

# HUMAN CAPITAL MANAGEMENT M&A PULSE

FOURTH QUARTER 2023



# Q4'23

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# HCM Coverage Team

## ABOUT PMCF

PMCF is an investment bank focused exclusively on middle market transactions with professionals in Chicago, Detroit, Denver, and across the globe through Corporate Finance International™ affiliates. Offering a depth of advisory services, PMCF helps clients worldwide meet their sale, acquisition, financing, and strategic growth objectives. Additional information on PMCF can be found by visiting our website, [pmcf.com](http://pmcf.com).

## INVESTMENT BANKING SERVICES:

- Mergers & Acquisitions
- Carve-outs & Divestitures
- Strategic Assessments
- Transaction Readiness Planning
- Capital Raising



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## ABOUT PMCF'S HUMAN CAPITAL MANAGEMENT (HCM) GROUP

PMCF's HCM group is dedicated to serving the needs of middle-market clients across the Human Capital Management industry across a range of sectors. PMCF's extensive coverage provides specialized, in-depth knowledge of the sector dynamics and relationships with key strategic and financial industry players, resulting in significant advantages for clients and the opportunity to optimize value in a transaction.

## COMPREHENSIVE HUMAN CAPITAL MANAGEMENT AND STAFFING COVERAGE

|                                  |   |
|----------------------------------|---|
| <b>Staffing</b>                  | <i>Temporary, temp-to-permanent, permanent / direct hire, and executive search services across all end markets, including professional, industrial, IT, and healthcare</i>    |
| <b>Outsourcing Services</b>      | <i>Outside business services vendors, including human resources outsourcing, recruitment process outsourcing, managed service providers, and business process outsourcing</i> |
| <b>Software &amp; Technology</b> | <i>Talent acquisition technology and HR/staffing software platforms, including human cloud, online recruitment marketplaces, and HR software integrators</i>                  |

# What We're Discussing with Clients



1

A theme of “specialization” emerged in 2023, with IT and Place & Search representing the most active staffing sectors throughout the year. The number of staffing targets serving both professional and commercial segments fell 42% versus 2022, with active buyers electing to pursue professional-only or commercial-only targets. Additional popular segments include Finance & Accounting, Legal, Engineering, Life Sciences, Education, and Marketing.

2

2024 is providing reasons for optimism in a Staffing M&A environment that’s demonstrated volatility over the past 12 months. Private Equity possesses abundant dry powder which must be deployed, there’s a continued momentum for smaller transactions after significant add-on activity in the latter half of 2023, and converging price expectations between buyer and seller amidst a normalizing valuation environment presents opportunity for more deal closures.

3

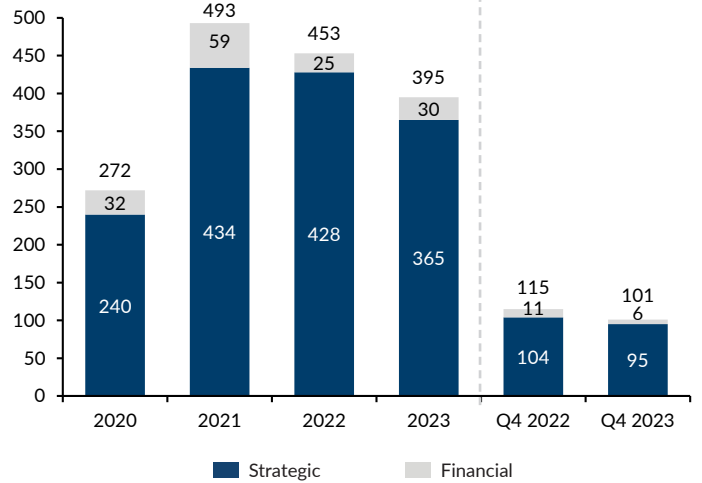
After a flurry of M&A activity in 2021 & 2022 with abnormally high EBITDA multiples, buyers remain concerned about overpaying for staffing acquisitions and are lengthening the diligence process by up to 60 days. Buyers are also offering higher levels of earnout and expecting sellers to carry notes as opposed to approaching banks. On the opposite side, sellers of strong companies with proven performance and a defensible niche maintain significant leverage.

# Q4 2023 Market Summary & Outlook

## HUMAN CAPITAL MANAGEMENT M&A MARKET DYNAMICS

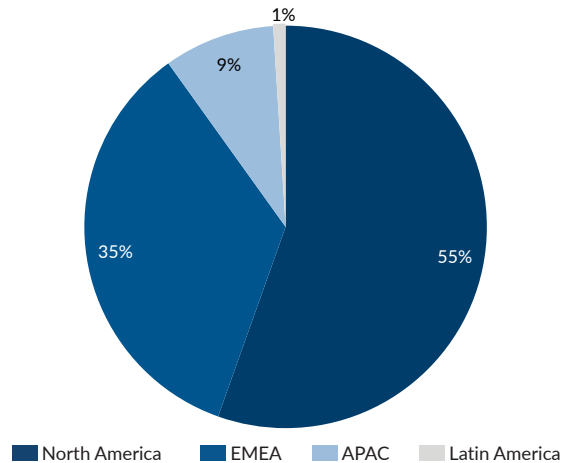
- Global M&A transaction volumes within the staffing, outsourced services, and software & technology industries (collectively, “Human Capital Management” or “HCM”) declined 12% from Q4 of last year, with 101 transactions completed in Q4 2023. Transaction volumes have rebounded slightly to end the year, following an average of 94 deals closed per quarter between Q1 & Q3.
- M&A activity conducted by strategic buyers increased as a percentage of the total transaction volume in Q4 2023, accounting for 94% of industry transactions vs. 90% in Q4 of last year. A mere 6% of transactions were executed by private equity groups (financial buyers) this past quarter.
- North America remained the most active region in Q4 2023 with 56 total transactions representing over half of global HCM transactional activity. EMEA and APAC observed an increase in deal volume with 44 total transactions vs. 35 transactions closed in Q3 2023.
- Staffing-related transactions comprised the largest segment of HCM deals, with 55 transactions completed across professional, industrial, healthcare, and IT-focused staffing firms. This is a minor decrease from the 57 deals executed in Q4 2022 and demonstrates resilient demand for staffing resources. Outsourcing services posted a 28% decrease from Q4 2022. Similar to the Staffing segment, Software & technology transactions posted a minor decline over the same period. In comparison with a notably strong 2022 in terms of transaction volume, the fourth quarter of 2023 provides evidence of a rebounding M&A market poised to build upon strong Q4 activity.

### Q4 2023 TRANSACTION VOLUME BY BUYER TYPE



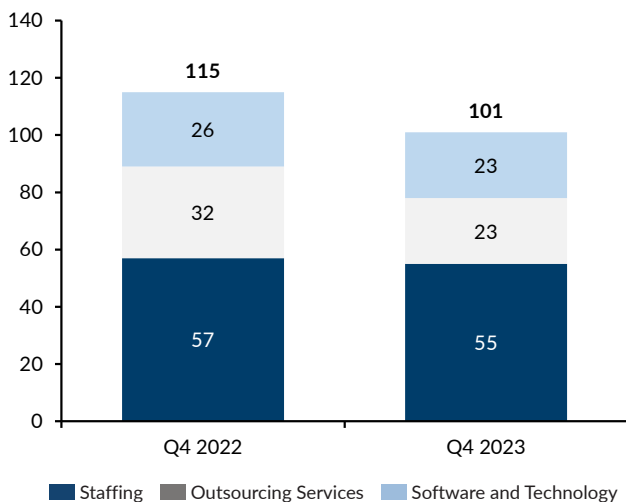
Sources: Capital IQ, PMCF Proprietary Research

### Q4 2023 TRANSACTION VOLUME BY GEOGRAPHY



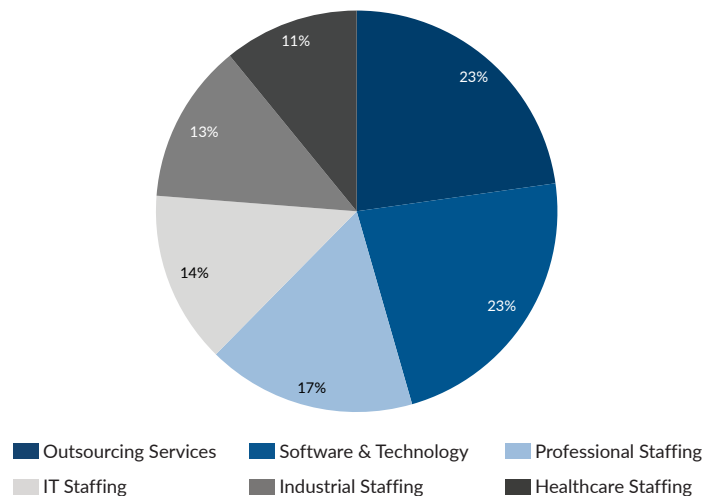
Sources: Capital IQ, PMCF Proprietary Research

### Q4 2022 VS. Q4 2023 VOLUME BY SEGMENT



Sources: Capital IQ, PMCF Proprietary Research

### Q4 2023 TRANSACTION VOLUME BY SEGMENT

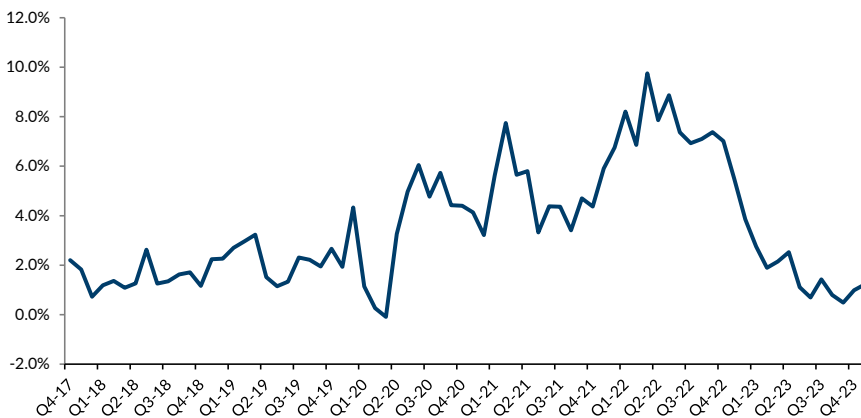


Sources: Capital IQ, PMCF Proprietary Research

# HCM Industry Trends & Outlook

- Following a turbulent 2023, the Human Capital Management industry observed approximately a 10% decline in market size versus a record-setting 2022. The travel nursing segment shrank by an estimated 30%, driving a significant portion of the overall market decline. Excluding travel nursing, the HCM industry posted a more moderate decline of 5.6%, which is to be expected following multiple years of record growth. There are reasons for renewed optimism as the industry remains roughly \$50 billion larger than prior to the pandemic.
- 2023 represented a year of 'rightsizing' for many staffing firms, which have become more cautious following the high revenue growth rates of 2021 and 2022. Larger staffing firms have observed greater revenue declines this past year due to workforce cutbacks at large enterprise clients, which over-hired prior to 2023. The ongoing fears of a recession have also limited demand for temporary staffing positions as more candidates are opting for permanent jobs as a greater means of financial security.
- Looking ahead to 2024, while uncertainty around economic growth rates remains present, the U.S. staffing industry is forecasted to grow by a modest 3% due to several factors. First, the popularity of contingent work agreements shows no signs of slowing down with a contingent workforce expected to grow in 2024. Second, advancements in staffing platform technologies continue to appeal to a wider base of clients and candidates.

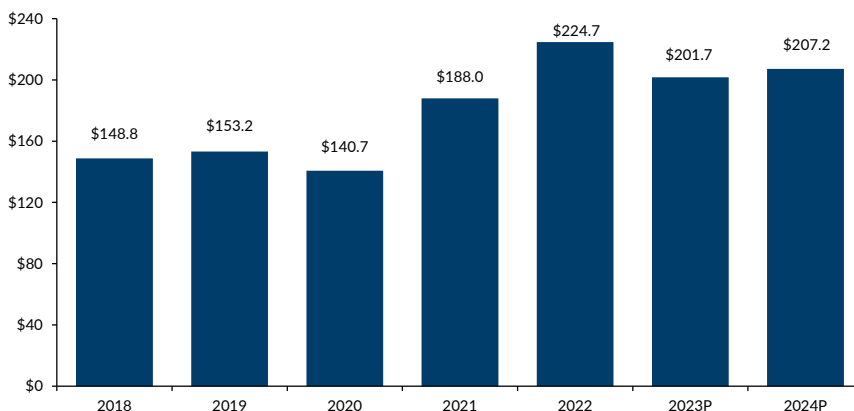
## STAFFING INDUSTRY PRODUCER PRICE INDEX (PPI)



Source: Federal Reserve Bank of St. Louis  
 Note: Year-over-year Percent Change in Staffing Industry PPI  
 Data as of December 2023

- The U.S. Bureau of Labor Statistics provides a Producer Price Index (PPI) which measures the average change over time in the selling price of output produced domestically. The Staffing PPI can be utilized as a proxy for bill rates within the industry.
- YoY growth in bill rates for the staffing industry has typically been between 1.5% and 7.0% over the last six years. Following a substantial decline to 0.5% in Q3 2023, the PPI has rebounded slightly to 1.5% in Q4, still vastly below 2022 levels, which averaged 7.2%.

## U.S. STAFFING HISTORICAL AND PROJECTED MARKET SIZE



Source: Staffing Industry Analysts  
 (1) Includes Direct Hire and Retained Search firms  
 Data as of September 2023

- The latest U.S. staffing market forecast anticipates a market size decrease of 10.2% for year-end 2023 after posting a substantial 19.5% growth in 2022, according to Staffing Industry Analysts (SIA).
- Excluding the travel nursing segment, the staffing industry is anticipated to shrink by 5.6%<sup>(1)</sup> through year-end 2023 to a market size of \$201.7 billion. Optimism remains that the industry will rebound in 2024 with forecasted growth of 2.7%, reaching a market size of \$207.2 billion.

(1) Staffing Industry Analysts (SIA) U.S. Staffing Industry Forecast, September 2023

# Human Capital Management Indices

## PUBLIC EQUITY VALUATION TRENDS:

- Median public equity EV/EBITDA multiples in the Q4 2023 HCM Index demonstrated a material increase across the board, with the multiples of all three segments rising substantially in comparison with Q3 2023. This indicates that demand for high performing firms remains strong, commanding premium multiples across various sectors. While transaction volumes may be down in comparison with 2022, an uptick in 2023 Q4 deal volume paired with material growth in multiples is a good sign as we look ahead to 2024.

\$ in Millions

| Company Name                               | Headquarters Location | Market Cap. | Enterprise Value | TTM Revenue | TTM Gross Margin | TTM EBITDA Margin | Net Debt/ EBITDA | EV/ Revenue | EV/EBITDA <sup>(1)</sup> |              |
|--|-----------------------|-------------|------------------|-------------|------------------|-------------------|------------------|-------------|--------------------------|--------------|
|  |                       |             |                  |             |                  |                   |                  |             | Q4 '23                   | Q3 '23       |
| <b>Professional and Specialty Staffing</b> |                       |             |                  |             |                  |                   |                  |             |                          |              |
| Recruit Holdings Co., Ltd.                 | Japan                 | \$65,793    | \$59,829         | \$24,123    | 57.5%            | 13.3%             | (1.8x)           | 2.5x        | 19.0x                    | 14.9x        |
| Robert Half Inc.                           | United States         | 9,156       | 8,642            | 6,393       | 40.3%            | 8.1%              | (0.9x)           | 1.3x        | 12.1x                    | 8.9x         |
| AMN Healthcare Services, Inc.              | United States         | 2,830       | 3,740            | 3,789       | 33.0%            | 13.2%             | 2.5x             | 0.9x        | 6.4x                     | 6.7x         |
| ASGN Incorporated                          | United States         | 4,539       | 5,495            | 4,451       | 28.8%            | 10.4%             | 1.9x             | 1.2x        | 10.8x                    | 9.5x         |
| Korn Ferry                                 | United States         | 3,118       | 3,016            | 2,815       | 21.7%            | 11.5%             | (0.3x)           | 1.1x        | 7.9x                     | 6.0x         |
| Hays plc                                   | United Kingdom        | 2,204       | 2,273            | 9,275       | 4.9%             | 2.5%              | 0.7x             | 0.2x        | 6.7x                     | 6.8x         |
| PageGroup plc                              | United Kingdom        | 1,962       | 1,970            | 2,601       | 52.0%            | 7.5%              | 0.0x             | 0.8x        | 8.1x                     | 7.0x         |
| Kforce Inc.                                | United States         | 1,278       | 1,316            | 1,532       | 27.9%            | 5.9%              | 0.5x             | 0.8x        | 12.8x                    | 10.4x        |
| Cross Country Healthcare, Inc.             | United States         | 796         | 787              | 2,020       | 22.3%            | 6.7%              | (0.1x)           | 0.4x        | 4.4x                     | 4.2x         |
| Resources Connection, Inc.                 | United States         | 477         | 382              | 705         | 39.4%            | 7.4%              | (1.5x)           | 0.5x        | 5.2x                     | 4.4x         |
| Heidrick & Struggles International, Inc.   | United States         | 594         | 337              | 1,009       | 24.9%            | 9.6%              | (2.6x)           | 0.3x        | 2.7x                     | 2.7x         |
| Impellam Group plc                         | United Kingdom        | 482         | 424              | 2,595       | 10.1%            | 1.4%              | (1.6x)           | 0.2x        | 9.7x                     | 7.6x         |
| <b>Median</b>                              |                       |             |                  |             | <b>28.3%</b>     | <b>7.8%</b>       | <b>(0.2x)</b>    | <b>0.8x</b> | <b>8.0x</b>              | <b>6.9x</b>  |
| <b>Industrial and Commercial Staffing</b>  |                       |             |                  |             |                  |                   |                  |             |                          |              |
| Randstad N.V.                              | Netherlands           | \$11,304    | \$12,426         | \$28,104    | 20.8%            | 3.8%              | 0.9x             | 0.4x        | 9.0x                     | 8.1x         |
| Adecco Group AG                            | Switzerland           | 8,191       | 12,007           | 25,466      | 20.9%            | 3.7%              | 3.7x             | 0.4x        | 9.0x                     | 8.6x         |
| ManpowerGroup Inc.                         | United States         | 3,879       | 4,689            | 18,915      | 17.8%            | 2.8%              | 1.6x             | 0.2x        | 6.3x                     | 5.9x         |
| Synergie SE                                | France                | 920         | 669              | 3,271       | 10.9%            | 4.5%              | (1.7x)           | 0.2x        | 4.0x                     | 3.0x         |
| Groupe CRIT SA                             | France                | 965         | 558              | 2,679       | 5.2%             | 4.7%              | (3.3x)           | 0.2x        | 3.8x                     | 3.1x         |
| Barrett Business Services, Inc.            | United States         | 766         | 657              | 1,065       | 22.3%            | 5.8%              | (1.8x)           | 0.6x        | 9.3x                     | 7.1x         |
| SThree plc                                 | United Kingdom        | 709         | 653              | 2,104       | 25.2%            | 5.3%              | (0.6x)           | 0.3x        | 5.6x                     | 5.0x         |
| Kelly Services, Inc.                       | United States         | 763         | 710              | 4,836       | 19.9%            | 2.0%              | (0.8x)           | 0.1x        | 5.8x                     | 5.0x         |
| TrueBlue, Inc.                             | United States         | 478         | 495              | 1,906       | 26.5%            | 0.6%              | (5.4x)           | 0.3x        | 8.9x                     | 6.0x         |
| Brunel International N.V.                  | Netherlands           | 625         | 650              | 1,379       | 21.0%            | 5.2%              | 0.2x             | 0.5x        | 7.3x                     | 8.5x         |
| <b>Median</b>                              |                       |             |                  |             | <b>20.8%</b>     | <b>4.2%</b>       | <b>(0.7x)</b>    | <b>0.3x</b> | <b>6.8x</b>              | <b>6.0x</b>  |
| <b>Outsourcing Services and Technology</b> |                       |             |                  |             |                  |                   |                  |             |                          |              |
| Automatic Data Processing, Inc.            | United States         | \$95,822    | \$98,132         | \$18,586    | 47.7%            | 28.5%             | 0.3x             | 5.4x        | 18.3x                    | 19.1x        |
| Paychex, Inc.                              | United States         | 42,858      | 42,326           | 5,155       | 71.5%            | 44.3%             | (0.2x)           | 8.2x        | 18.3x                    | 18.0x        |
| Gartner, Inc.                              | United States         | 35,163      | 36,995           | 5,907       | 67.8%            | 21.6%             | 1.4x             | 6.4x        | 26.2x                    | 20.5x        |
| Insperty, Inc.                             | United States         | 4,370       | 4,099            | 6,486       | 16.0%            | 3.8%              | (1.1x)           | 0.6x        | 13.9x                    | 12.3x        |
| TriNet Group, Inc.                         | United States         | 6,007       | 6,755            | 4,922       | 22.4%            | 10.7%             | 1.2x             | 1.4x        | 12.4x                    | 10.4x        |
| Qess Corp Limited                          | India                 | 933         | 994              | 2,238       | 10.1%            | 2.6%              | 0.7x             | 0.5x        | 13.9x                    | 10.8x        |
| <b>Median</b>                              |                       |             |                  |             | <b>35.1%</b>     | <b>16.1%</b>      | <b>0.5x</b>      | <b>3.4x</b> | <b>16.1x</b>             | <b>15.1x</b> |
| <b>Median</b>                              |                       |             |                  |             | <b>22.4%</b>     | <b>5.8%</b>       | <b>(0.2x)</b>    | <b>0.5x</b> | <b>8.9x</b>              | <b>7.3x</b>  |
| <b>Mean</b>                                |                       |             |                  |             | <b>28.2%</b>     | <b>8.8%</b>       | <b>(0.3x)</b>    | <b>1.3x</b> | <b>9.9x</b>              | <b>8.6x</b>  |

Market capitalizations and total enterprise values as of December 31, 2023; income statement and balance sheet data as of last period reported

(1) Multiple of EBITDA based on EBITDA inclusive of equity income from affiliates

Italicized data are outliers and are excluded from median and mean calculations

Currency conversions assume historical rate

Source: Capital IQ

# Public Company Equity Performance & Trends

## PUBLIC VALUATIONS - PROFESSIONAL AND SPECIALTY STAFFING INDEX

|                                      | Q4 2021 | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Revenue Multiple</b>              |         |         |         |         |         |         |         |         |         |
| Median                               | 1.2x    | 0.9x    | 0.8x    | 0.7x    | 0.7x    | 0.7x    | 0.7x    | 0.7x    | 0.8x    |
| Mean                                 | 1.4x    | 1.1x    | 0.9x    | 0.8x    | 0.7x    | 0.7x    | 0.8x    | 0.7x    | 0.8x    |
| <b>EBITDA Multiple<sup>(1)</sup></b> |         |         |         |         |         |         |         |         |         |
| Median                               | 13.0x   | 7.8x    | 7.5x    | 5.7x    | 6.2x    | 6.1x    | 6.7x    | 6.9x    | 8.0x    |
| Mean                                 | 12.7x   | 9.1x    | 7.2x    | 6.3x    | 6.3x    | 6.2x    | 7.0x    | 7.4x    | 8.8x    |

## PUBLIC VALUATIONS - INDUSTRIAL AND COMMERCIAL STAFFING INDEX

|                                      | Q4 2021 | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Revenue Multiple</b>              |         |         |         |         |         |         |         |         |         |
| Median                               | 0.4x    | 0.4x    | 0.3x    | 0.3x    | 0.3x    | 0.3x    | 0.3x    | 0.3x    | 0.3x    |
| Mean                                 | 0.4x    | 0.4x    | 0.3x    | 0.3x    | 0.3x    | 0.3x    | 0.3x    | 0.3x    | 0.3x    |
| <b>EBITDA Multiple<sup>(1)</sup></b> |         |         |         |         |         |         |         |         |         |
| Median                               | 7.1x    | 6.7x    | 5.5x    | 4.7x    | 5.4x    | 5.4x    | 5.3x    | 6.0x    | 6.8x    |
| Mean                                 | 7.6x    | 7.0x    | 5.5x    | 4.9x    | 5.7x    | 5.7x    | 5.5x    | 6.0x    | 6.9x    |

## PUBLIC VALUATIONS - OUTSOURCING SERVICES AND TECHNOLOGY INDEX

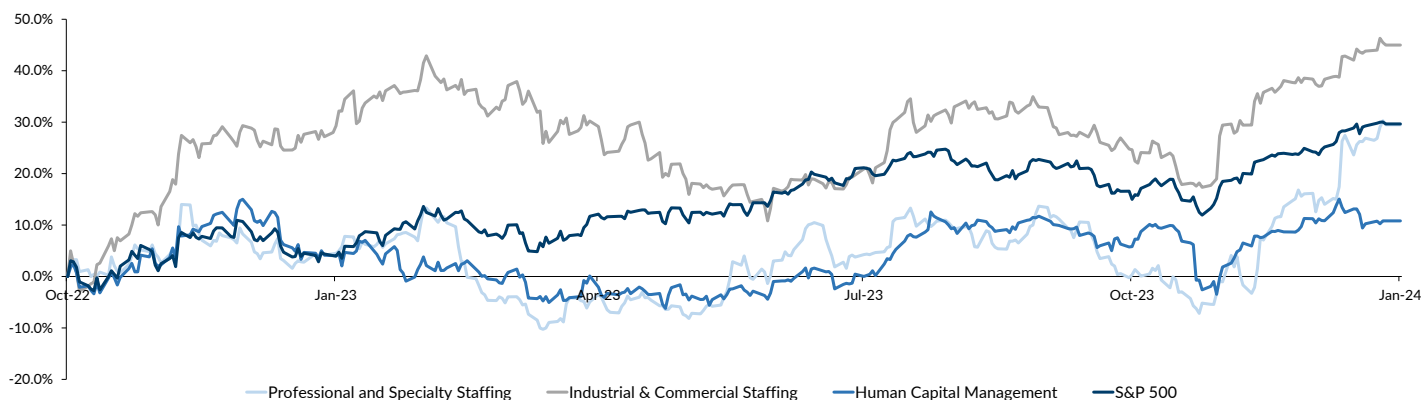
|                                      | Q4 2021 | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Revenue Multiple</b>              |         |         |         |         |         |         |         |         |         |
| Median                               | 4.0x    | 3.5x    | 2.8x    | 2.9x    | 3.2x    | 3.1x    | 3.2x    | 3.1x    | 3.4x    |
| Mean                                 | 4.7x    | 4.3x    | 3.6x    | 3.6x    | 3.7x    | 3.5x    | 3.5x    | 3.5x    | 3.7x    |
| <b>EBITDA Multiple<sup>(1)</sup></b> |         |         |         |         |         |         |         |         |         |
| Median                               | 25.1x   | 21.9x   | 16.6x   | 17.2x   | 17.5x   | 16.5x   | 15.5x   | 15.1x   | 16.1x   |
| Mean                                 | 23.6x   | 19.8x   | 16.1x   | 16.2x   | 16.0x   | 15.2x   | 15.4x   | 15.2x   | 17.2x   |

(1) Multiple of EBITDA based on EBITDA inclusive of equity income from affiliates

Quarterly figures based on the last trading day of each quarter shown

Source: Capital IQ

## PMCF HCM AND STAFFING INDEX PUBLIC EQUITY PERFORMANCE



Market capitalization indices with mixed currencies are converted into USD using historical spot rates

Local currency quotes converted to USD using historical spot rates

Source: Capital IQ

# Human Capital Management M&A Activity

## Capabilities Expansion

Quantum Workplace acquires TalentKeepers

**Dec 2023** – Quantum Workplace (“Quantum”), an operator of an employee success platform empowering organizations to better understand employee experience and culture, has acquired TalentKeepers, a provider of employee engagement and retention solutions. This acquisition provides Quantum with a proprietary platform offering employee engagement analytics which further builds out their current suite of services.

“Both our organizations and customers understand what it takes for employees to be successful,” Quantum Workplace CEO Greg Haris said. “We’re committed to empowering organizations with powerful tools and resources to help improve the employee experience, emphasize employee impact, and create a magnetic culture employees want to be a part of. And we’re excited to do that together moving forward.”

## Geographic Expansion

HeadFirst Global acquires Impellam Group

**Dec 2023** – HeadFirst Global (“HeadFirst”), a leading international HR services platform, has announced the acquisition of Impellam Group (“Impellam”). Impellam is a U.K.-based staffing firm with global operations covering diversified workforce and STEM talent solutions. This landmark deal will extend HeadFirst’s geographic reach and will further elevate the company’s proposition to solve global workforce solutions.

Han Kolff, Chairman of the Board for HeadFirst Global, added, “This merger will be transformational, building on the complementary strengths of Impellam and HeadFirst Global. Together we will become a global leader in mission-critical talent enabling us to service our customers, suppliers, and professionals in an unrivalled manner. A very exciting journey ahead with ample opportunities for our teams, leveraging HR tech depth and geographic reach further and faster.”

## Capabilities Expansion

Predictive Index acquires Charma

**Dec 2023** – Predictive Index (“PI”), a Phoenix Strategy Investments-backed talent optimization platform, announced the acquisition of Charma (formerly known as WorkPatterns). Charma is an operator of a people management tool which simplifies defining great leaders in the modern workplace. The transaction enables PI to build a larger innovative platform which combines 65+ years of behavioral science research and data with strong performance management tools.

Mike Zani, PI’s CEO, stated “Charma has harnessed some magic in their ability to significantly improve employee interaction and do so seamlessly, with a product that makes every effort to meet people where they are already working. That, combined with PI’s extensive behavioral science data and mission of ‘Better Work, Better World’ allows PI to truly evolve into a pre- and post-hire tool.”

## Geographic Expansion

Flexicrew Technical acquires Reliant Nationwide Staffing

**Oct 2023** – Flexicrew Technical Services (“FTS”), a Louisiana-based provider of technical staffing and talent acquisition services, has announced the acquisition of Reliant Nationwide Staffing (“Reliant”), a temporary and direct hire staffing provider based in Deer Park, Texas. This transaction represents a key milestone for FTS in the Texas market. The move also marks FTS’s second acquisition in 12 months.

“We are excited to build on Reliant’s success and look forward to continuing to expand our footprint in Texas,” said Brandon Smith, Founder and President of FTS. “Our goal is to keep the integrity of their achievements intact. We believe this alignment will create a seamless transition for both our customers and employees.”

Sources: Capital IQ, Staffing Industry Analysts (SIA), Company Press Releases



# Human Capital Management M&A Activity

\$ in Millions

## SELECT STAFFING TRANSACTIONS

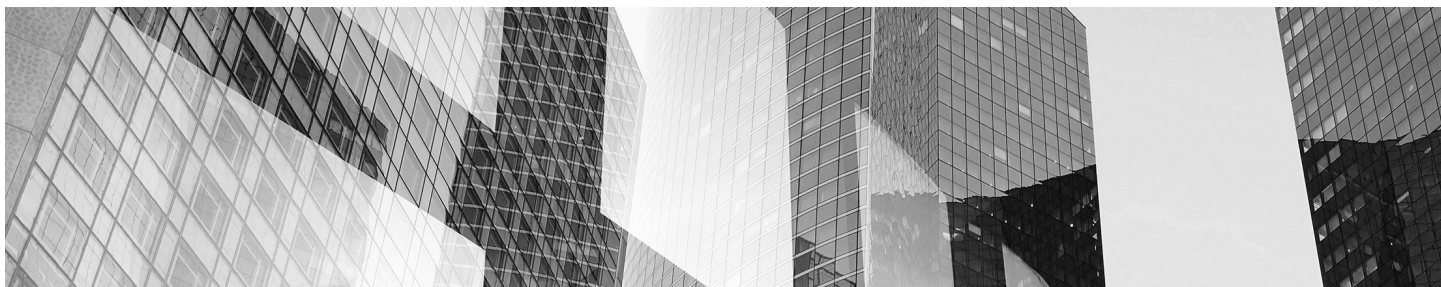
| Announced Date | Target                                       | Buyer                         | Implied EV | EV/TTM Revenue | EV/TTM EBITDA |
|----------------|--|-------------------------------|------------|----------------|---------------|
| Dec-23         | Openjobmetis                                 | Groupe Crit                   | \$283      | 0.3x           | 10.0x         |
| Dec-23         | A-Talent Group / A-Staffing Group            | Job Solution                  | \$6        | n/a            | n/a           |
| Dec-23         | Impellam Group                               | HeadFirst Global              | \$482      | 0.2x           | 11.1x         |
| Dec-23         | Shipyard Staffing                            | NSC Technologies              | n/a        | n/a            | n/a           |
| Nov-23         | Velocity Staff                               | Veracity Consulting           | n/a        | n/a            | n/a           |
| Nov-23         | Laboratory Staffing                          | Xenspire                      | n/a        | n/a            | n/a           |
| Nov-23         | Focus Staff Services                         | Havencrest Capital Management | n/a        | n/a            | n/a           |
| Nov-23         | European Staffing Business of Kelly Services | Gi Group                      | \$142      | n/a            | n/a           |
| Nov-23         | SBG Healthcare                               | Epic Staffing Group           | n/a        | n/a            | n/a           |
| Nov-23         | ProcureAbility                               | Jabil                         | \$60       | n/a            | n/a           |
| Oct-23         | PediaStaff                                   | AHS Staffing                  | n/a        | n/a            | n/a           |
| Oct-23         | DRW Healthcare Staffing                      | AMN Healthcare Services       | \$300      | 2.9x           | n/a           |
| Oct-23         | External Staffing Business of TTI Global     | Premier Staffing Solution     | n/a        | n/a            | n/a           |
| Oct-23         | Reliant Nationwide Staffing                  | Flexicrew Technical Services  | n/a        | n/a            | n/a           |
| Oct-23         | Chartwell Staffing                           | Partners Personnel            | n/a        | n/a            | n/a           |

\$ in Millions

## SELECT OUTSOURCING SERVICES / HCM SOFTWARE TRANSACTIONS

| Announced Date | Target                     | Buyer                          | Implied EV | EV/TTM Revenue | EV/TTM EBITDA |
|----------------|----------------------------|--------------------------------|------------|----------------|---------------|
| Dec-23         | HelloFlex                  | zvoove Group                   | n/a        | n/a            | n/a           |
| Dec-23         | Kantola Training Solutions | Traliant                       | n/a        | n/a            | n/a           |
| Dec-23         | TalentKeepers              | Quantum Workplace              | n/a        | n/a            | n/a           |
| Dec-23         | Thirdera                   | Cognizant Technology Solutions | \$430      | n/a            | n/a           |
| Dec-23         | Pingboard                  | GSoft Group                    | n/a        | n/a            | n/a           |
| Dec-23         | Charma                     | Predictive Index               | n/a        | n/a            | n/a           |
| Nov-23         | Orion Communications       | FieldWare                      | n/a        | n/a            | n/a           |
| Nov-23         | Blue Octopus               | IRIS Software Group            | n/a        | n/a            | n/a           |
| Nov-23         | Magellan AI                | Listo Global                   | n/a        | n/a            | n/a           |
| Nov-23         | StudyLink Connect          | Flywire                        | \$39       | n/a            | n/a           |
| Nov-23         | Astadia                    | Amdocs                         | \$75       | n/a            | n/a           |
| Oct-23         | Kimedics                   | LocumTenens.com                | n/a        | n/a            | n/a           |
| Oct-23         | Brazen Technologies        | Radancy                        | n/a        | n/a            | n/a           |
| Oct-23         | Resource Management        | Vensure Employer Solutions     | n/a        | n/a            | n/a           |
| Oct-23         | M2 Education               | Humly                          | n/a        | n/a            | n/a           |

Sources: Capital IQ, Company Websites, PitchBook, Company Reports, PMCF Proprietary Research



# What is a Strategic Assessment and Why is it Important?

A Strategic Assessment is a comprehensive report that examines a business holistically with specific consideration given to the financial results, operations, and organizational structure. Our goal is to minimize any potential surprises and develop a tailored transaction plan with results-driven solutions to maximize value through our process, which includes:

- Determining your company's current value
- Identifying factors that enhance or erode value and related risk considerations
- Developing strategies to bridge gaps in value and market position

The Strategic Assessment allows shareholders time to fully assess the business and implement changes and align strategies with the value-creation objectives of shareholders.



## SIGNIFICANT INDUSTRY EXPERTISE AND RESOURCES

Founded in 1995, PMCF has spent 25+ years successfully advising clients in the middle market. From M&A advisory or capital raising to strategic assessment and transaction planning, we execute transactions to achieve life-changing outcomes for our clients. We leverage our significant deal experience, industry relationships, and a deep understanding of sectors we serve to support our clients' organic and inorganic growth initiatives.

PMCF takes a strategic approach to transaction planning, ensuring the positioning and messaging conveys the unique differentiators of your company. Our affiliation with Plante Moran provides us access to transaction tax experts to provide insight into structure planning considerations. Together, our team and the Strategic Assessment prepare companies to navigate the challenges of, and succeed in, today's competitive environment. Areas of assessment may include:

- Developing strategies to effectively deploy capital and resources to maximize ROI on your high-priority growth initiatives
- Aligning your process capabilities with key macro trends driving industry growth
- Evaluating KPI trends and results and understanding how they are used in daily management
- Reviewing the organizational chart and the internal plan for turnover and/or succession of key management team members
- Pursuing customer diversification at attractive, appropriate margins
- Understanding margin trends and concentrations of margin within product groups or customers
- Assessing your company's differentiation and position in the marketplace
- Leveraging our extensive global relationships to help penetrate new customers and/or markets

*As an investment in your company, PMCF will complete a complimentary Strategic Assessment. For additional information, please visit [pmcf.com](http://pmcf.com)*

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# Recent PMCF Awards



2021 M&A ATLAS AWARD WINNER – USA MIDDLE MARKETS  
*ENERGY PRODUCTS & SERVICES DEAL OF THE YEAR*



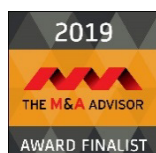
2020 M&A ATLAS AWARD WINNER – AMERICAS  
*PLASTICS & PACKAGING DEAL OF THE YEAR*



2020 M&A ATLAS AWARD WINNER – AMERICAS  
*INDUSTRIALS BOUTIQUE INVESTMENT BANK OF THE YEAR*



2019 MiBiz DEAL OF THE YEAR WINNER  
*MANUFACTURING DEAL OF THE YEAR*



2019 M&A ADVISORS AWARD FINALIST  
*BOUTIQUE INVESTMENT BANK OF THE YEAR*

**PMCF** | INVESTMENT BANKING

## PMCF Will Be Attending SIA Executive Forum North America 2024: March 25th – 28th

PMCF will be attending the Staffing Industry Analysts (SIA) Executive Forum North America in Las Vegas, NV, on March 25-28. Matt Rupprecht, Director & Co-Leader of PMCF's Business Services & Technology team, will be available during the scheduled networking sessions. For individuals and organizations planning to attend SIA Executive Forum 2024 with an interest in connecting with PMCF, please contact Matt Rupprecht (Matt.Rupprecht@pmcf.com) or Jake Lane (Jake.Lane@pmcf.com) to schedule a confidential discussion.

## Experienced Professionals. Trusted Advisors. Proven Results.

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