

HUMAN CAPITAL MANAGEMENT

INDUSTRY UPDATE | Q3 2022



Houlihan Lokey



ABOUT OUR FIRM

- Houlihan Lokey is a leading global investment bank with expertise in mergers and acquisitions, capital markets, financial restructuring, and financial and valuation advisory.
- Our firm is the trusted advisor to more top decision-makers than any other independent global investment bank.
- We invite you to learn more about how our bankers can serve your needs:

Learn More About Corporate Finance

Learn More About Financial Restructuring

Learn More About Financial and Valuation Advisory

Learn More About Our Industry Coverage

Key Facts and Figures



35
LOCATIONS
WORLDWIDE

~2,000
TOTAL FINANCIAL
PROFESSIONALS

306
MANAGING
DIRECTORS⁽¹⁾

2,000+
CLIENTS SERVED
ANNUALLY

\$6.5B+
MARKET
CAPITALIZATION⁽²⁾

\$2.3B
REVENUE

Our Ranking by Service

Corporate Finance

2021 Investment Banking Rankings All Global Transactions		
Advisor	Deals	
1 Houlihan Lokey	549	
2 Goldman Sachs & Co	511	
3 JP Morgan	508	
4 Rothschild & Co	437	
5 Morgan Stanley	393	

Source: Refinitiv. Excludes accounting firms and brokers.

No. 1 Global M&A Advisor
Leading Capital Markets Advisor

Financial Restructuring

2021 Global Distressed Debt & Bankruptcy Restructuring Rankings		
Advisor	Deals	
1 Houlihan Lokey	63	
2 Rothschild & Co	38	
3 Moelis & Co	34	
4 PJT Partners Inc	33	
5 Lazard	24	

Source: Refinitiv.

No. 1 Global Restructuring Advisor
1,500+ Transactions Completed Valued at More Than \$3.0 Trillion Collectively

Financial and Valuation Advisory

2002 to 2021 Global M&A Fairness Advisory Rankings		
Advisor	Deals	
1 Houlihan Lokey	952	
2 JP Morgan	890	
3 Duff & Phelps, A Kroll Business	882	
4 Morgan Stanley	602	
5 BofA Securities Inc	531	

Source: Refinitiv. Announced or completed transactions.

No. 1 Global M&A Fairness Opinion Advisor Over the Past 20 Years
1,000+ Annual Valuation Engagements

Fully Integrated Financial Sponsor Coverage

23 Senior officers dedicated to the sponsor community in North America and Europe

1,000+ Sponsors covered, providing market insights and knowledge of buyer behavior

650+ Companies sold to financial sponsors over the past five years

Houlihan Lokey Is a Global Firm

North America

Atlanta Los Angeles Washington, D.C.
 Boston Miami
 Chicago Minneapolis
 Dallas New York
 Houston San Francisco

Europe and Middle East

Amsterdam Manchester Tel Aviv
 Dubai Milan Zurich
 Frankfurt Munich
 London Paris
 Madrid Stockholm

Asia-Pacific

Beijing Hong Kong Shanghai
 Fukuoka SAR Singapore
 Gurugram Mumbai Sydney
 Ho Chi Minh City Nagoya Tokyo
 Osaka

(1) As of September 30, 2022. Excludes corporate managing directors. (2) As of November 2022.

ABOUT OUR BUSINESS SERVICES INDUSTRY GROUP

- Houlihan Lokey's Business Services Group combines extensive industry relationships with substantial experience to offer a broad array of M&A, corporate finance, restructuring, and financial and valuation advisory services to the business services industry.
- Based on number of transactions and according to data provided by Refinitiv, Houlihan Lokey was ranked the No. 1 investment bank for all global business services M&A transactions in 2021.*

2021 Investment Banking Rankings All Global Business Services Transactions

Advisor	Deals
Houlihan Lokey	80
Goldman Sachs	31
JP Morgan	30
Robert W Baird	24
Clairfield International	23

Source: Refinitiv.
Excludes accounting firms and brokers.

Learn More About Our
Business Services Industry
Coverage

Key Facts and Figures

112

Dedicated Business Services bankers

80

Completed business services M&A/
private placement transactions in CY21

\$2B

In disclosed financing deals in CY21

Industry Sector Coverage

We cover a broad array of sectors, with bankers dedicated to each of our primary coverage areas.



BPO Services



Education and
Training



Engineering and
Construction



Environmental
Services



Equipment-as-a-
Service



Facility and
Residential Services



HCM Services



IT Services



Marketing Services



Specialty Consulting
and Risk Services



Testing, Inspection,
Certification, and
Compliance



Transportation and
Logistics

Selected Business Services Industry Transactions

AQUILINE
CAPITAL PARTNERS L.P.
has acquired
XDD
KIMCO DATA DISCOVERY
has been acquired by
JLL Partners
Sellside Advisor

corporate visions
a portfolio company of
Sentinel
has been acquired by
Riverside
Sellside Advisor

ANSER
ADVISORY
a portfolio company of
RTC
has been recapitalized by
STERLING
Sellside Advisor

Liberty
THE RESOURCE
a portfolio company of
THE CARLYLE GROUP
has been acquired by
ECP
Sellside Advisor

BauWatch
a portfolio company of
NORDIAN
CAPITAL PARTNERS
has been acquired by
HANIEL
Sellside Advisor

Southland
has acquired
BRANDT
Buyside Advisor

ettain group
a portfolio company of
A&M CAPITAL PARTNERS
has been acquired by
ManpowerGroup
Sellside Advisor

Magenic
has been acquired by
Cognizant
Sellside Advisor

OPEN II - A - II
a portfolio company of
AMULET CAPITAL
has been acquired by
astorq
Sellside Advisor

BLACKROCK
EXPERT SERVICES GROUP
has been acquired by
DUFF & PHELPS
Sellside Advisor

Registrar Corp.
a portfolio company of
BETRAM
CAPITAL
has been acquired by
PAINE SCHWARTZ PARTNERS
Sellside Advisor

synovos
has been acquired by
e
Sellside Advisor

*Excludes accounting firms and brokers.

HUMAN CAPITAL MANAGEMENT



The human capital management (HCM) services sector operates within Houlihan Lokey's Business Services Group, which has earned a reputation for providing superior service and achieving outstanding results in M&A advisory, capital-raising, restructuring, and financial and valuation advisory services.

Our clients run the gamut from early-stage businesses and mid-sized companies to large, publicly traded corporations. We understand that an industry driven by innovation and change requires the sophistication of an advisor who can think ahead of the market and utilize solid industry relationships to help advance your vision. We optimize client outcomes by running executed, competitive processes, by focusing on deep domain knowledge to position for synergy and scarcity value, and by leveraging our world-class strategic and private equity access to bring the right senior decision-makers to the negotiation table.

Subsector Coverage



- HR Consulting
- Human Resources Outsourcing (HRO)
- Managed Service Providers (MSPs)
- Payroll and Benefits
- Professional Employer Organizations (PEOs)
- Recruitment Process Outsourcing (RPO)
- Staffing and Recruiting
- Talent Acquisition

Featured Transactions

 has been acquired by Medical Solutions a portfolio company of Centerbridge CDPO Subsidiary Advisor	 has acquired Si SYSTEMS Buy-side Advisor	 has acquired P2P Buy-side Advisor	 a portfolio company of has been acquired by Trilantic Subsidiary Advisor	 a portfolio company of Platform Partners and a combination of investors has been acquired by MID OCEAN Buy-side Advisor	 a portfolio company of BEL HILL has been acquired by LITTLETON & CO. Subsidiary Advisor
 a portfolio company of funds managed by affiliate of APOLLO has acquired Dynamics a portfolio company of MSOUTH Buy-side Advisor	 a portfolio company of IFB has been acquired by abry partners Subsidiary Advisor	 a portfolio company of A&M CAPITAL PARTNERS has been acquired by ManpowerGroup Subsidiary Advisor	 Funds managed by affiliate of EMPLOYBRIDGE Buy-side Advisor	 INFO BUSINESS UNIT a portfolio company of NMS CAPITAL has been acquired by ASGN Subsidiary Advisor	 a portfolio company of MinOcean has acquired EN a portfolio company of Subsidiary Advisor
 a portfolio company of HERITAGE has been acquired by WILL ROCK Subsidiary Advisor	 a portfolio company of has been acquired by CHRYSLER a portfolio company of VERSTONE Subsidiary Advisor	 has been acquired by an affiliate of SUN CAPITAL Subsidiary Advisor	 has been acquired by Cognizant Subsidiary Advisor	 a portfolio company of XG T P has been acquired by Cognizant Subsidiary Advisor	 has sold its majority stake in OLYMPIA to Management and Morgan Stanley Subsidiary Advisor

Tombstones included herein represent transactions closed from 2019 forward.

Leadership



Thomas Bailey
Managing Director
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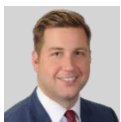
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Contact Us

Please reach out to us to schedule a call to discuss this quarter's market update or to explore how we can serve your business needs.

Request a Meeting

Learn More About Us

SELECT HOULIHAN LOKEY M&A TRANSACTIONS

The graphic features the Host Healthcare logo at the top, followed by the text "has been acquired by" and the Medical Solutions logo. Below that, it says "a portfolio company of" and shows logos for Centerbridge and CDPQ. At the bottom, a grey bar contains the text "Sellside Advisor".

November 2022

Medical Solutions, one of the nation's largest providers of total workforce solutions serving the healthcare industry, has acquired San Diego-based Host Healthcare.

Host Healthcare, which will continue to operate independently as its own brand under the Medical Solutions parent company, was founded in 2012 and has experienced rapid growth in the healthcare staffing industry. Specializing in nursing, allied, and therapy staffing, Host Healthcare has earned numerous healthcare staffing industry awards in categories such as fastest-growing privately held companies in the U.S. and best places to work.

Houlihan Lokey served as the exclusive financial advisor to Host Healthcare and assisted in marketing, structuring, and negotiating the transaction on behalf of the company.

The graphic features the Cornell Capital and TorQuest logos at the top, followed by the text "has acquired" and the S.i. Systems logo. At the bottom, a grey bar contains the text "Buiside Advisor".

October 2022

Cornell Capital LLC and TorQuest Partners (TorQuest) have completed an investment in S.i. Systems ULC, Canada's largest information technology staffing company.

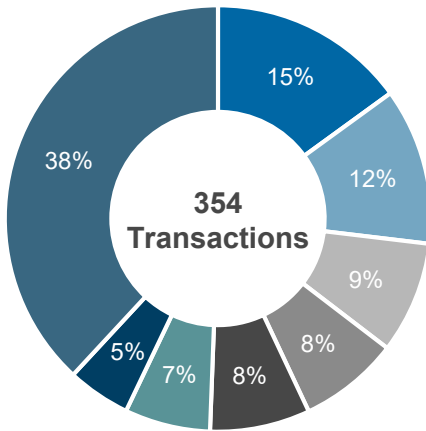
Headquartered in Calgary, with offices in Edmonton, Vancouver, Toronto, Mississauga, Montréal, and Ottawa, S.i. Systems leverages its proprietary MatchGuide™ technology to offer its customers a comprehensive suite of solutions for on-demand access to the high-skilled IT talent necessary to support its most critical business initiatives. Led by a best-in-class leadership team with deep industry experience, S.i. Systems has established itself as a leading provider of critical IT talent across industries in Canada and recently entered the high-demand U.S. market through the establishment of new offices in Chicago and Houston.

Cornell Capital and TorQuest together have extensive experience investing in the staffing industry and are excited to partner with S.i. Systems' management team. The company will retain its headquarters in Calgary, and Cornell Capital and TorQuest will work closely with the current management team—led by Chief Executive Officer and Founder Derek Bullen, President Leonie Tyler, and Chief Financial Officer Andrew White—to build on S.i. Systems' long track record of supporting its Canadian clients and accelerating momentum to execute on the company's next phase of growth.

Houlihan Lokey served as the exclusive buiside financial advisor to Cornell Capital and TorQuest.

HCM M&A ACTIVITY

YTD 2022 HCM Transactions by Category



- Talent Acquisition Technology
- IT Staffing
- Healthcare Staffing
- Place & Search
- Multiple Staffing Segments
- Industrial Staffing
- Direct Work Engagement
- All Other Categories

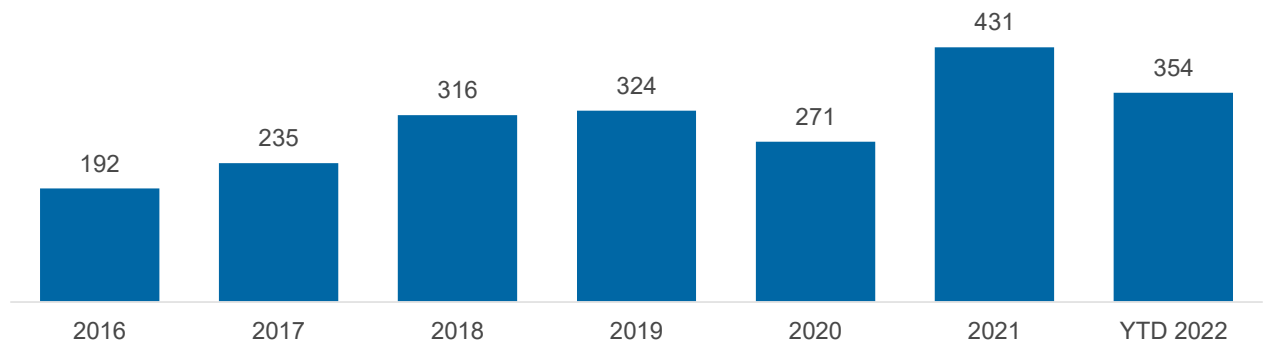
2022 so far has seen robust transaction volumes as interest persists in tech-enabled and high-margin assets. The largest segment of HCM transactions was for firms providing talent acquisition technology. This segment is experiencing significant tailwinds as companies have adjusted their hiring practices during the pandemic.

Information technology and healthcare have been particularly active sectors so far in 2022, with a combined 57 transactions. Other professional staffing assets (e.g., F&A and creative) are also continuing to experience strong demand.

Yearly HCM Transaction Volume

2022 has seen 354 transactions so far, which represents a decrease of 18% compared to 2021. In spite of difficult macroeconomic conditions, this is still significantly above the preceding five-year average of HCM M&A activity of 268 transactions per year for the 2016 to 2020 period.

Companies with a strong growth profile, dedicated management team, and diversified yet entrenched customer base are highly sought after by both financial and strategic buyers.

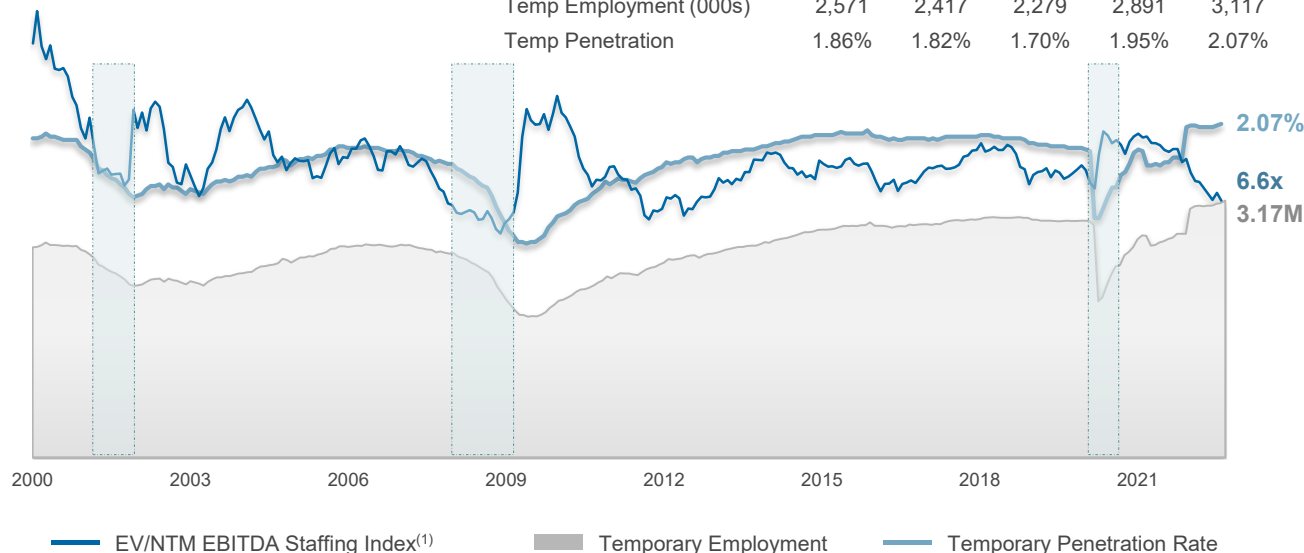


Sources: S&P Capital IQ, Staffing Industry Analysts, Mergermarket, public company filings, press releases.
 Note: Represents global M&A activity.

HISTORICAL PERFORMANCE AND 2022 TRENDS

Denotes Recession

	Select Averages				
	All	02-07	07-12	5 Yrs	LTM
EV/EBITDA Staffing Index	9.5x	10.1x	8.1x	9.5x	7.9x
Temp Employment (000s)	2,571	2,417	2,279	2,891	3,117
Temp Penetration	1.86%	1.82%	1.70%	1.95%	2.07%



Following the volatility in temporary employment in the U.S. in 2020 due to the varied responses to COVID-19, key indicators largely stabilized in 2021 and continued steadily growing in 2022.

The U.S. temporary penetration rate settled at 2.07% in September 2022, above its average of 1.86% since 2000. Nonfarm employment rose by just 315,000 jobs in September, signaling a slight slowdown to the strong recovery made since the beginning of the year. In recent years, many continental European countries have seen temporary staffing penetration rates well into the double digits. However, these rates have softened in recent quarters for many countries. While the labor market of each country may differ in key ways, we view the relatively lower U.S. rate as a sign that there is room for further expansion.

The Staffing Index shown above reflects an EV/NTM EBITDA multiple of 6.6x as of September 2022. Since 2000, the multiple has averaged 9.5x, reaching a peak in January 2000 and a low in December 2008. Lower valuation multiples are primarily driven by significant monetary policy changes that have created a more difficult financing environment.

Key Market Trends

Investors Keep an Eye on Inflation and Rates

Investors are keeping a close eye on interest rates, with inflation rates rising globally, as regulators decide their next steps.

M&A Resilient With Abundance of Interested Buyers

The 354 HCM transactions in 2022 demonstrate the market resilience that is continuing into 2022 despite less-than-ideal macroeconomic conditions.

Historic Levels of Dry Powder

Armed with brisk fundraising and nearly \$2.3 trillion in dry powder, global PEs are expected to continue driving the unabated dealmaking space.

Competition for Select Assets Driving Valuations

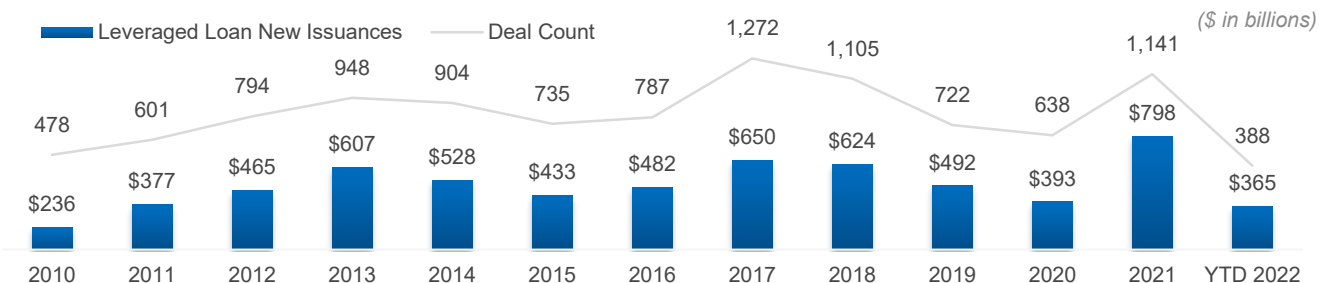
Valuations are stable in a market filled with buyers holding cash and looking to acquire assets to enhance competitive advantages.

(1) Staffing Index comprises North America, the United Kingdom, Europe, APAC, and rest of world (RoW) select public comps (see "Public Comps—Trading and Operating Performance" on page 13 for additional detail).

DEBT CAPITAL MARKETS

Trends in Loan Statistics

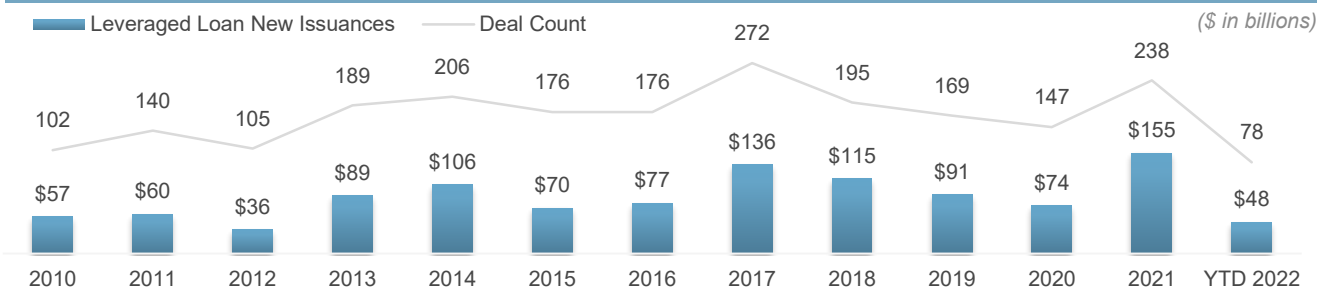
United States



Average PF Total Debt/EBITDA

3.9x 4.4x 4.6x 4.7x 4.9x 4.7x 5.0x 5.0x 5.2x 5.2x 5.1x 5.3x 5.4x

Europe



Average PF Total Debt/EBITDA

4.2x 4.4x 4.5x 4.7x 5.0x 5.0x 4.9x 5.1x 5.4x 5.3x 5.3x 5.5x 5.6x

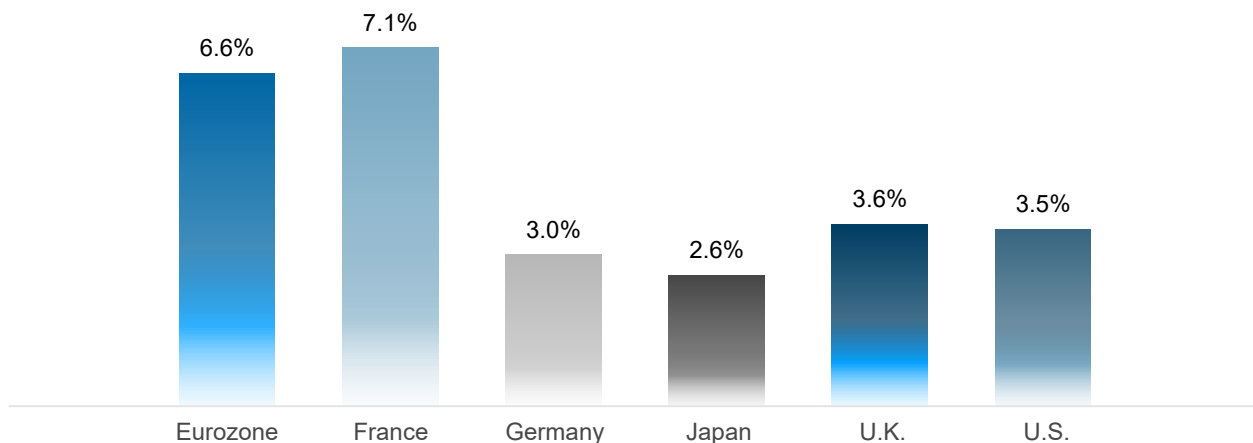
Recent Issuances and Notable Transactions

(\$ in millions)

Date	Borrower	Sponsor(s)	Use	Structure				1st Lien LIBOR/SOFR Spread	2nd Lien LIBOR/SOFR Spread	Total Leverage
				Total	RC	1st Lien	2nd Lien			
Oct-22	Tetra Tech Inc	--	Acquisition	\$500	--	\$500	--	188	--	--
Jul-22	Paycom Software Inc	--	Corp. Purpose	\$1,400	\$650	\$750	--	125	--	--
Jul-22	Fleetcor Technologies Inc	--	Acquisition	\$500	\$200	--	--	--	--	--
Feb-22	Cast & Crew Entertainment	EQT Partners	Acquisition	\$225	--	\$225	--	375	--	--
Feb-22	Virtusa Corp	Baring Private Equity	Recap/Dividend	\$670	--	\$670	--	375	--	--
Jan-22	Vaco Holdings	Olympus Partners	Recap/Dividend	\$740	\$40	\$700	--	500	--	--
Jan-22	Addison Group	Trilantic Capital Partners	LBO	\$590	\$65	\$525	--	425	--	--
Nov-21	EmployBridge Holding Co.	Apollo Management	Acquisition	\$200	--	\$200	--	475	--	--
Sep-21	CHG Healthcare Services	Leonard Green	Recap	\$1,730	\$150	\$1,580	--	350	--	--
Sep-21	Cornerstone OnDemand	Clearlake Capital	LBO	\$2,418	\$300	\$2,118	--	375	--	--
Aug-21	Alight Solutions	Blackstone	Acquisition	\$525	--	\$525	--	300	--	--

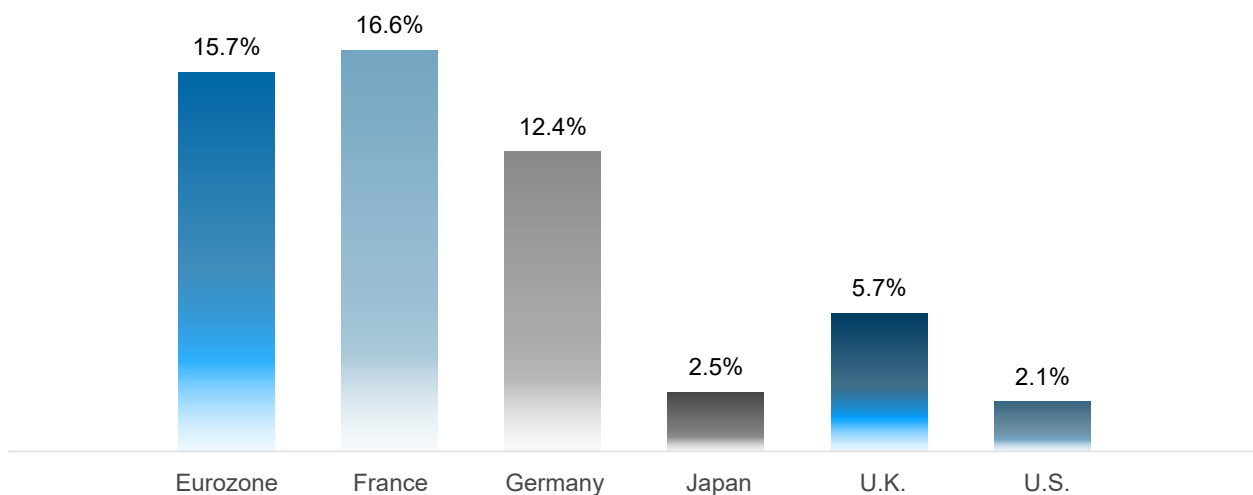
GLOBAL EMPLOYMENT STATISTICS

International Comparison: Unemployment Rates⁽¹⁾



Global unemployment rates continued to decline from COVID-19 peaks through September 2022. According to the OECD, unemployment rates reached a trough in Q2 and will slowly start ticking up throughout the end of 2022 and 2023 as global growth slows.

International Comparison: Temporary Penetration Rates⁽²⁾



Penetration trends in Europe varied country by country over 2021 but remained high overall as a result of stringent protections around permanent employment, causing employers to be more cautious about hiring full-time employees. U.S. penetration has generally increased since the financial crisis and stood at 2.1% as of September 2022.

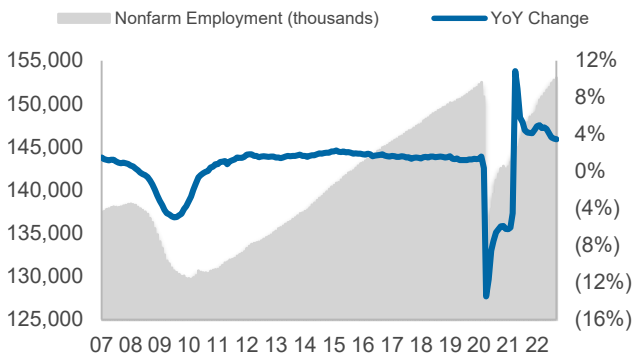
Sources: Bureau of Labor Statistics (U.S.), Eurostat, Office for National Statistics (U.K.), Statistics Bureau (Japan), OECD, SIA.
Note: Eurozone comprises the following countries: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain.

(1) U.K. data as of August 2022; all others as of September 2022.

(2) Eurozone, France, Germany, and Netherlands data as of Q2 2022; all others as of Q3 2022.

U.S. MACROECONOMIC INDICATORS

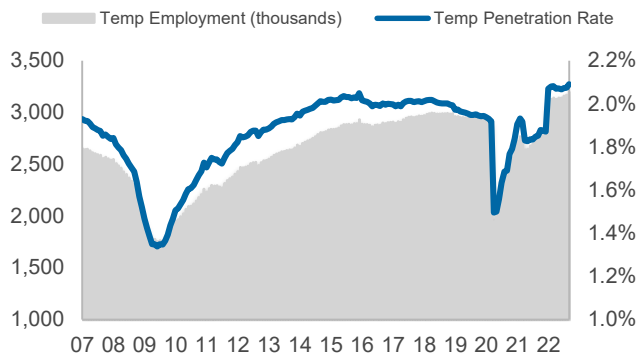
Nonfarm Employment and YoY Change



Source: U.S. Bureau of Labor Statistics.

September 2022 nonfarm employment reached 153.0 million, recording a monthly increase of 315,000, a tepid rise compared to the strong gains made since May 2021. The 315,000 increase compares to the median gain of 290,000 per month over the previous five years. Higher overall employment is a driver of HCM revenue.

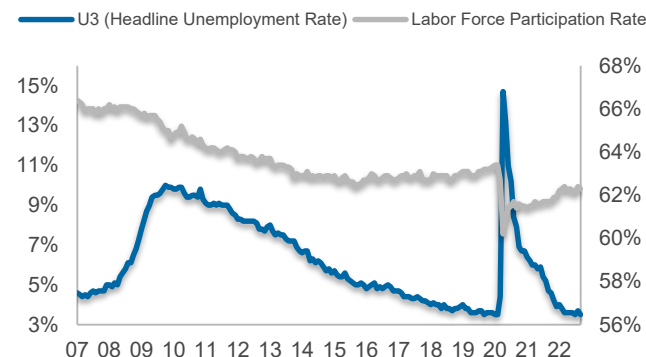
Temp Employment and Penetration



Source: U.S. Bureau of Labor Statistics.

The temporary penetration rate, which measures temporary employment as a percentage of total nonfarm employment, increased from 1.95% in September 2021 to 2.07% in September 2022. Temporary employment was 3.17 million in September 2022, an increase of 19.9% since September 2006. A higher temporary penetration rate signifies a larger market for HCM businesses.

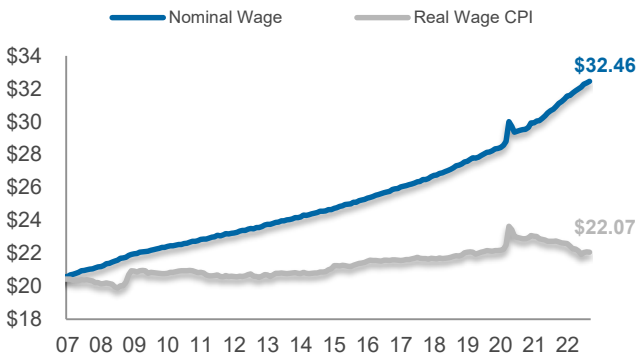
Unemployment Rate and Participation



Source: U.S. Bureau of Labor Statistics.

The unemployment rate was 3.5% in September 2022, while labor force participation (LFP) was 62.3%. The LFP rate dropped sharply during the first few months of the pandemic before making a partial recovery during 2020 and continuing to inch higher through 2021 and 2022. Just how long the participation rate will stay at these relatively depressed levels is up for debate.

Real and Nominal Wage Growth



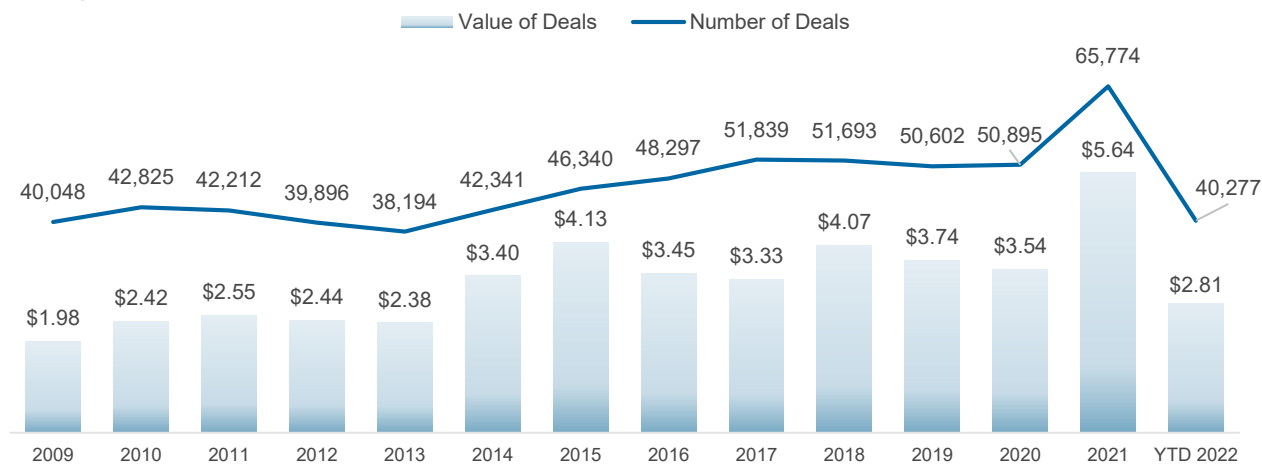
Source: U.S. Bureau of Labor Statistics.

Nominal wages have grown 59.0% since September 2006, with the average hourly wage rate coming in at \$32.46 in September 2022, a 5.0% increase over the rate a year prior. Real wages decreased 3.0% over the same period. Wage growth is a fundamental contributor to the HCM market, especially the staffing segment.

M&A MARKET INTELLIGENCE

Global M&A Activity

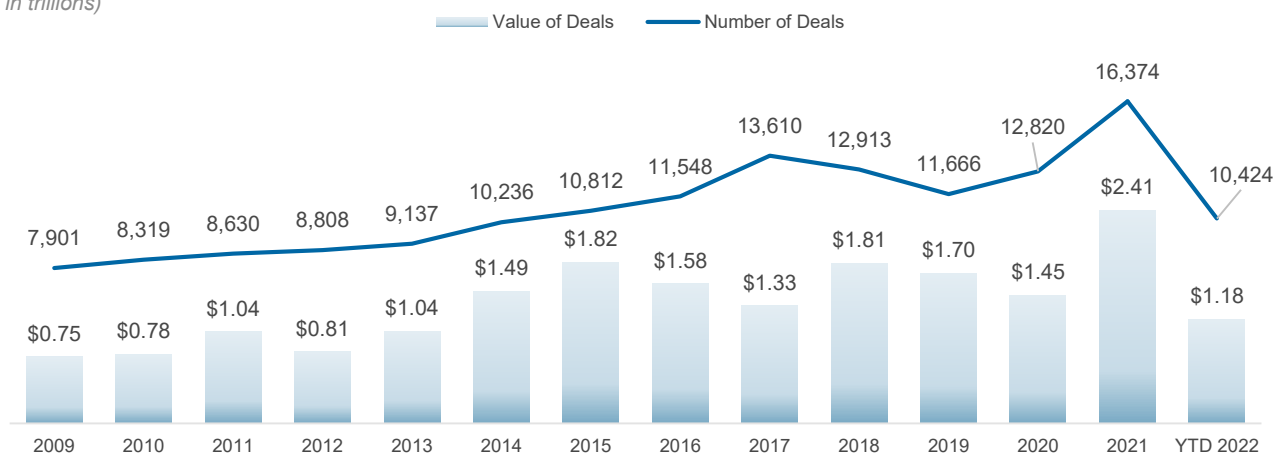
(\$ in trillions)



Global M&A activity declined precipitously in the YTD 2022 period, primarily due to slowing economic recovery and more difficult global financing conditions. Overall, both the value and number of announced M&A deals have shrunk by more than 18% in the YTD period. Tighter conditions have driven sponsor and strategic buyers to choose their deals extremely carefully and take significant time to de-risk potential acquisitions. Transaction values have shrunk to their lowest levels since the onset of the COVID-19 pandemic in 1H 2020.

U.S. M&A Activity

(\$ in trillions)



U.S. M&A activity also experienced a deceleration from 2021 highs, stemming from significant monetary policy changes making financing conditions more difficult. The value and number of deals in the YTD period shrank 12% and 16%, respectively.

Source: Refinitiv.

Notes: Regional breakdowns are by target and are based on total number of transactions. Includes minority equity deals, equity carve-outs, exchange offers, open market repurchases, and deals with undisclosed transaction values.

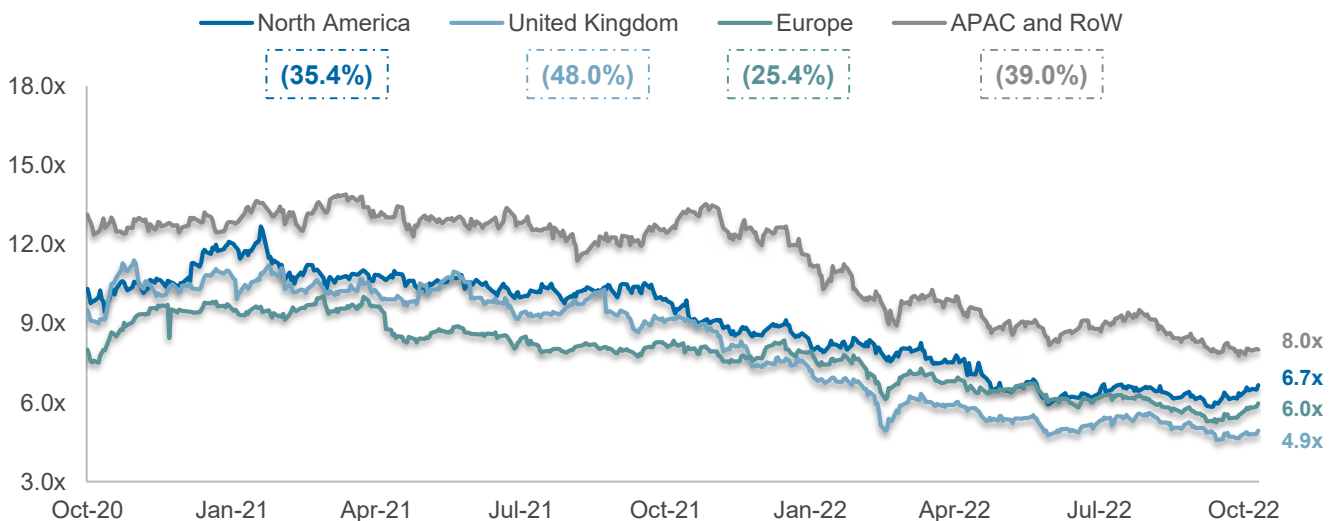
PUBLIC COMPS

SEGMENT COMPOSITION AND PERFORMANCE

North America	United Kingdom	Europe	APAC and RoW
AMN Healthcare	Hays	Adecco	Career International
ASGN	Impellam Group	Allgeier	HRnetGroup
BG Staffing	PageGroup	Amadeus FiRe	LIKE
Computer Task Group	Robert Walters	Brunel	MEITEC
Cross Country Healthcare	Staffline Group	Groupe CRIT	OUTSOURCING
GEE Group	SThree	Randstad	Pasona Group
Heidrick & Struggles	Count: 6	Synergie	PERSOL
Kelly Services		Count: 7	Recruit Holdings
Kforce			BeNext-Yumeshin
Korn Ferry			Trust Tech
ManpowerGroup			UT Group
RCM Technologies			Count: 11
Robert Half			
TrueBlue			
Count: 14			

Public Equity Markets Performance: Two-Year Change in EV/NTM EBITDA

The recent public markets decline has put a damper on an otherwise strong period of valuation appreciation experienced since the initial sell-off of the early pandemic days.



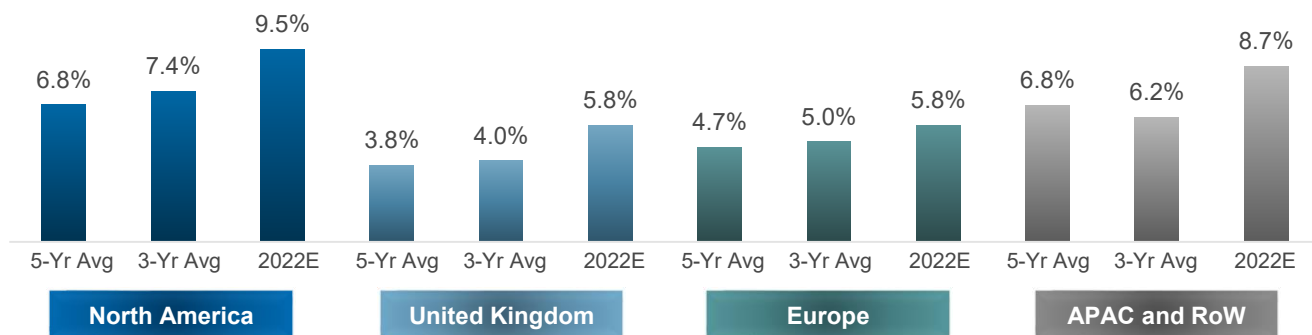
PUBLIC COMPS

BENCHMARKING ANALYSIS

Margin: 2022E EBITDA Margin

Margin projections for 2022 are elevated above historical levels, with cost optimizations undertaken during a difficult 2020 and recent wage inflation offering an opportunity to boost to rate spreads.

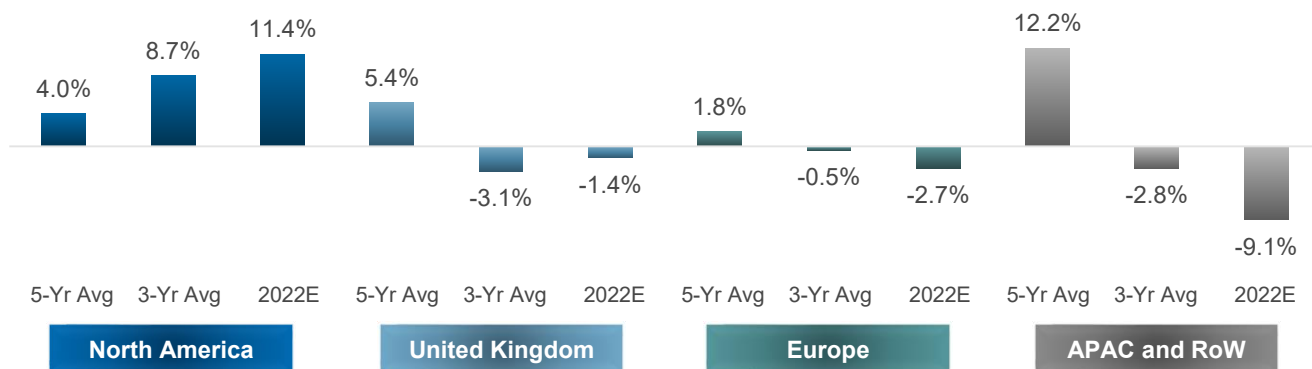
Median 2022E: **7.0%**



Growth: 2021–2022E Revenue

While staffing revenues are expected to grow in North America in 2022, global revenues are expected to decline as economic recovery slows and companies adjust to more difficult market conditions.

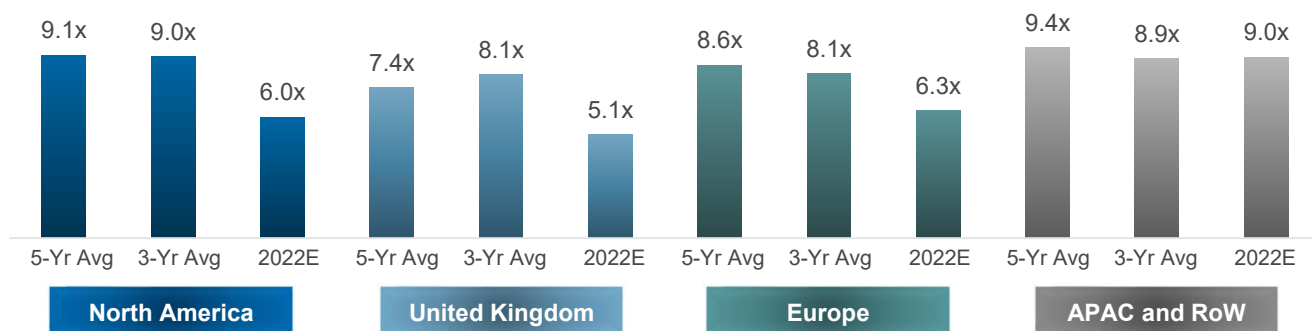
Median 2021–2022E: **(0.0%)**



Multiple: Enterprise Value/2022E EBITDA

Valuation multiples at the start of 2022 are slightly below historical averages, with significant monetary policy changes depressing valuations.

Median 2022E: **6.0x**



Source: S&P Capital IQ.

Note: Select firms are in process of reporting full-year 2021 earnings. Therefore, select figures reflect estimates for Q4 2022.

PUBLIC COMPS

TRADING AND OPERATING PERFORMANCE

(\$ in millions, except per share data)												
Company	Sector	Stock Price 25/10/2022	% of 52-Week High	Market Cap.	Enterprise Value	EBITDA		EBITDA Margin		EV/ EBITDA		'21-'22E Revenue Growth
						2021	2022E	2021	2022E	2021	2022E	
North America												
Robert Half International	Diversified	\$74.75	59.4%	\$8,059	\$7,719	\$797	\$951	12.3%	13.1%	9.7x	8.1x	12.2%
ASGN	Professional	95.38	72.3%	4,788	5,658	441	564	11.0%	12.4%	12.8	10.0	13.8%
ManpowerGroup	Professional	76.54	66.2%	3,960	4,556	687	759	3.3%	3.8%	6.6	6.0	(4.4%)
AMN Healthcare	Healthcare	120.04	93.0%	5,194	5,978	582	819	14.6%	16.2%	10.3	7.3	26.8%
Korn Ferry	Executive Search	53.44	63.1%	2,853	2,746	499	523	20.5%	18.8%	5.5	5.3	15.6%
Kforce	Professional	62.53	76.8%	1,258	1,242	109	137	6.9%	8.1%	11.4	9.0	8.0%
TrueBlue	Diversified	19.67	62.9%	644	663	96	121	4.4%	5.3%	6.9	5.5	3.9%
Heidrick & Struggles	Executive Search	27.26	55.3%	541	164	123	131	12.3%	12.1%	1.3	1.2	7.6%
Cross Country Healthcare	Healthcare	36.10	93.9%	1,380	1,596	155	289	9.2%	10.7%	10.3	5.5	61.3%
Kelly Services	Diversified	15.41	67.0%	585	524	72	123	1.4%	2.4%	7.3	4.3	2.5%
BG Staffing	Diversified	11.99	76.6%	126	147	16	20	6.7%	7.0%	9.2	7.4	19.8%
Computer Task Group	Diversified	7.39	71.2%	115	98	16	16	4.0%	4.9%	6.2	6.0	(14.6%)
GEE Group	Diversified	0.63	81.1%	72	58	12	15	8.1%	9.0%	4.7	3.8	10.5%
RCM Technologies	Diversified	18.08	62.7%	184	185	9	30	4.6%	10.1%	21.2	6.1	57.8%
Average			71.5%					8.5%	9.5%	8.8x	6.1x	15.8%
Median			69.1%					7.5%	9.5%	8.2x	6.0x	11.4%
United Kingdom												
Hays	Diversified	\$1.28	64.1%	\$2,056	\$1,927	\$290	\$321	3.5%	4.1%	6.6x	6.0x	(5.4%)
PageGroup	Diversified	4.83	60.3%	1,538	1,497	240	292	10.8%	12.7%	6.3	5.1	3.4%
SThree	Diversified	4.37	62.4%	580	560	94	101	5.3%	5.8%	5.9	5.5	(1.4%)
Robert Walters	Diversified	5.90	57.0%	412	393	79	97	6.0%	7.0%	5.0	4.1	4.8%
Impellam Group	Diversified	7.19	88.6%	325	320	42	0	1.4%	NM	7.6	NM	NM
Staffline Group	Diversified	0.42	49.9%	69	83	19	19	1.5%	1.7%	4.3	4.3	(11.6%)
Average			63.7%					4.7%	6.3%	6.0x	5.0x	(2.0%)
Median			61.4%					4.4%	5.8%	6.1x	5.1x	(1.4%)
Europe												
Randstad	Diversified	\$48.95	72.0%	\$8,951	\$9,639	\$1,259	\$1,530	4.5%	5.6%	7.7x	6.3x	(2.7%)
The Adecco Group	Diversified	30.65	59.3%	5,061	8,463	1,119	979	4.7%	4.2%	7.6	8.6	(3.0%)
Amadeus FiRe	Professional	103.49	49.8%	592	710	80	93	18.8%	22.8%	8.9	7.6	(3.4%)
Synergie	Diversified	27.58	66.5%	661	487	148	168	4.8%	5.8%	3.3	2.9	(5.0%)
Groupe CRIT	Diversified	60.81	87.8%	675	402	109	129	4.7%	5.7%	3.7	3.1	(1.1%)
Brunel	Diversified	9.15	70.9%	461	477	56	79	5.4%	6.9%	8.6	6.0	12.5%
Allgeier	Diversified	29.30	48.7%	333	492	36	55	7.9%	11.3%	13.6	8.9	6.6%
Average			65.0%					7.3%	8.9%	7.6x	6.2x	0.5%
Median			66.5%					4.8%	5.8%	7.7x	6.3x	(2.7%)
APAC and RoW												
Recruit	Diversified	\$30.76	55.1%	\$49,519	\$45,737	\$3,660	\$3,591	15.7%	16.1%	12.5x	12.7x	(4.2%)
Persol	Diversified	20.46	81.4%	4,711	4,563	528	496	5.9%	6.3%	8.6	9.2	(12.6%)
TechnoPro	Diversified	22.79	89.8%	2,455	2,350	193	164	13.3%	12.7%	12.2	14.3	(10.4%)
Meitec	Diversified	16.51	90.2%	1,323	1,023	110	105	12.3%	13.2%	9.3	9.8	(11.3%)
OUTSOURCING	Diversified	7.85	51.7%	988	1,893	302	317	6.1%	7.0%	6.3	6.0	(7.8%)
Career International	Diversified	4.19	46.7%	816	745	55	65	5.0%	4.9%	13.6	11.4	22.1%
BeNext-Yumeshin	Diversified	11.71	93.1%	1,035	955	0	0	NM	NM	NM	NM	NM
UT Group	Diversified	16.10	51.3%	650	623	64	72	5.0%	6.0%	9.8	8.7	(7.6%)
Pasona Group	Diversified	12.94	49.1%	507	539	227	178	7.3%	7.0%	2.4	3.0	(18.4%)
HRnetGroup	Diversified	0.51	86.7%	508	293	55	65	12.5%	14.8%	5.3	4.5	1.1%
LIKE	Diversified	13.14	79.3%	252	293	47	42	9.5%	10.4%	6.2	7.0	(18.6%)
Average			70.4%					9.3%	9.8%	8.6x	8.7x	(6.8%)
Median			79.3%					8.4%	8.7%	9.0x	9.0x	(9.1%)
Average			68.8%					7.9%	9.0%	8.1x	6.7x	4.1%
Median			66.4%					6.1%	7.0%	7.6x	6.0x	(0.0%)

Sources: S&P Capital IQ, public company filings.

Notes: Trading multiples are based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ as of October 25, 2022. All financials calendarized to a December year-end. Margins and multiples exclude outliers.

NOTABLE RECENT M&A TRANSACTIONS

Date	Target	Acquirer	Target Segment	Target Description
11/02/22	S.i. Systems ULC	Cornell Capital LLC; TorQuest Partners	Staffing	Utilizes proprietary technology to provide clients on-demand access to high-skilled IT talent
11/01/22	Host Healthcare, Inc.	Medical Solutions LLC	Staffing	Offers travel nurse and travel therapy staffing solutions for acute-care hospitals and clinics
10/11/22	Helpster Pte. Ltd.	PERSOL Asia Pacific Pte. Ltd.	Staffing	Offers an on-demand staffing platform providing recruitment, shift scheduling, and workforce analytics
10/11/22	Talenterder LLC	RCM Technologies, Inc. (NASDAQM:RCMT)	ATS/Talent Mgmt/ Development	Operates as a talent acquisition services firm that identifies and hires talent across tech and nontech functions
10/04/22	EmployBridge (Apollo)	Bluecrew	Staffing	Provider of commercial staffing services via "Workforce-as-a-Service" mobile platform
09/21/22	Optionis Group	Alcentra Ltd.	Payroll/PEO	Provides workforce and SME support services such as tax, payroll, and human resources consulting
09/21/22	Spencer Group Ltd.	RSK Group Ltd.	Staffing	Offers executive search and selection services
09/16/22	NKD Learning Ltd.	ITA Group, Inc.	ATS/Talent Mgmt/ Development	Provides employee engagement and experiential learning solutions
09/08/22	Fusion Employer Services, LLC	Engage PEO, LLC	Payroll/PEO	Provides payroll, workers' compensation, medical benefits, dental and vision benefits, and life insurance
08/31/22	Direct Recruiters, Inc.	NL Starfish Partners Inc.	Staffing	Provides recruitment services for small firms, middle-market businesses, and Fortune 500 companies
08/08/22	Svenstone Ltd.	The Recruitment Group Ltd.	Staffing	Provides recruitment services for temporary and permanent staff
08/01/22	Infinity Consulting Solutions, Inc.	Korn Ferry (NYSE:KFY)	Staffing	Provides staffing solutions to various clients and candidates
07/28/22	Preferred Payroll, Inc.	CAVU Human Capital Management LLC	Payroll/PEO	Provides solutions for payroll, timekeeping, workers' compensation, and automated benefit enrollment
07/26/22	PrincetonOne LLC	My Job Matcher Inc.	Staffing	Provides recruitment and staffing services for companies across the globe
07/26/22	I4 Pay Partners Ltd.	IPE Ventures	Payroll/PEO	Provides payroll management services
07/05/22	Jacobson Staffing, Inc.	Envision LLC	Staffing	Operates as a staffing agency that provides consulting, contract-to-hire, direct hire, and executive search services
06/28/22	Cooper Fitch DMCC	Lincoln Associates, SAS	Staffing	Provides recruitment, executive search, and human resources advisory services
06/22/22	EmPower HR, LLC	Vensure Employer Services, Inc.	Staffing	Provides human resources management and consulting services to small and midsized businesses
05/02/22	CoreAxis, LLC	eLearning Brothers, LLC	ATS/Talent Mgmt/ Development	Provides corporate training and employee engagement consulting services
04/29/22	KHS Personnel Ltd.	The Jarell Group	VMS/MSP/RPO	Provides recruitment and workforce management services
04/12/22	Innovative Employer Solutions, Inc.	Engage PEO, LLC	Payroll/PEO	Provides integrated human resources solutions, such as outsourcing services, payroll, and administration
03/31/22	InStaff Personnel, LLC	Unicorn Content, S.L.	ATS/Talent Mgmt/ Development	Provides recruitment and career development solutions
03/14/22	Volt Information Sciences, Inc.	American CyberSystems, Inc.	Staffing	Provides traditional time, materials-based, and project-based staffing services
03/09/22	Rocket Power, Inc.	Kelly Services, Inc. (NASDAQGS:KELY.A)	Staffing	Provides human resources recruiting process outsourcing, executive search, and process outsourcing services
03/08/22	Employer Advantage, LLC	G&A Outsourcing, Inc.	Payroll/PEO	Provides payroll, benefits administration, and human resources services to employers
02/24/22	Tempay, Inc.	Encore Funding, Inc.	Staffing	Offers temporary staffing, payroll funding and factoring, and temporary payroll finance solutions
01/31/22	OneSource Employee Management, LLC	Vensure Employer Services, Inc.	Payroll/PEO	Provides human resources management, payroll, and workers' compensation solutions
01/10/22	MATRIX Resources	Motion Recruitment Partners (Littlejohn)	Staffing	Provides IT staffing, consulting, and telecom services

Sources: S&P Capital IQ, Mergermarket, public company filings, press releases.

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