InStaff

„Staffing-as-a-Service“ platform for the
€ 170 billion short term staffing market

Value Proposition

InStaff delivers a full-service solution for short term staffing

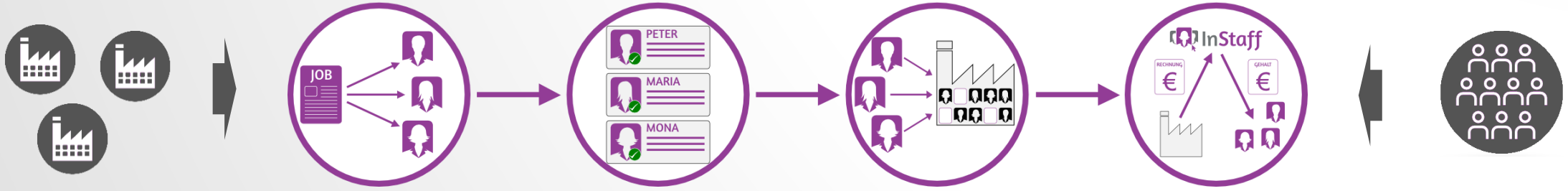
InStaff`s Online Marketplace is a Software-as-a-Service Solution

- provides platform
- onboards customers & users
- handles emergencies

Customers

„Staffing-as-a-Service“

Workers



Customers files booking request for staff online	InStaff advertises jobs to its database of workers	Customer selects according to profile, wage and reviews	Customer communicates with staff & manages shifts online via InStaff	Customer gives reviews, while InStaff takes care of payroll & bills customer	Workers apply for jobs and state hourly wage

Use Case

Customers book Hostesses, Promotion-workers, Sales-Assistants and many other short term workers on InStaff

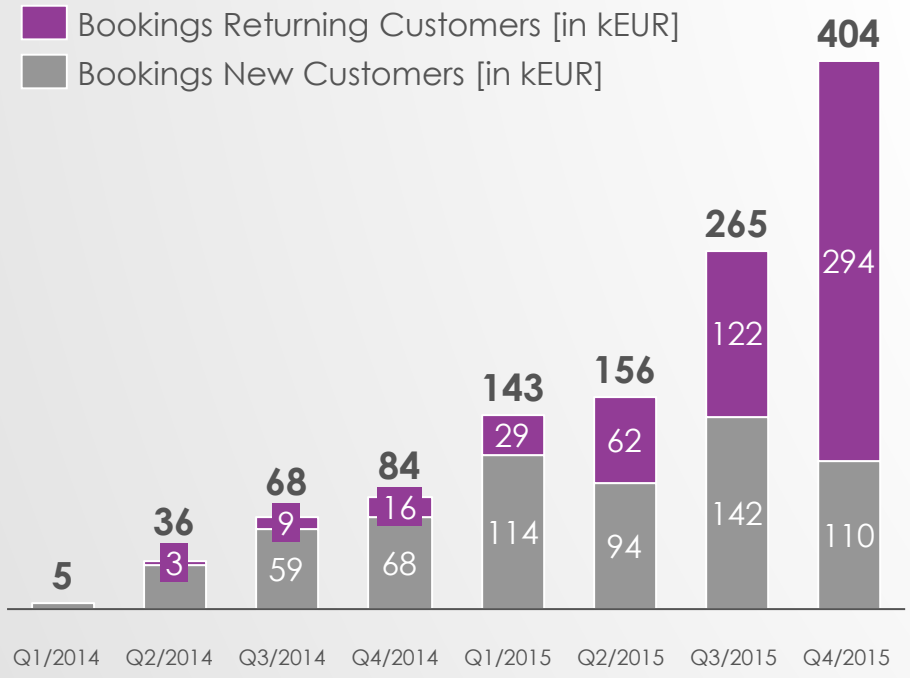
	Exhibition	Promotion	Retail
Job	Fair hostess / host	Promoter	Retail Assistant
# Workers	~ 1-20 different workers	~ 2-30 different workers	~ 2-5 different workers
Work duration	~ 1-4 days	~ several hours	~ 1-2 days (recurring)
Example customer	**SWH Software** ▪ Exhibition Panorama ▪ 7 hostesses for 3 days	**Foodora** ▪ > 400 different workers for several jobs each	**Engelbert Strauss** ▪ > 100 different workers for several jobs each

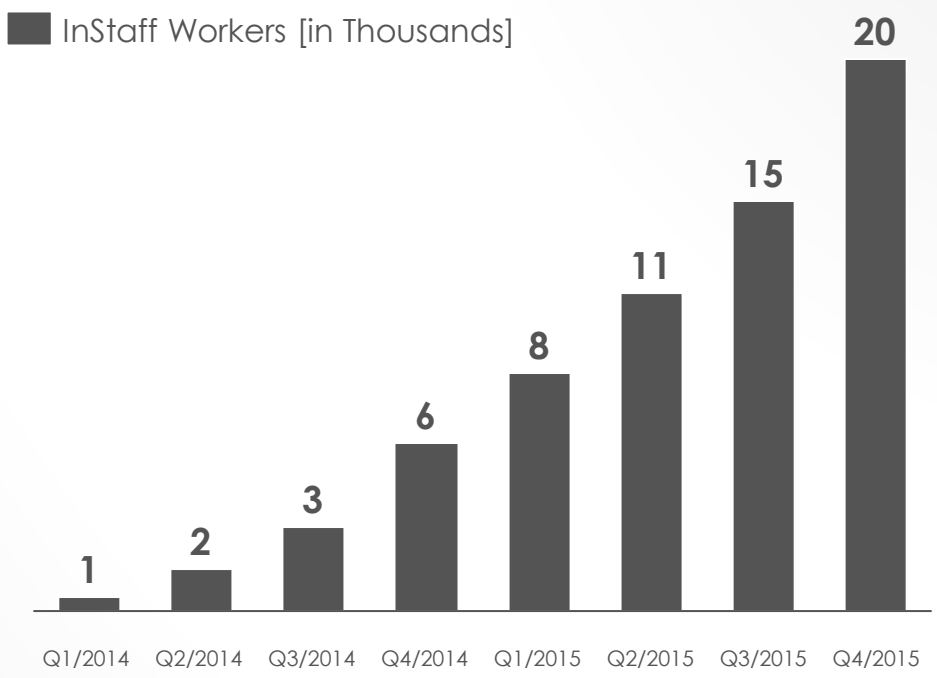
other InStaff jobs

- Waitress / Waiter
- Call-Center Help
- Catering help
- Office help
- ...and many more

Traction

Bookings increased on average by **+48%** Quarter to Quarter in 2015 while generating positive cash flow





Demand: Bookings

Ø +48% Growth
per Quarter in 2015

Supply: #Workers

Ø +34% Growth
per Quarter in 2015

KPIs

Customers, Workers and Google love InStaff

Already Break Even

Positive Cash Flow

InStaff generated a positive Cash Flow of approx. +100.000 € in Q4/2015. The Break Even Point was reached in 2015.

Growth Bookings

Ø 48% Growth

Booking Growth amounted to 48% Quarter to Quarter in 2015.

Contribution Margin (DB 1)

83% Margin

Operation costs for revenue consist of customer & user support as well as payroll costs for workers and add up to 17% of net revenue.

Database of workers

>20,000 profiles

At the moment, over 20,000 InStaff workers are available for booking. New daily signups amount to 100 – and growing.

High CLV Ratio

CLV:CAC = 3.1[1]

InStaff customers spend Ø 700 € Net Revenue in their first year – compared to acquisition costs of Ø 224 € per customer.

Customer satisfaction

4.9 points out of 5[2]

„Very clear platform, instant handling, very good service. Large selection of competent workers. We will definitely book again.“

Worker Satisfaction

4.9 points out of 5[3]

“InStaff is the best platform for hostess jobs. Very well managed and well paid jobs.”

SEO Dominance

> 200 Nr. 1 positions[4]

InStaff has the highest online visibility among its competitors and acquires over 50 new customer inquiries per week via SEO.

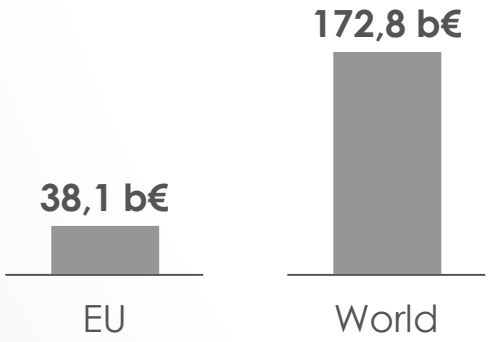
[1]CLV based only on first year revenues; [2]Over eKomi 400 Ratings - not one single fake; [3] 84 Facebook Ratings – not one single fake; [4]Google Webmaster Statistics

Market

Short term staffing is a € 170 Billion market fueled by mobile internet, flexibility and compliance

Current Key Markets (in Billion €)

Total adressable Market (in Billion €)



Market Forces

- **mobile internet**
- **flexibility**
- **compliance**

Focus on Verticals with

- high need for instant staffing solution
- optimum working period (1-5 days)
- no qualification necessary

-> easily scalable supply and demand for building a Marketplace

Expansion to

- EU
- Rest of the world

not included in market calculation above – long term vision:

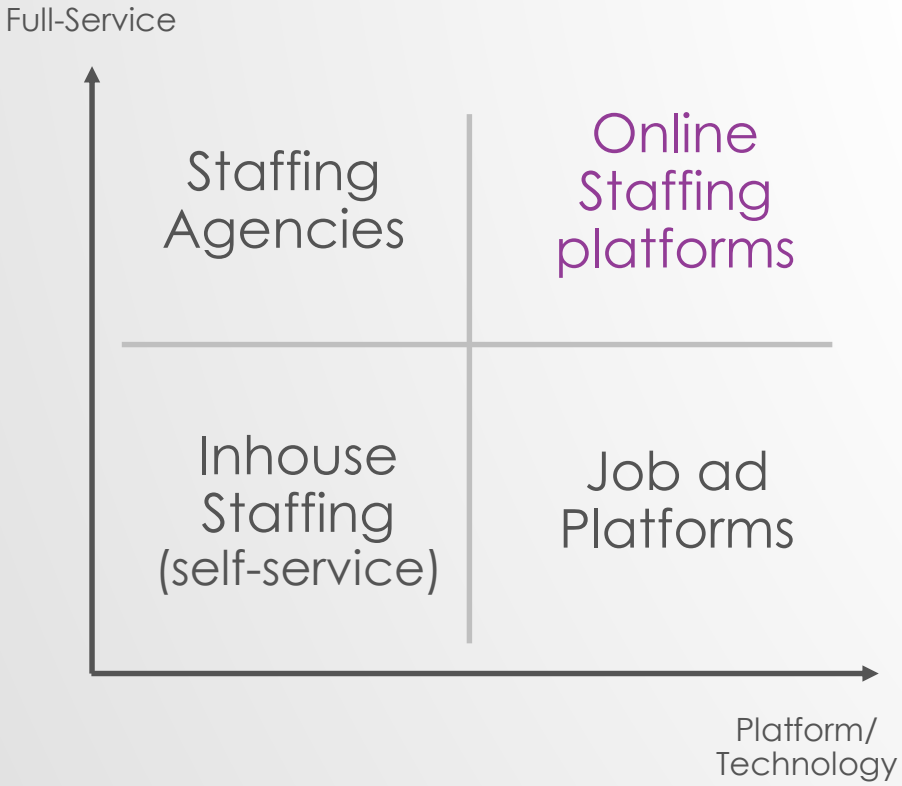
- more qualified jobs
- longer working periods
- additional services, such as permanent placements

Why Now

- increasing availability of mobile internet: access to job offers any time anywhere enables instant staffing
- Increasing demand for flexible, temporary employment due to fast changing environments
- increasing working law compliance

Market players

At the moment the majority of the need is provided by inefficient agencies



Characteristics

Staffing Agencies

- handful of workers each
- employment through agency
- no technology
- Agency handles pricing

Job Ad Platforms

- advertising of jobs online
- no employment through platform
- pricing manually between worker and customer

Online Staffing Platforms

- advertising of jobs online
- employment through platform
- pricing via Marketplace mechanics
- staff selection by customer

Differentiation

InStaff is the only Short Term Staffing Marketplace and has integrated Online Marketing into its Business Model

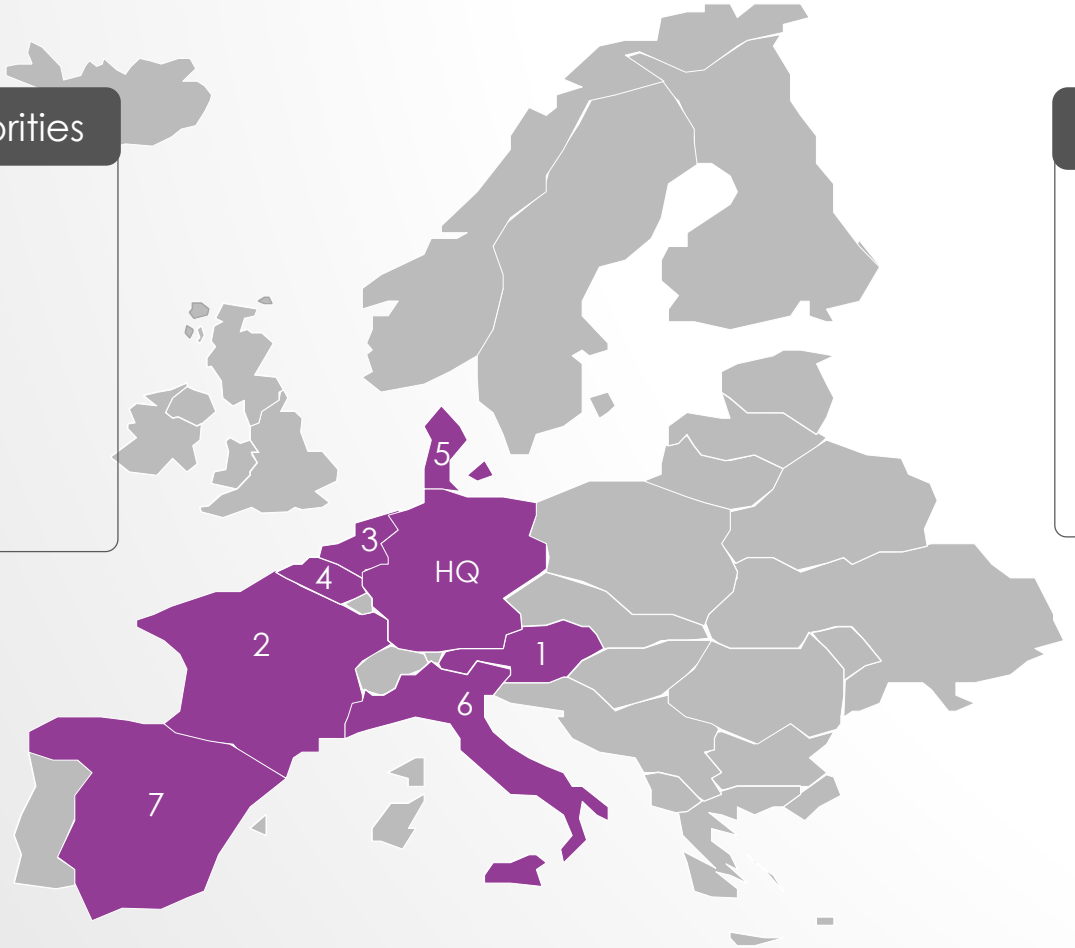
Online Staffing Platforms	Short Term Staffing	Market-place Pricing	Employ-ment & Payroll	Software-as-a-Service	Customer Acquisition online	Booking speed	Current Size	Fee
InStaff	x	x	x	●●●	●●●	●●●	●●	+43%
Stafffinder (Switzerland)	x		x	●●		●●	●●●	~ +43%
UCM, Staff Direct, 24Agency	x		(x)	●	●	●●	●	~ +60%
Studitemps			x	●	●	●	●●●	~ +60%
Staffing Agencies								
Zächel, Blank und Biehl, etc.	x		(x)		●	●	●●	~ +100%
Job Ad Platforms								
Promotionbasis, Stepstone	(x)				●	●	●●●	50-100€ per ad

Expansion

InStaff can accelerate its growth by expanding to more countries and will start its expansion in Western Europe

Country Expansion Priorities

1. Austria
2. France
3. The Netherlands
4. Belgium
5. Denmark
6. Italy
7. Spain



Expansion strategy

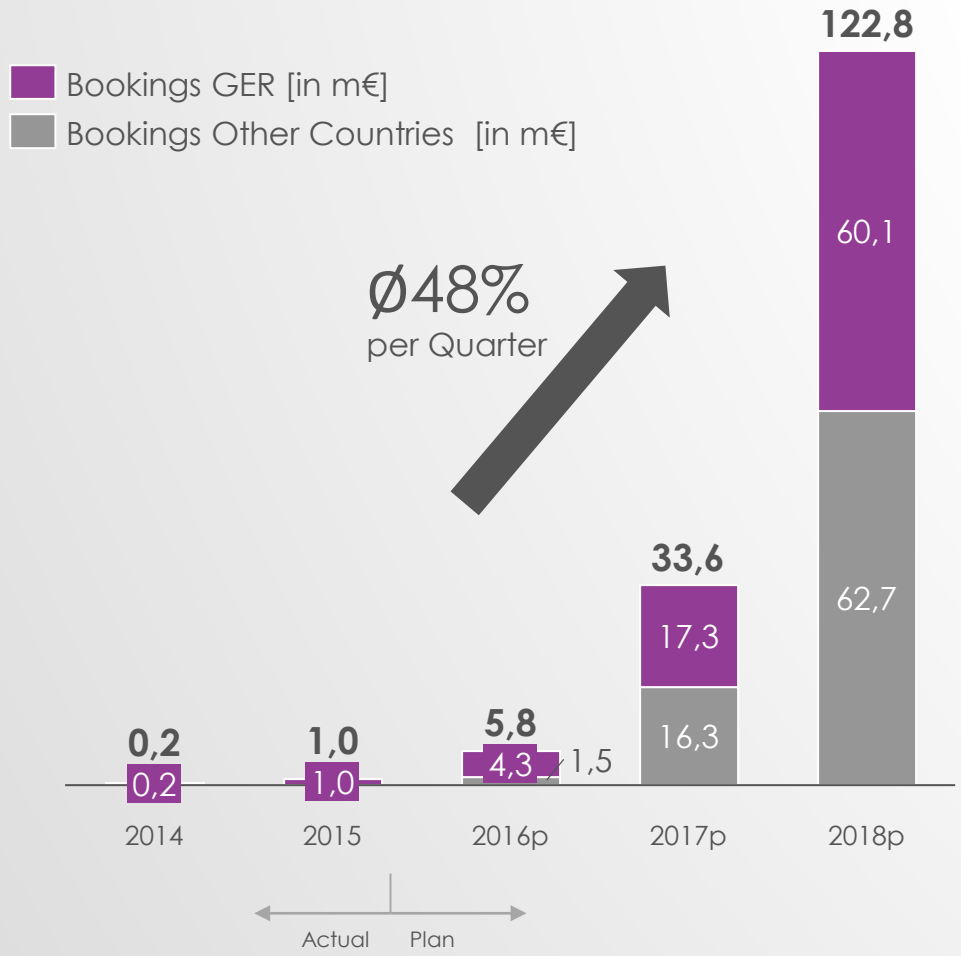
Starting expansion in countries with

- large markets for exhibitions and events (for go-to-market)
- proximity to existing countries (cross-border effects)
- high wages

Financial Model

The financial model relies on two years of data and shows growth of 48% per quarter in the next 3 years

Bookings Growth



Data

[Compound Quarterly Growth Rate]	Ø Quarterly Growth	
	2014 & 2015	Plan
New Customers SEO / Enterprise Sales	57%	40%
New Customers Adwords	51%	57%
Rebookings existing Customers	115%	49%
Weighted Average Growth	**88%**	**48%**

[Million €]	2014	2015	2016p	2017p	2018p
Bookings GER	0,2	1,0	4,3	17,3	60,1
Bookings Countries			1,5	16,3	62,7
Bookings Total	0,2	1,0	5,8	33,6	122,8
Gross Revenue Total	0,1	0,9	4,9	29,8	110,7
Net Revenues Total	0,0	0,3	1,5	8,9	33,2
Personnel Costs Operations	0,0	0,1	0,3	1,5	5,5
Contribution Margin (DB 1)	0,0	0,2	1,1	7,4	27,7
Contribution Margin (DB 1) [%]	-	79%	78%	83%	83%
Adwords Costs	0,0	0,0	1,0	3,8	6,9
Personnel costs Platform/Overhead	0,0	0,1	1,1	4,7	10,7
Other Expenses	0,0	0,1	0,4	1,3	3,8
EBIT	0,0	0,0	-1,4	-2,4	6,2
EBIT / Net Revenues [%]	-85%	11%	-98%	-27%	19%

Team

The team combines all relevant capabilities in development, marketing, operations and finance

Pascal Klein
CEO, Co-founder

Product & Marketing

- Industrial Engineer (University Karlsruhe)
- Co-founded and exited Startup Honestly MT GmbH
- 5 years experience in web development

@InStaff: Programms InStaff's Online Plattform & manages all SEO campaigns.

Max Kunz
COO, Co-founder

Operations, HR & Sales

- Industrial Engineer (University Karlsruhe)
- Worked for KMPG, Senacor and 1&1

@InStaff: Acquires InStaff's enterprise customers, recruits new team members and manages temporary employment regulatories.

Michael Schweikart
CFO

Finance & Controlling

- Industrial Engineer (University Erlangen-Nürnberg)
- Worked 7 years for Concentro Management AG as a Corporate Finance Consultant

@InStaff: Manages Investor Relations, controls Cash Flow and booking process, monitors and analyzes KPIs.

Why Invest now

InStaff has found product market fit and scalable marketing channels to keep its growth rate

Current high potential

KPIs now
- CLV:CAC = 3.1 after 12 months
- 48 % quarterly growth
- Cash flow positive

Platform now
- Growing online visibility
- Marketplace with Network Effects
- Established platform and processes – ready to scale

Series A:
2.5 m€

Capital for Growth (Europe):
Total 6 m€

€

Product Development

- mobile App development
- more Enterprise features
- enhance UX/UI
- scale platform

Customer Acquisition

- increase SEA
- employ SEO Engineers
- employ Enterprise-Sales Managers

Country Expansion

- expand to 7 Countries in the next two years: Legal setup and Marketplace ramp up

Future Value

KPIs 2017
- CLV:CAC > 5
- 48 % quarterly growth
- > 30 m€ bookings per year

Platform 2017
- Active in 8+ Countries
- Potential further financing rounds and/or IPO

Europe`s largest online Marketplace for short term staffing

Contact us

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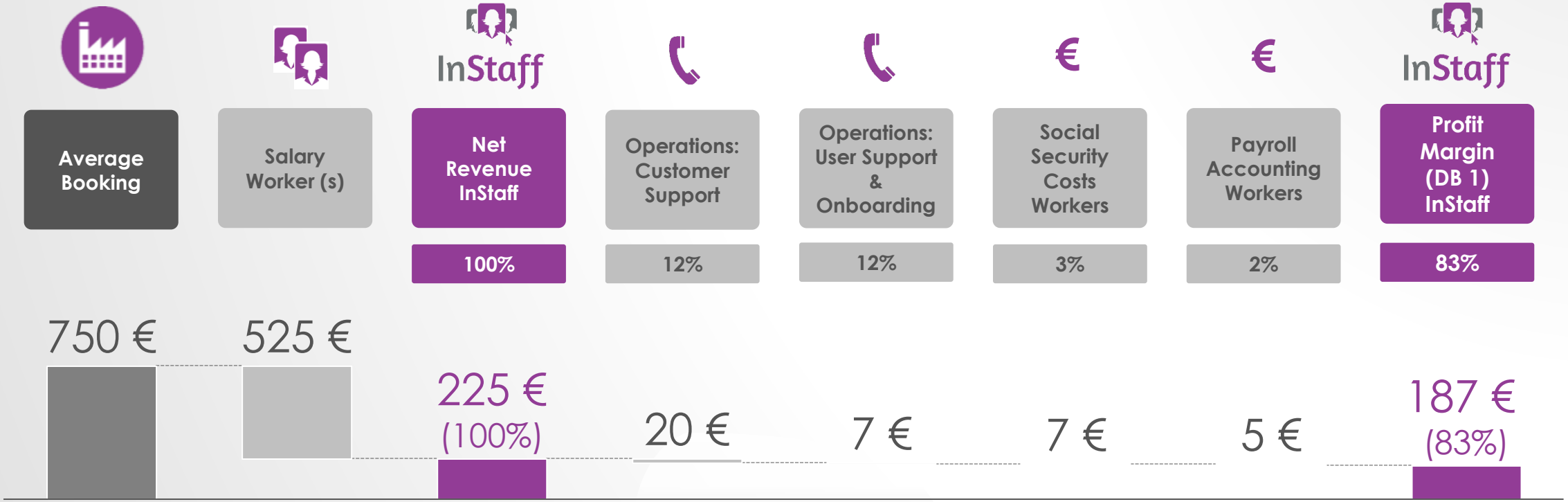
InStaff

Appendix

Unit Economics

The lean InStaff modell leads to a Profit Margin of 83%



Operations

Actual Data: Employees needed for

33 k€ Net Revenue / month:

- 1 Employee (3,000 € per month) for Customer Support and Emergencies
- 1 Intern (800 € per month) for User Support and Onboarding

Customer Acquisition

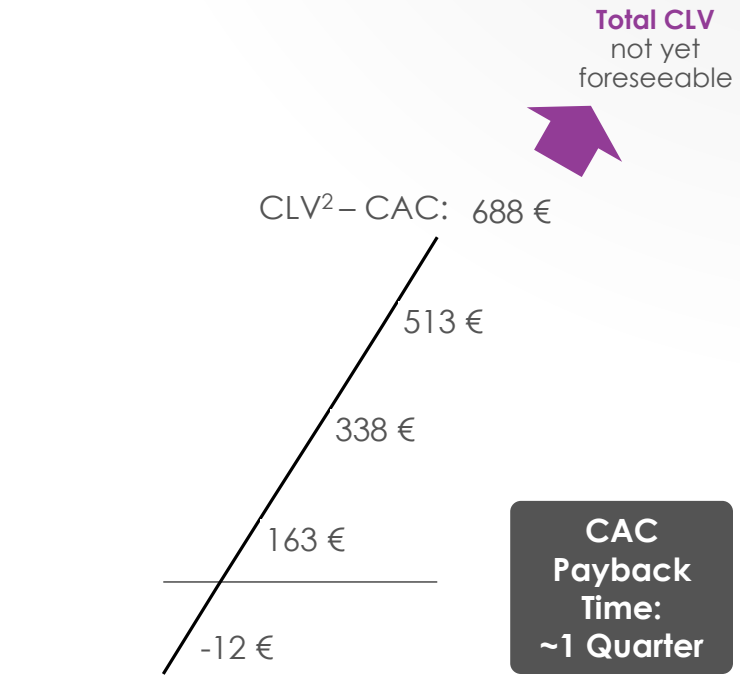
InStaffs Net Revenues excel its CAC´s by 3.1 times – already in the first year

Customer Lifetime Value (CLV)

CLV:CAC
Ratio
(First Year)

3.1

CAC Payback Time



[1]Weighted Average; [2]Net Revenues

Cohort Analysis

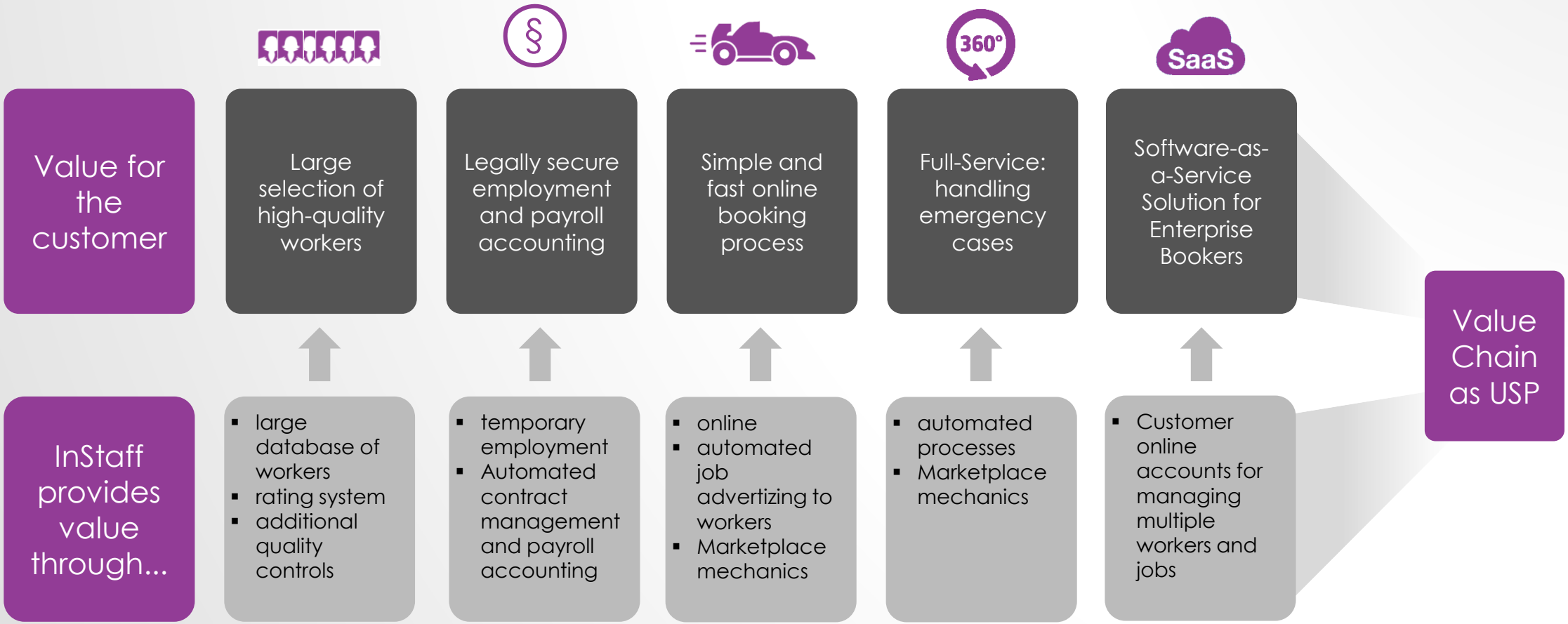
Gross bookings and average Customer Livetime Value increases with every quarterly cohort

Cohort	# Companies	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Total	Net CLV 1st year
Q1 2014	8	€ 4.944	€ 1.300	€ 0	€ 887	€ 4.203	€ 0	€ 3.823	€ 1.761	€ 2.580	€ 19.498	€ 267
Q2 2014	61	-	€ 33.898	€ 22.397	€ 2.144	€ 8.448	€ 5.542	€ 2.345	€ 3.917	€ 4.687	€ 83.378	€ 329
Q3 2014	76	-	-	€ 45.528	€ 11.930	€ 7.273	€ 1.178	€ 11.887	€ 4.062	€ 5.608	€ 87.466	€ 260
Q4 2014	96	-	-	-	€ 68.645	€ 28.800	€ 15.234	€ 16.953	€ 67.094	€ 24.122	€ 220.848	€ 405
Q1 2015	131	-	-	-	-	€ 94.067	€ 34.556	€ 25.757	€ 42.864	€ 39.682	€ 236.926	€ 452
Q2 2015	128	-	-	-	-	-	€ 99.684	€ 57.380	€ 134.750	€ 8.775	€ 300.589	€ 705
Q3 2015	175	-	-	-	-	-	-	€ 146.608	€ 60.873	€ 31.197	€ 238.678	-
Q4 2015	147	-	-	-	-	-	-	-	€ 89.435	€ 154.727	€ 244.162	-
Q1 2016	264	-	-	-	-	-	-	-	-	€ 197.482	€ 197.482	-
Total	1129	€ 4.944	€ 35.681	€ 67.925	€ 83.606	€ 142.791	€ 156.194	€ 264.753	€ 404.756	€ 468.860	-	-

All values represent gross bookings, except CLV which is shown in terms net revenue.

USP

InStaff combines SaaS and Online Marketplace aspects to a unique „Staffing- as-a-Service“ Business Model



Online Staffing Platforms

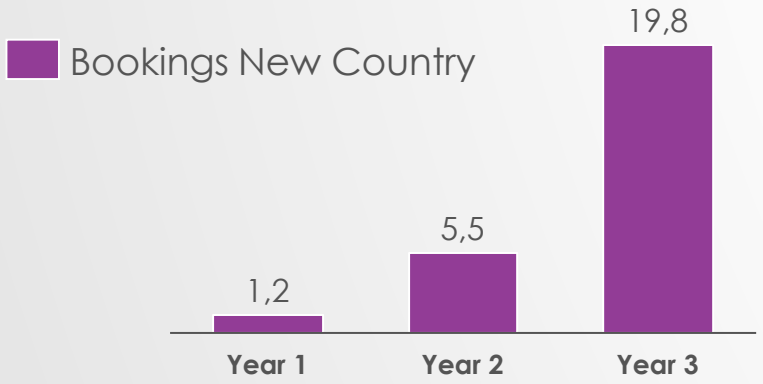
Venture Capital invested Series A, B & C rounds into worker management platforms in 2015 and 2016

Name / Link	Based in	Last funding round	Worker Status	Worker Location	Revenue Model	Traction (estimated)	Global Alexa rank	Side Notes
InStaff	Germany	-	Employee	On-site	43 % markup	500 k bookings / quarter	353,918	
Staff-Finder	Switzerland	20 m Mar. 2016	Employee	On-site	43 % markup	3 m bookings / quarter	302,310	No tech founders
Goworkabit	Estonia	-	Employee	On-site	25 % markup	200 k bookings / quarter	916,677	Seedcamp
Bluecrew	USA	2,7 m Oct. 2015	Employee	On-site	50 % markup	10.000 worker signups	1,253,441	YC S15
Shiftgig	USA	22 m Nov. 2015	Freelancer	On-site	unknown	100.000 total app installs	141,573	Similar to Joblisting sites
Wonolo	USA	5,7 m Jan. 2016	Freelancer	On-site	25 % markup	100.000 total app installs	470,368	Coca-Cola backed
Workmarket	USA	20 m Jan. 2015	Freelancer	Either	10 % markup	10 m bookings / quarter	54,257	USV invested
Upwork	USA	30 m Nov. 2014	Freelancer	Off-site	10 % markup	250 m bookings / quarter	611	Formerly odesk

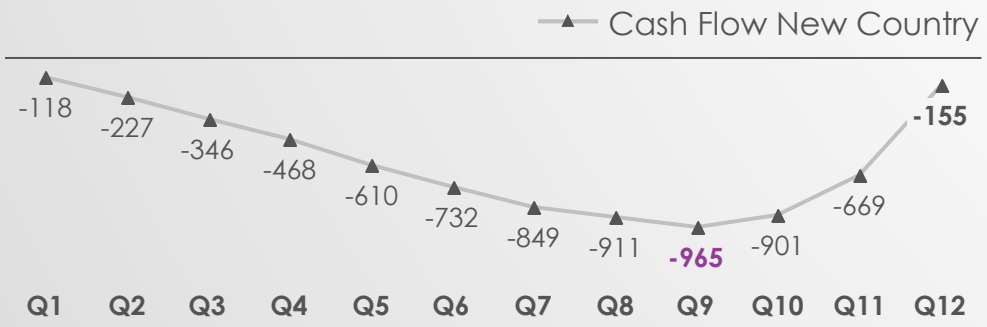
New Country Financial Blueprint

Expanding InStaff to a new country at a fast pace requires approximately 1 Million Euro

Bookings Growth



Cash Flow accumulated



Data

[Million €]	2016p	2017p	2018p
Bookings Total - New Country	1,2	5,5	19,8
Gross Revenue Total - New Country	1,0	4,9	17,6
Net Revenues Total	0,3	1,5	5,3
Personnel Costs Operations	0,1	0,2	0,9
Contribution Margin (DB 1)	0,2	1,2	4,4
Contribution Margin (DB 1) [%]	77%	83%	83%
Adwords Costs	0,3	0,7	1,2
Personnel costs Platform/Overhead	0,1	0,2	0,2
Other Expenses	0,1	0,2	0,6
EBIT	-0,3	0,2	2,5
EBIT / Net Revenues [%]	-115%	13%	47%

New Country Operational Blueprint

New country teams will operate from Berlin and it will take about 4 months until they are fully operational

	Month 0	Month 1	Month 2	Month 3
Tasks	• Recruiting a Country CEO • Translating the website • Preparing legal setup for entity	• Creating entity • Recruiting additional team members • Starting adwords campaign for workers • Onboarding first workers	• Handing responsibility to Country CEO • Recruiting interns • Starting adwords campaing for customers • Handling first bookings	• Starting longterm SEO campaigns • First reporting from Country CEO
Team	• Head of Int. Expansion	• Head of Int. Expansion • Country CEO	• [Head of Int. Expansion] • Country CEO • Customer Support • User Support	• Country CEO • Customer Support • User Support • SEO / SEA Marketer • Additional interns

Customer Acquisition Growth

InStaff can acquire more and bigger customers by optimizing its existing Online Marketing channels

More Impressions via	Higher Conversion via	Bigger Customers via
Targeting **more verticals** (Catering, Office, Call-Center, Retail, Hospitality, Logistics) with new landing pages	Increasing trust by showing more relevant **customer reviews**	Larger selection of relevant worker profiles with higher overall **number of staff profiles**
Targeting **more keywords** per vertical with more user generated content	Enhancing booking process by **AB Testing**	More tailored **SaaS with Enterprise features** to customer / for specific Use Cases
Higher rankings per keyword with Content Marketing and increased SEO efforts	Increasing trust with PR and **brand recognition**	**Better onboarding / phone support** with increasing sales & domain know how

Network Effects

Network Effects fuel InStaff's customer acquisition as well as rebooking strategy

Growth New Customers

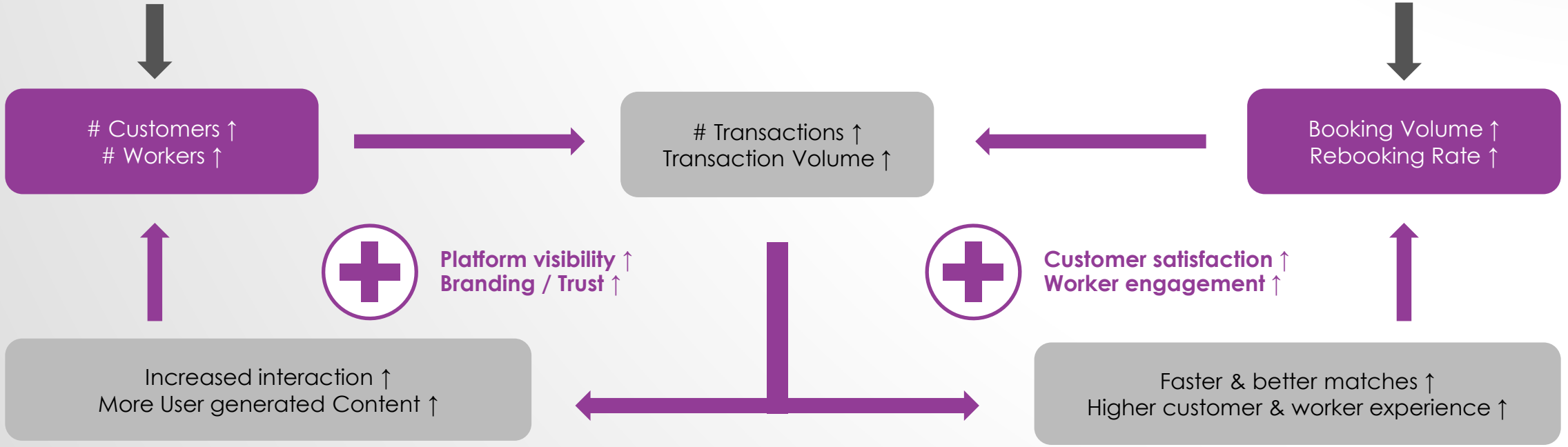
Acquisition via Online Marketing

- Focus on SEO & SEA
- High SEO-Rankings through user generated content and automated generation of best ranking sites
- High customer conversion via increasing trust

Growth Existing Customers

Rebookings via great Customer Experience

- Offering a great product and great customer support
- Providing full-service at large scale
- „Lock-in-Effect" because customer manages increasing percentage of staff via InStaff platform



Risk Factors

InStaff has developed strategies to mitigate the biggest market and competition risks

Status Quo	Risc Factor	Mitigation Strategy
Focus on Online Marketing (SEO & SEA) for **acquisition** of new customers	New keyword groups identified for growth turn out to be not as efficient as current ones	Adding new customer acquisition channels such as partnerships and enterprise sales
Scheduled **first mover** in all other European countries execept for Switzerland (competitor Stafffinder)	Big new US competitor or Stafffinder enters into other European countries before InStaff does	Focusing on countries where InStaff can be Nr. 1 & starting international expansion earlier and more aggressively
Currently high and growing **rebooking** rate without sophisticated CRM system	Growth of rebooking slows down	Higher investment into CRM system to enhance lead qualification and customer support

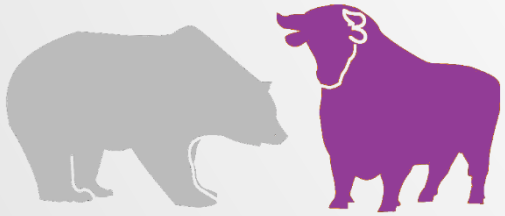
Exit Strategy

InStaff has a profitable Online Marketplace Business Model that offers potential for an IPO

Option 1: IPO

IPO is the most logical exit, as

- InStaff operates in a very large market
- InStaff has a great chance to maintain its first mover advantage and position Nr. 1 in many of its markets
- Online Marketplaces tend to dominate their markets due to network effects and barriers to entry
- InStaffs Metrics show that the company generates cash while growing at the actual rate



Option 2: M&A

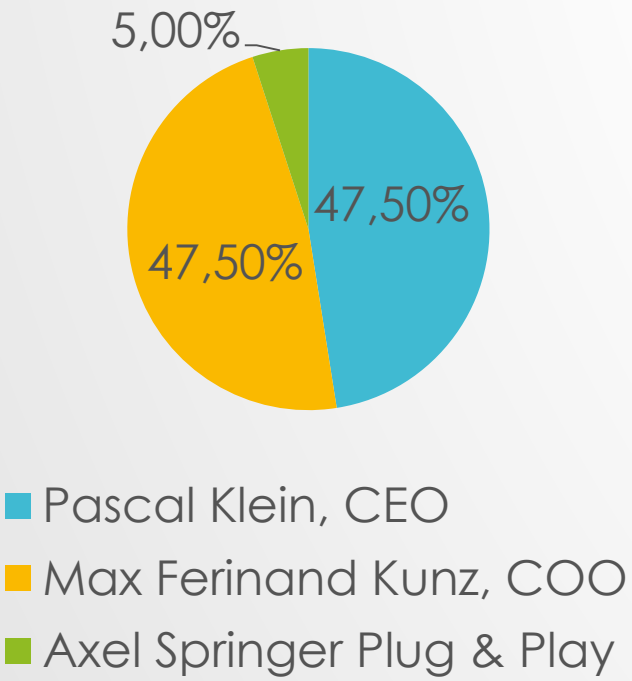
Selling the company to strategic investors can be an option as well. The following companies could be potential investors:

- „Offline“ Staffing Agencies:
  - Allegis Group
  - Adecco
  - Randstad
  - Manpower

- Job Ad Platforms
  - Indeed
  - LiveCarrier
  - Carrerbuilder
  - Monster

Cap Table

The team has achieved the shown results with a small investment from Axel Springer Plug & Play accelerator



AXEL SPRINGER
PLUG AND PLAY
ACCELERATOR

- Berlin based Accelerator programm
- Ties to Axel Springer media company and Sillicon based
- Invested 25.000 € in return for 5 % of equity
- Exit oriented and venture capital friendly
- Gives access to a broad alumni network