly ahead of 2022 at \$363 million with net operating positions of 3.7. We executed 168 contracts worth \$195 million in 2023, bringing our total contract term value to roughly \$1.3 billion across 337 contracts. We served 230,000 people, we put 25,000 of them to work in jobs at better than average wages. This is a 7% increase in jobs over last year.

We saw strong re-compete performance consistently in the high 90s. Our combined expertise and qualifications, along with targeted value added services in several important areas are very much aligned with the needs of funding agencies and consumers. This past year, we launched several new pre-K programs in Texas and New York, we expanded our benefit screening with Single Stop, and began the capital race for our CDFI. We continued to scale globally; we exported the highly successful clubhouse to the UK. This is a service designed to address mental health barriers for job seekers. And from the UK, we imported their highly successful Restart jobs model to Maine. More on both of those in this report.

We have continued expansion of our international activities. Our portfolio across the UK and Canada is roughly 30% of total operations. We saw expansion in Canada, where we work with an enormously successful and talented network of community providers.

Our technology and capital partners have kept pace with our growth. Many capital and strategic partners such as Oracle, Salesforce, our banks such as Provident Bank, as well as IDB Bank, USI and Anthem, our overall risk management partners, just a few examples, alongside our remarkable and dedicated staff, community service partners and board, they all ensure we are not just keeping up, but able to drive innovation and a great customer experience across our platform.

Our pipeline is solid with over \$355 million in annual sales. All mission aligned, providing confidence for our 2024 budget of \$385 million.

On slide 6, we believe education is essential. A clear pathway from pre-K through post-secondary education is an essential element to meeting current and future workforce demand. Higher education and training are central to a person's success. Education and lifetime earnings are inextricably linked. The data are clear: creating new and innovative educational on ramps toward increasing levels of education is essential for those who have had significant and at times structural barriers to education and economic well-being, and this lasts a lifetime. For example, the median income of those with no high school diploma is roughly \$32,000 and with only a high school diploma \$42,000. This compared to the median average approaching \$70,000 for those with a bachelor's degree. This impact carries over not only to wage but also a lifelong wealth accumulation.

Over the next two decades, this will become increasingly important as 70% of the new jobs will require some post-secondary education and 60% of our current workforce will require upskilling. Our commitment to better access to higher levels of education is necessary to ensure sustainable outcomes.

On slide 7, our education results. In 2023, we served more than 2,300 individuals across our education practice with 77% success completion rates. We're building a continuum of services tailored to individual needs from early child wellness and education, to career paths including post-secondary college degrees. In our early education programs, we're seeing success with nearly 30% of our pre-K special needs students moving to regular education. This is well above the national average.

And to meet the growing demand in early childhood programs nationally, we continue to expand in this area. This year we expanded in Texas, and Port Jervis, New York with plans for continued expansion across our footprint.

In our K through 12 programs, we are proud to report 100% graduation rates. And given the populations we serve this is an enormous, enormous result. For post-secondary, we are focused on high growth sectors with improved wages and high potential for stabilizing wealth opportunity. These include green energy and climate technology innovation, hospitality and business. For example, because of the generous grant from the Heckscher Foundation, we are launching our second solar training program for underserved communities in Brooklyn, New York next year, and we're very grateful to Heckscher for that opportunity.

We have launched nearly a dozen workforce certification programs now receiving college credits. These include solar technician, home digital automation, as well as robotics, just to name a few. This year, we expanded Apex in Long Island City and Manhattan, and we launched Apex Clean Energy Institute, bucking the national enrollment trends with a 23% increase in enrollment over last year, serving over 1,500 students. We're tracking to a 76% graduation rate, and to date 75% job placement rates. Again, well above the average.

Our salaries are exceeding on average of \$50,000. This too is well above the national average for peer programs and community colleges.

Our approach is unique and includes supports well beyond what is required to maximize student success, including our ability to drive college credits across our workforce training programs and providing Single Stop screenings for all students and their families. Jim Malatras and his team are driving extraordinary growth and success across our education sector.

On slide 9, our workforce practice operates across our entire footprint. It's led by exceptional and talented staff. We placed 25,600 people in jobs this year, a 7% increase over 2022. Our retention rates are solid at 78% after 180 days. These placement numbers are despite a significant contract ending without warning, making these numbers even more impressive.

On slide 10, as you know, we launched a state-of-the-art virtual reality initiative this year. We will fully integrate this solution across all four practice areas, from simulations designed to enhance interest in high demand areas such as solar and wind energy, construction and welding, to opportunities to deliver certificates in training in challenging environments.

On slide 11, in summary, we increased our influence internationally and across the US. Our practice leader, Grant Collins, has testified before Congress. We're competing, winning larger contracts, and pushing innovations like our immersive technology and adding parent education and financial literacy as a value add. And with annual job placement numbers approaching 26,000, the workforce practice is significantly changing the wage and wealth outcomes for those we serve.

On slide 13, our health practice supports our aim at an array of important determinants of well-being and

they too are embedded in all our programs. The return on investment is powerful. In 2023, approximately 56,000 individuals screened through Single Stop with a total value of eligible benefits north of \$500 million. This is a household improvement of \$17,000. We added critical screening areas to include the low income Energy Assistance Program, and we've expanded into California and Illinois this past year.

In partnership with Entergy utility services, Single Stop is introducing two new initiatives, which we are very excited about. The first, The Power of Prosperity initiative; is an initiative supporting students at three locally Historic Black Colleges and Universities in New Orleans, with an expected impact on students exceeding \$25 million. The second one, Entergy customers who represent over 2 million households across Louisiana, Mississippi, Texas, and extending into Arkansas, in the near future can access Single Stop's benefits screener and the vast network of its community resources by simply scanning a QR code right from their monthly energy bill. This collaboration aims to have a significant impact on individuals and communities in that region.

And finally, through our Dixon Center for Military and Veterans Services, and in Maine specifically, our Veterans Forward Initiative, we provided critical education, employment, housing and basic needs to over 10,500 veterans.

On slide 15, economic development. With our partners, at Ability One and several state programs such as NICET and Access, we created well over 1,000 jobs within the total facilities management and manufacturing enterprises, mainly in the Northeast, and with average salaries over 30% higher than minimum wage as we continue to grow, providing high quality jobs with benefits. This has significantly improved the economic well-being of these employees. This year, we will have integrated our Apex school to assist in the upskilling of those workers and building a pipeline of new skilled workers which we expect to impact wage and wealth significantly in the upcoming few years.

On slide 16, a moment on wealth. A critical component of our work and focus, again, well beyond any contract requirement, is measuring long term wealth for our consumers. Our focus not only on wages, but the accumulation of wealth or equity is an essential component of long term economic well-being. It's the type of economic well-being that we all want.

With our partners at Mutual of America and our HR team, we diligently focused on wealth for the past 14 years for this group of 1,000 individuals committed to expanding training, financial literacy and education, along with more effective communication, and we've had solid impact. We've continued to increase participation rates in long term savings for those in our programs. And this past year, we've increased participation by over 67%. This will have a profound impact on the wealth accumulation for those individuals.

On slide 17, you see we've launched our Fedcap build to CDFI. Utilizing a technical assistance grant from the US Treasury, we expect to raise \$6 million over the next three years to make low cost equity investments and provide loans, along with technical assistance, all targeting homeownership and small business development for populations and communities with structural barriers to this kind of capital.

On slide 21, a bit on international growth. US, Canada and UK teams are working together to bring best-in-breed models across our footprint. This has been to the benefit of our customers. We're bringing services from the US to the UK, from the UK to Canada and vice versa. This past year, we had benefited from both.

In slide 22, one example, we exported the Chelton Loft Clubhouse to two locations in England, one in South Central and the other in the North West. Fedcap launched the clubhouse over 30 years ago. The program has shown significant improvements in the UK for people experiencing mental health issues at

work; 68% reporting improvements on the social adjustment scale and 60% in the Warwick/Edinburgh Mental Health Wellbeing Scale. This was quite successful.

Noteworthy, Fedcap UK is currently top of the DWP league table in terms of achieving outcomes for all customers. We continue to drive employment opportunities across all sectors. We added job training and placement services for individuals displaced from Ukraine and Scotland, we launched Healthy Minds inspiring people to an eight-week program supporting 40 young people who have learning disabilities and mental health difficulties. The program is focused on building confidence and resilience.

And on 23, in Canada, we continued to excel in the deployment of our service systems manager contracts supporting people in the region of Ontario. We're fully operational and performing well above in every area of focus. We're driving high placement numbers with wages averaging above \$18 per hour. Our senior leaders continue to stress the success of our work in Ontario. It is driven by a remarkable and collaborative group of community partners. This model is surely to have lasting effects.

We achieved a very good overall engagement volume this past year in Canada as well. But even more importantly, we exceeded volumes for every inclusion group we were assigned to serve. Whether it was youth with higher support needs or indigenous people, asylum seekers or people with disabilities, we exceeded contract expectations in each area. We are proud to be partners of the governments across the UK and Ontario, Canada to reduce unemployment and make a true difference in the lives of individuals, families and their communities. And without exception, this work is a true collaboration of the groundbreaking government innovations of dedicated Fedcap staff and an extraordinary group of community partners, all working together to ensure success and economic well-being.

And now, I'd like to turn the presentation over to Carol Khoury, our CFO, who will review additional financial metrics.

Carol Khoury

Thank you, Chris. Good morning, everyone. And thanks for joining.

Slide 25, I am happy to report on The Fedcap Group's financial performance for fiscal year 2023 ending September 30th. Our gross revenues for the period were \$363 million, exceeding fiscal year 2022. 2023 revenues continue to be well diversified, both geographically and by business practice, although they were relatively flat in comparison to Fedcap's five-year average revenue growth rate of 4.8%. Our 2024 budget represents a conservative growth rate of 6% over the prior year and a five-year average growth rate of 9%.

Fedcap's fiscal year '23's relatively flat operating performance reflects a delayed start in Civic Hall operations. The programs offered at Civic Hall and the continued growth at our Apex school will only enhance our education practice in fiscal year 2024. It is our array of program services and consistent investment in existing and new business practices that will enhance our reputation for excellence, growth, and the delivery of needed services to the at-risk populations we serve.

Slide 26, balance sheet highlights. Fedcap's FY 23 balance sheet reflects a year of considerable capital investment and a change in accounting standards for leases. The decrease in liquidity, measured by its cash and investments from \$65 million at the end of FY 22 to \$35 million at the end of FY 23, is due in part to Fedcap's planned cash investment in Civic Hall. This is a movement of cash reserves to fixed assets.

In addition, the year-end receivable increased enough to be a temporary draw on our cash reserves. We expect the committed and current pipeline of private and municipal pledges for 2024 to be sufficient to

replace the Fedcap reserve's liquidity invested in Civic Hall.

During FY 23, changes in the accounting standards and practices required Fedcap to recognize most of their operating leases as capital leases. It leaves us with \$93 million in right of use assets and identical amounts of long term liabilities, which means no net effect. Fedcap's banking and finance partners are aware of the outcome of this new rule, and it has no impact on our ability to access capital.

Slide 27, looking at Fedcap's five-year history of program revenue diversification, we have achieved our growth and service goals, particularly with new business opportunities and the strengthening and expansion of existing programs. The efforts we make are always consistent with our mission and the needs of the market we serve.

It is important to note that in FY 23, we retired several large New York City-based contracts for various financial and programmatic reasons, representing a deliberate decision to manage our portfolio of contracts and outcomes, and invest in several new initiatives to produce sufficient top line revenue to maintain our annual gross revenue. Our discussion today is about organic growth; however, our financial and programmatic goals may enjoy further expansion because of key combinations and acquisitions in markets and geographies that will offer us greater opportunities to diversify and increase the scale of operations.

Slide 28, key financial ratios. Fedcap achieved an operating margin of 1.04% in 2023. Our operating efficiencies are measured by our personnel costs and program expense relative to gross revenue, and we achieved ratios of 54% and 88% respectively. Fedcap's operating margins in FY 23 match FY 22, despite the global rise in the cost of labor and business services. The consistent and focused financial analysis throughout the year, and the application of improved operating methods supported Fedcap's goal of maintaining profitability without any sacrifice in service outcomes.

Our cash available for debt service is 2.06 times greater than the contracted amount of funded debt. And this ratio is compliant with all bank covenants. Fedcap's working capital at the end of FY 23 was a healthy 1.79 to 1, despite the decrease in liquidity.

Back to you, Chris.

Christine McMahon

Thank you, Carol. As Carol's reports detailed, we're focused on our sustained financial health, continuation of innovation and measured impacts well beyond what our contracts require. Projects to address the enormous workforce training and education and health supports needs over the next few years, that is the mission of our group.

On slide 30, I just want to draw your attention, as we reported earlier in this presentation, last year we began a clear commitment to make a positive impact within our environment, social and governance efforts – ESG – having adopted the United Nations' construct framework as ours. Their 17 sustainable development goals from ending poverty, advancing high quality education and health services, to ensure we are all responsible business citizens committed to climate and energy consumption reductions are among our goals now, and this transparent reporting actually reflects some of that commitment.

On slide 31, our efforts and outcomes in all areas environmental, social and governance can be seen throughout our organization. For each area, we're building a set of company-wide targets designed to enhance and engage employees at all levels. Efforts have begun in the metering of gas and waste. We continue to prioritize workforce safety and customer engagement and, of course, this release again our companywide risk management focus, these are just a few areas of example.

On slide 32, I want to highlight our longstanding work across our TFM, Total Facilities Management, with over 22 million square feet in management, and where for over 40 years our environmental commitment to sustainability and supporting initiatives for our customers is ongoing and robust. Those areas of importance to name a few includes energy efficiencies related to promoting solar where possible, water consumption and electrical metering programs, etc., these measures continue to grow as part of our ongoing deliverables. And in addition to other longstanding initiatives, such as recycling and other green cleaning and product usage, these promote our sustainability and waste reduction efforts.

In 2023, our TFM, led by Steve Coons, diverted, for example, over 764 tons of waste headed for landfills. That's a key result. We reduced carbon footprint by 1,200 metric tons, again, just some of the early results from our emerging focus. And finally, through our training and education practice, we are delivering a new and desperately needed workforce across the environment, climate and clean energy sectors.

On slide 33, just looking forward in our own path to 2030. As we look forward, we're poised to deploy new education, training and workforce models, along with increases in health services, and targeted economic development in response to the issues facing those who have had long term and structural barriers to economic wellbeing. We shall continue to leverage qualifications and capabilities across the whole spectrum of our shared practices to ensure we are good citizens of our planet. We will continue to maintain a large and involved stakeholder community and most notably, we'll continue to attract extraordinary leaders, board members, senior management, as well as significant staff strength and expertise throughout all of our organizations.

I'd like to turn the call back over to the monitor for Q&A.

QUESTIONS AND ANSWERS

Operator

Thank you. We will now begin the question and answer session. To ask a question, you may press star then one on your telephone keypad. If you're using a speakerphone, please pick up your handset before pressing the keys. To withdraw your question, please press star then two. At this time, we will pause momentarily to assemble our roster.

Our first question comes from Tony St. Leger with USI Insurance Services. Please go ahead.

Tony St. Leger

Thank you. Good morning, Christine and Carol. What an impressive presentation, setting what a terrific organization Fedcap is. So much information. It's tough to pick out what I want to ask a question on. I did notice that you have a statistic up there of 230,000 people you've reached out to. I mean, that's absolutely remarkable. And I can't help but think it's not just those individuals, but their families and the communities they live in that you're also impacting as well. That's not my question. But I can't get over it, that amount of people that you reach out to.

During your presentation on sustainability and participating and adhering to the UN's construct on ESG, why is it so important to Fedcap? And what are some of the things you'll be working on in the fiscal year 2024 to achieve your goals?

Christine McMahon

Thanks, Anthony. And you're right, each individual that walks through our door, and I think it's really an important point you make, we're particularly focused not only on their entire family, but a special emphasis on those individuals in that household that are between the ages of zero and eight, because we know

that paying just a little extra attention to the children between those age ranges can make such a profound difference in their future. So a really good and important point you referenced in terms of the impact we can have on the whole family. So, thanks for that pointing that out.

In terms of our ESG and our commitment here, the prompting is really just being a responsible business citizen. I mean, we really all need to take a breath and figure out ways to better manage the elements of our environment and things that we can and should be controlling.

Now, we've been in the total facilities management business for quite some time and have had an increasing role in this area through our customer base, and we brought that inside Fedcap proper. If you look at the UN model, it really does focus on all the areas we care about, from poverty reduction to bringing quality education, making sure that people have access to high quality health, diversity in the workplace, gender equality and the like, these are all core values and have been of The Fedcap Group for decades, so it was a natural for us.

I think what's new for us this year is a real focus on not only the metrics themselves and ensuring that we are doing all that we can do, and really quantifying that in hard numbers, and for next year, for example, we're going to continue to increase the pressure on ourselves around some of these metrics. So, of course, TFM will continue to drive that initiative throughout all of its customer base, but also inside Fedcap. We're going to continue with the solar panel, advancing solar panels, for example, within our customer base, but also within the Fedcap portfolio. We're proud, for example, that our new facility, Civic Hall, built by RAL Partners with whom we're partners in terms of delivering our technology training at Civic Hall, they've been awarded a LEED certification, which is extraordinary right there in the middle of Manhattan on 14th Street. We're talking about a building that meets extraordinarily positive standards with respect to the environment. So, we're also finalizing our own training programs next year, and rolling out continuation so that we can reach every employee in the organization in terms of our commitment to these principles. They certainly include principles that are not foreign to us in terms of our service delivery, and certainly not too many foreign to us in the governance section where we meet high standards already. I think it's the environmental component that will be the exciting and new component of this, and we'll see it play out through 2024. Thanks for the question, Anthony.

Tony St. Leger

Thank you for your reply. I wish you the best of luck in hitting those goals. And I wish everybody a happy and healthy holiday season. Thank you.

Christine McMahon

Thank you.

Operator

Our next question comes from Anna Arnold with Oracle. Please go ahead.

Anna Arnold

Good morning, Chris and Carol. This is amazing. I mean, these results are so impressive. Congratulations. So, building a strong technology system is essential in any organization to fulfill its mission, and that is why Oracle has been a proud partner with Fedcap. Together, we have built an innovative, nimble system that you mentioned in your presentation today. So, the Single Stop platform is really transformative in driving legible benefits and case management to your clients. So where are some of the growth areas you see for Single Stop as well as enhancing technology solutions overall to drive better outcomes? Thank you.

Christine McMahon

Thanks, Anna. And yes, let me underscore the important role Oracle has played throughout our organization for the past many years. Our steadfast commitment and your steadfast commitment to high quality ERP solutions has been just extraordinary. And I think, in part, drives much of the success of our growth in terms of our own stability. So, thank you and Oracle for all of your support.

Single Stop is just an extraordinary tool and the return on investment is quite amazing when you think about the value back to people who are either trying to finish college or just getting through a rough patch, these are benefits that they are eligible for. And again, the right amount at the right time can make all the difference. We're going to continue to add the essential benefits as the government identifies new and innovative benefit stacks. We're going to continue to expand them inside our Single Stop product.

We're also going to expand our geographic footprint. So, we're going to get further and further across the nation. But in addition, we're integrating, for example, AI tools and other technology innovations inside the system that will greatly expand our capacity. We recently, for example, on the AI front hosted a forum on AI bringing in top leaders in this space. And this, along with our case management system at Fedcap Cares, these kinds of innovative solutions are really designed to take scale to another level. As Anthony pointed out, 230,000 people reached with the kinds of tools we're adding through AI and enhancing Single Stop and things like Fedcap Cares, we're poised to support even more growth.

In terms of sectors, we've been predominantly focused on the education sector, as you know, and we have a great amount of colleges and now commercial market with Entergy that's where we see continued expansion in some of the more business and commercial markets like the Entergy project. But also in the health sector, this is our new frontier for Single Stop. We are looking to really drive into all of the health sector, including managed care, hospital networks and alike where those customers of theirs would be able to benefit from a screening tool such as Single Stop.

Anna Arnold

Thank you, Chris.

Operator

The next question comes from Maxwell Morgan with Manhattan [Strategies]. Please go ahead.

Maxwell Morgan

Hi. Maxwell with Manhattan Strategies. Thank you for your presentation. You've had consistent growth over the past decade, and you're projecting annual revenue growth around 6% next year. My guess is you'll keep growing, so my question is twofold. First, given the ongoing financial and market uncertainties, how are you looking at the next five years? And second, in what areas is The Fedcap Group positioning itself for future growth? Thank you for taking my question.

Carol Khoury

Thanks for the question, Maxwell, and the opportunity to talk about our constant review of risk. Our overarching strategy towards growth always includes the focus on risk management with an emphasis on revenue diversification. And we're always watching the marketplace and our pipeline. Our 14 years of consistent growth took place in all four practices, especially in workforce. But looking forward next year, and for the next five years, we see tremendous growth and opportunities in the education and health sectors, and we're targeting and capitalizing on these opportunities.

Maxwell Morgan

Thank you.

Operator

Again, if you'd like to ask a question, please press star then one at this time. Our next question comes from Michelle Angley with One Hand Education. Please go ahead.

Michelle Angley

Hello. Thank you for the presentation. So, you mentioned several programs that you're taking to scale globally, two of them being the Clubhouse model and the Restart Workforce model. What are the other programs The Fedcap Group are working on to scale globally?

Christine McMahon

Great question. You know, we're working to expand specifically education and training in emerging sectors globally, like clean energy, solar training, some technology, advancing some technology trainings. For example, Civic Hall, exporting that more globally. Like to see a Civic Hall expanding across the UK and possibly into Canada as well. Along with the solar and clean energy training Apex.

We're also working on bringing health and wellness programs to scale globally. I mentioned one program in the clubhouse model moving to the UK, but our entire health practice, we have a formidable opportunity in front of us for extensive growth in both education and health, as Carol pointed out, so we think of those both as strong areas for global expansion.

Michelle Angley

Thank you.

CONCLUSION

Operator

This concludes our question and answer session. I would like to turn the conference back over to Christine McMahon for closing remarks.

Christine McMahon

Thank you, again. I thank all of you on the call. I hope it is clear that our fiscal and programmatic performance as well as our pipeline is aligned with our strategic objectives looking back at 2023, but also, we can expect the same in 2024. We are very optimistic about our future, we're well positioned to deploy and scale effective and cost-efficient solutions across an expanding footprint, in particular within our areas of practice: education, workforce, health, and economic development. We have proven infrastructure and tested implementation strategies having expanded across 20 states and 2 countries over the past decade. Our platform is built precisely to address our expansion goals, and we have a steady growth year over year for the past 14 years. Leaders across our practice are supported by a highly effective corporate services division, and a strong reliable supply chain. We benefit from key strategic community partners, and we are all focused on one thing—sustained economic well-being.

We have an organization-wide commitment to growth and sustainability, a core financial health indicator, remaining relevant through visible innovation structures, and of course measured impact. All this is solidly embedded in our culture. We remain on path for continued mission driven growth, and we expect to hit or exceed our 2024 target of \$385 million. We expect to increase the number of jobs next year, serve more people and continue to build on that wage and wealth results for our customers.

I want to say on behalf of our group, how grateful I am to all of our board members, our donors, funders, and highly effective supply chain and of course, our staff, all of whom who pivot to meet whatever challenges emerge.

In closing, Fedcap is grounded in the belief that economic well-being and dignity for all people can be

achieved through early access to high quality education, meaningful work, targeted health services, and strong communities. And it's through a highly effective collaboration with government businesses, donors, funders and other community partners that we are able to create opportunities for those who may face challenges to accessing quality education and employment. So, I thank you for your attention and continued support of our work.

Operator

The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.