

A 3D network diagram with a central blue sphere and several surrounding black and white spheres connected by lines. A blue horizontal bar is positioned above the title text.

# Digital Transformation for the SMB Marketplace

# SAFE HARBOR STATEMENT

Statements and/or figures included in this presentation that are not historical facts (including any statements or projections concerning plans and objectives of management for future operations or economic performance, or assumptions or forecasts related thereto), are forward-looking statements. These statements can be identified by the use of forward-looking terminology including “forecast,” “may,” “believe,” “will,” “expect,” “anticipate,” “estimate,” “continue” or other similar words. These statements discuss future expectations, contain projections of results of operations or of financial condition or state other “forward-looking” information. We and our representatives may from time to time make other oral or written statements that are also forward-looking statements.

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# Business in the 21<sup>st</sup> Century is Data Driven



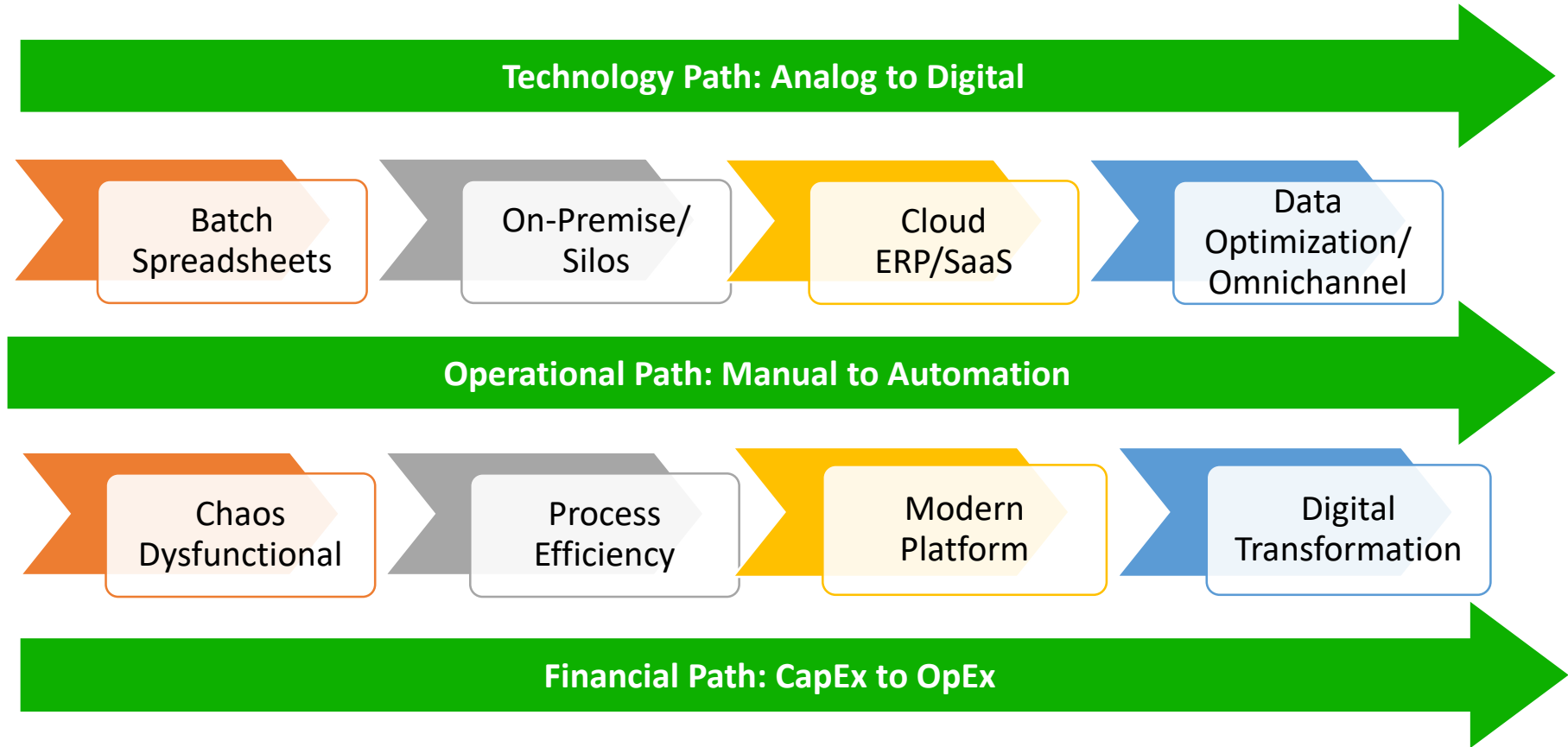
# What is Digital Transformation (DX)?

Organizations Adapt To Changes In Their Ecosystem By Leveraging Digital Technologies To Create Digitally Enhanced, Customer Centric Business Models





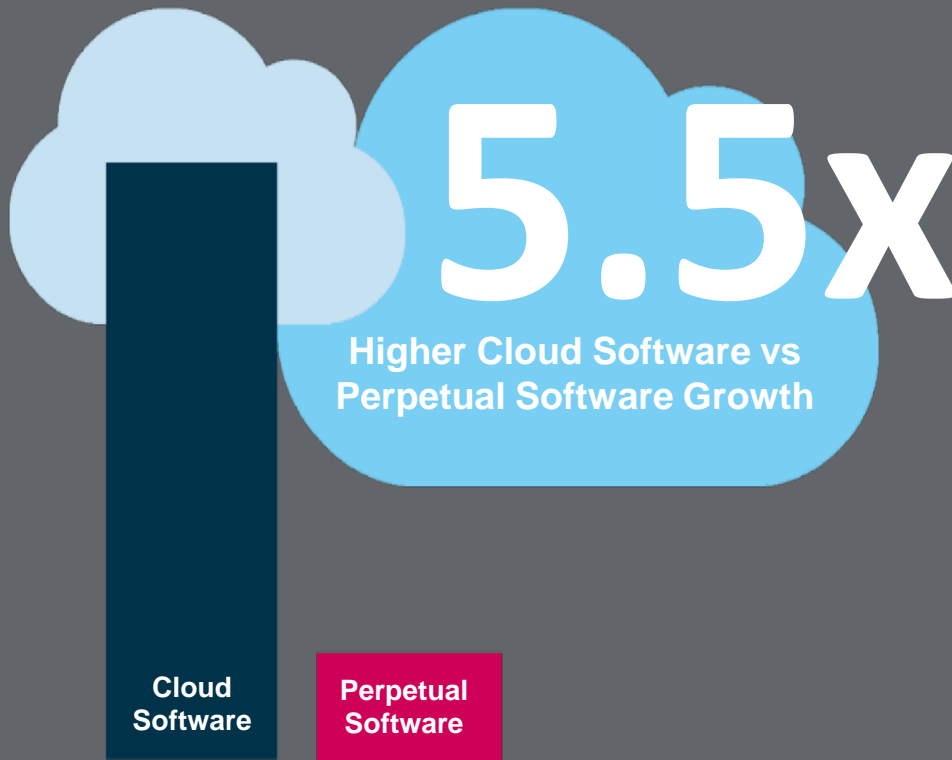
# Digital Transformation: Our Customer's Journey



*Technology, Operational and Financial Paths are Synchronized*

# Market Opportunity

Software Revenue Growth Rate through 2018



**\$1.21T** Spend on Digital Transformation in 2019

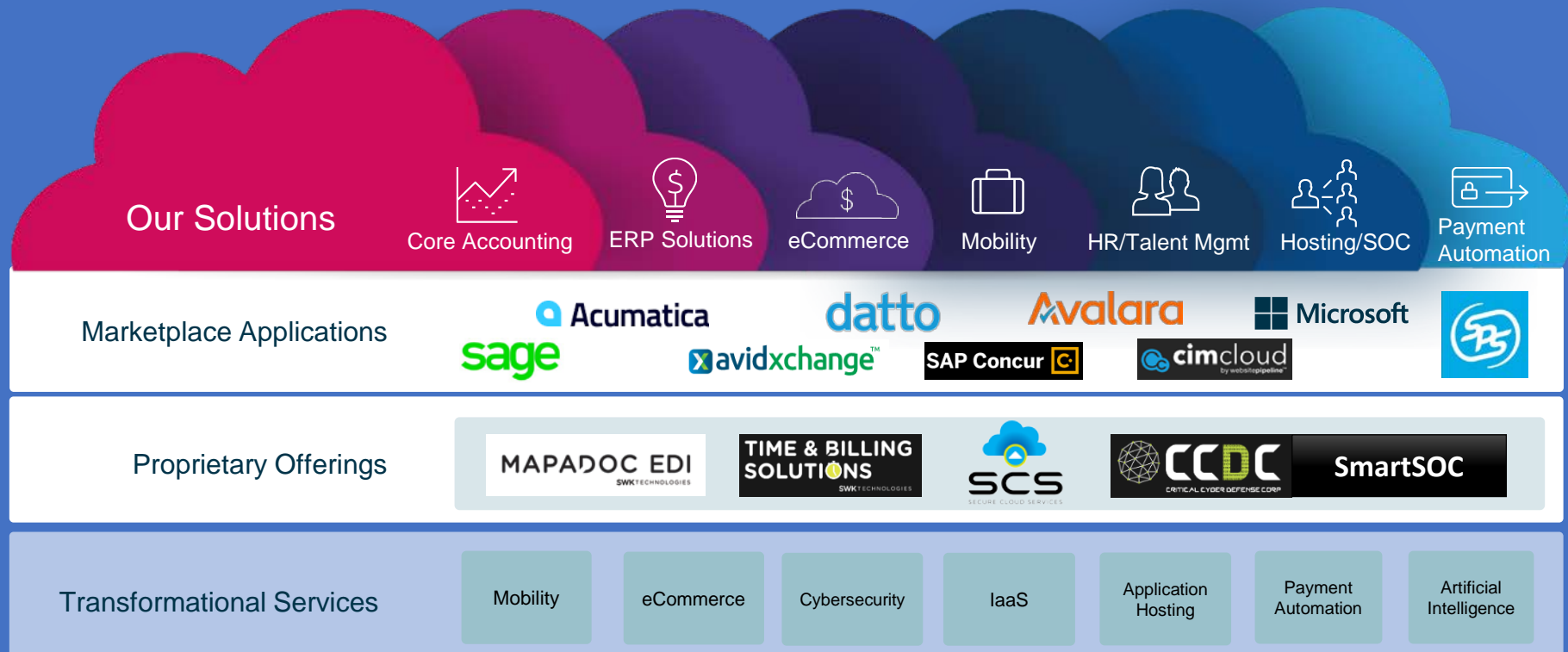
**17.9%** Increase in Digital Transformation Spend over 2018

**\$125B** Spend from Process Manufacturing Alone

**60-70%** Of all software, services, and technology spend will be cloud based by 2020

**85%** Enterprise decision-makers say they have a time frame of two years to make significant inroads into digital transformation

# How SilverSun Enables Digital Transformation



# Company Focus: Large Team with Nationwide Presence

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## Human Capital

- A team of over 175 professionals

## Over 5,000 customers

## Brick & Mortar Offices

- North & South New Jersey, North Carolina, California, Illinois, Minnesota, New York, Arizona, Washington State, Oregon

## Technology Partners

- Sage, Acumatica, SPS Commerce, CyberHat, AvidXchange, Avalara, HighJump, Datto, Continuum, Microsoft, IBM, Cisco, Tangerine





# Historical Revenue Growth

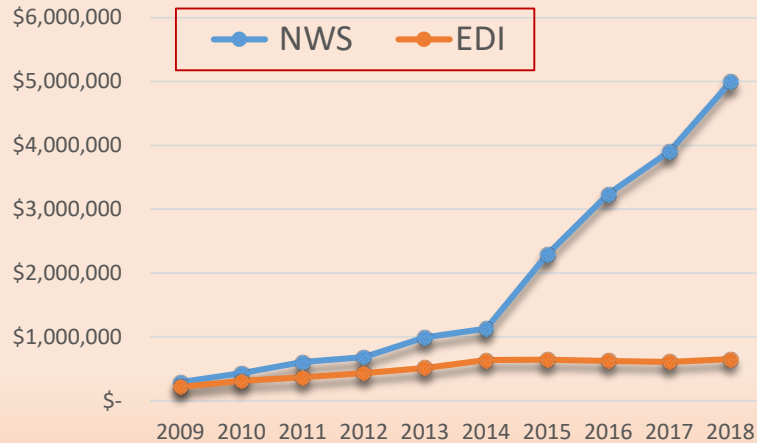


# SilverSun's 2019 Q1 Performance Details

	03/31/19	03/31/18	Increase/Decrease
<b>Total Revenues</b>	\$10,492,758	\$9,310,074	<b>12.7%</b>
<b>Gross Profit</b>	\$4,476,892	\$3,940,738	<b>13.6%</b>
<b>EBITDA (+ Share-based comp)</b>	\$355,681	\$284,696	<b>24.9%</b>
<b>Net Income</b>	\$96,036	\$58,387	<b>64.5%</b>
<b>Earnings Per Share</b>	\$0.02	\$0.01	
<b>Cash</b>	\$653,116	\$1,900,857	
<b>Accounts Receivable</b>	\$2,950,300	\$2,378,144	
<b>Long Term Debt (net)</b>	\$1,745,426	\$1,176,999	
<b>Total Stockholders' Equity</b>	\$4,436,909	\$4,334,160	
<b>Cash Dividends Paid</b>	\$0.05	N/A	

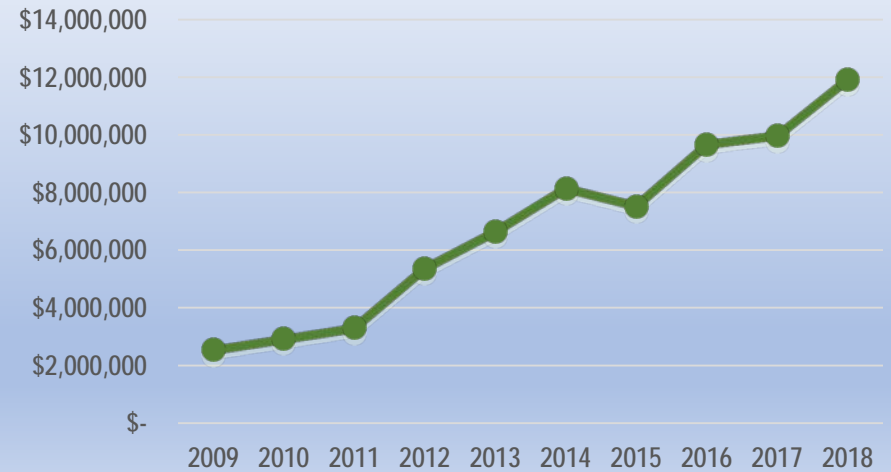
# SilverSun's Rapidly Growing Top Line and Recurring Revenue

## Annualized MRR by Product

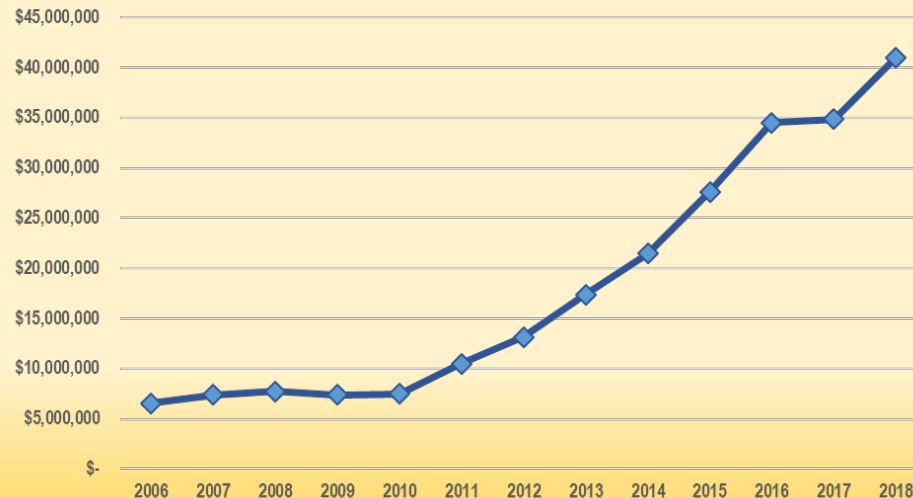


## Recurring Revenue

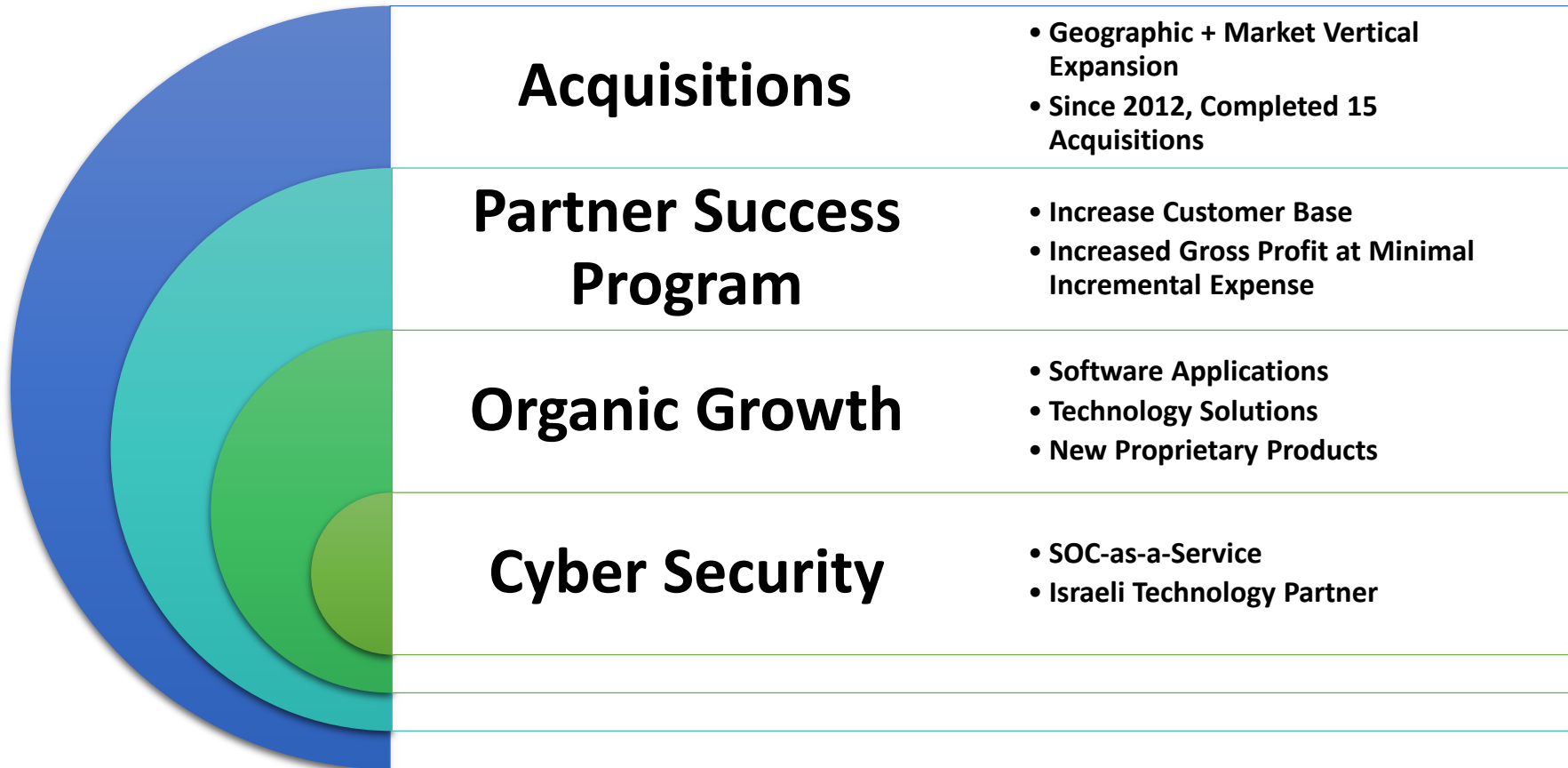
Maintenance & Support



## Total Annual Revenue



# Key Growth Initiatives



# Partner Success Program



Enables smaller Sage Software channel partners to contractually align their customers with our organization.



Was successful in increasing the growth of our customer base by over 1700 customers in 2018.



Reduces cost of customer acquisition to \$0. Will share margin with smaller partner.

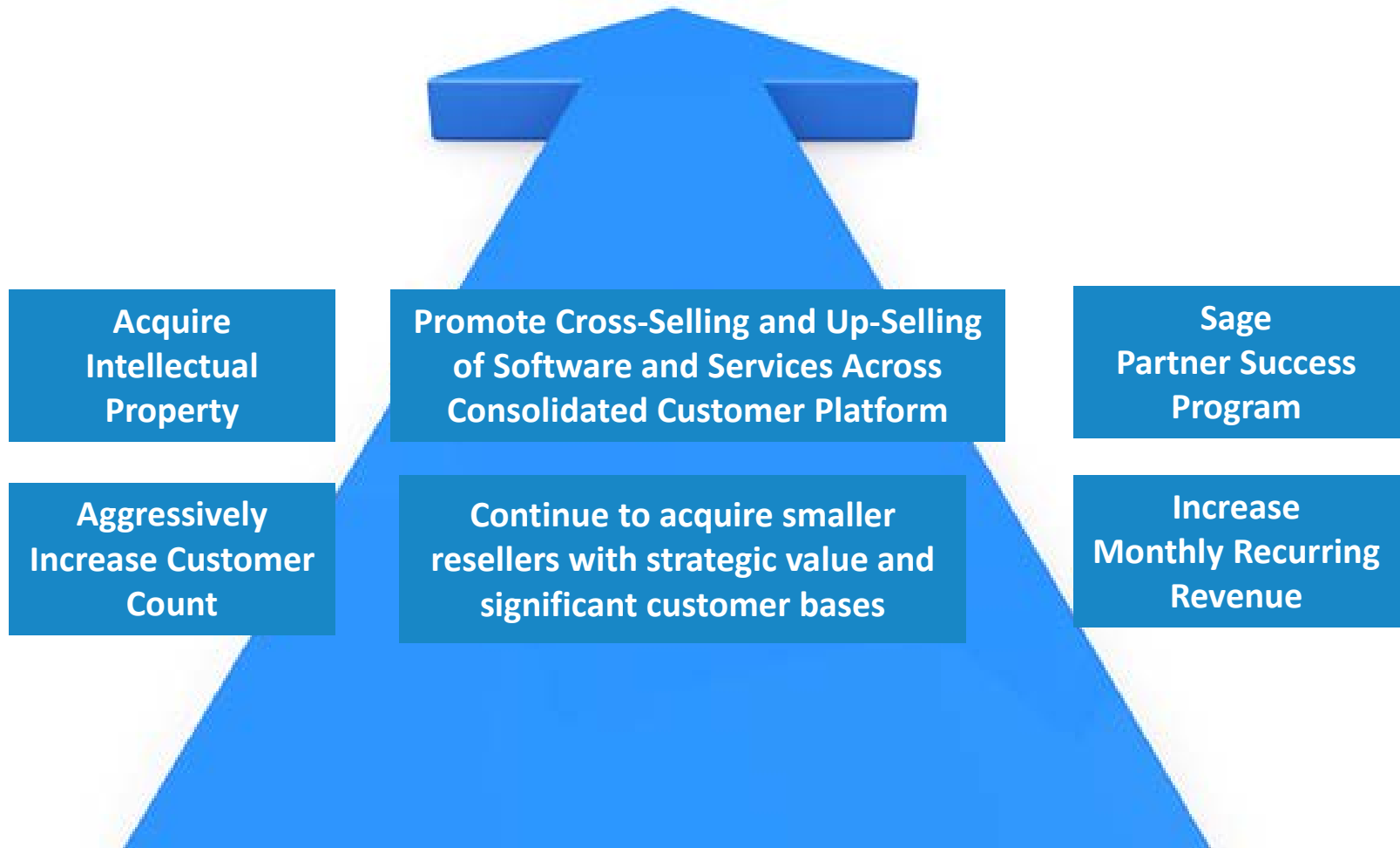


Provides scale and leverage to negotiate with 3<sup>rd</sup> party providers – Become exclusive wholesalers/Master Distributors.



Creates pipeline for potential future acquisitions.

# Our Growth Strategy





# 2019 Roadmap to Success



Organic Growth >10%



Grow Installed Customer Base 2000 customers.



Increase Recurring Revenue to Over 50% of Total Revenue – Subscription, Cloud and MSP



Increase EBITDA Margin to >8%



Complete at least one, and possibly more, significant acquisitions

# Key Investment Highlights



**Rapid Growth and Continued Development  
of New Recurring Revenue Streams**



**Strong cash flow and balance sheet**



**21% CAGR Over the Last 8 Years**



**CEO owns ~45% of outstanding common  
stock. Interests aligned.**



**Net operating loss (NOL) of ~\$6.3 million to  
shelter future earnings**



**Has paid cash dividends last 3 years**

# Stock Information

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Exchange   Ticker:	NASDAQ: SSNT
Shares Outstanding:	4,501,755
Estimated Public Float:	2,000,000
Current Share Price:	\$3.00
Current Market Capitalization:	\$13.50 million
Q1 Revenues (3/31/19)	\$10.49 million
Q1 EBITDA +share based comp (3/31/19)	\$0.35 million

# Questions?