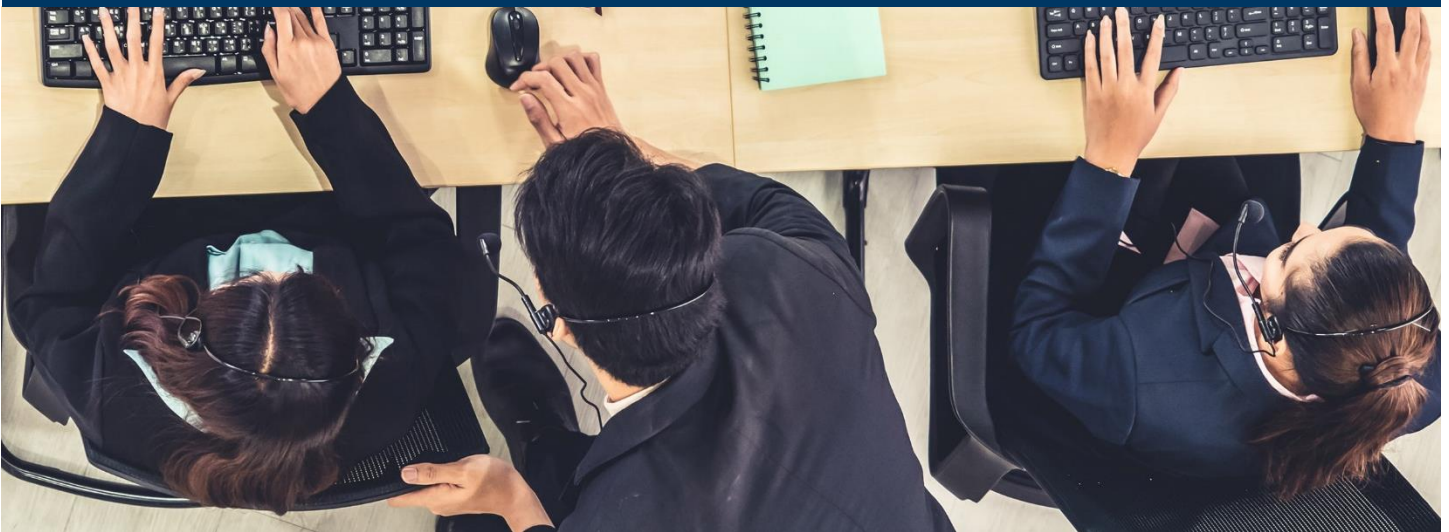


HUMAN CAPITAL MANAGEMENT M&A PULSE

FIRST QUARTER 2022



Q1'22

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HCM Coverage Team

ABOUT PMCF

P&M Corporate Finance (“PMCF”), a U.S. registered broker/dealer, is an investment bank focused exclusively on middle market transactions with professionals in Chicago, Detroit, Denver, and across the globe through Corporate Finance International partners. 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, www.pmcf.com.

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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 in 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

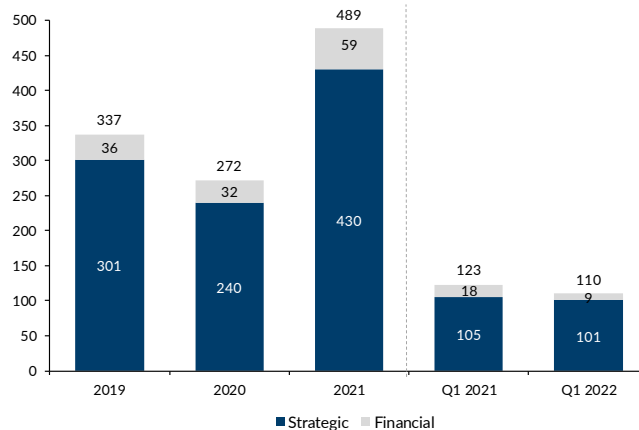
Staffing	<i>Temporary, temp-to-permanent, permanent / direct hire, and executive search services across all end markets, including professional, industrial, IT, and healthcare</i>
Outsourcing Services	<i>Outside business services vendors, including human resources outsourcing, recruitment process outsourcing,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

2022 Q1 Market Summary & Outlook

HUMAN CAPITAL MANAGEMENT M&A MARKET DYNAMICS

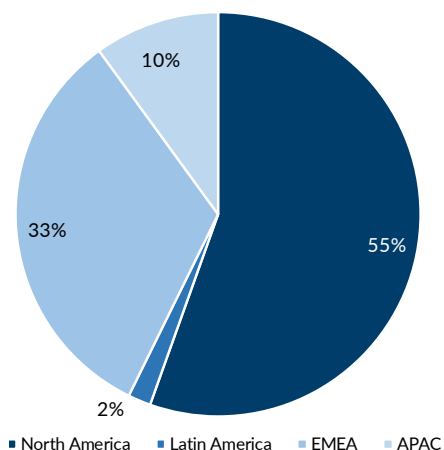
- Global M&A transaction volume within staffing, outsourcing services, and software and technology industries (collectively, "Human Capital Management" or "HCM") declined 11% in Q1 of 2022 from last year, with 110 transactions completed in Q1 2022. The continued recovery from the COVID pandemic resulted in a record year in 2021, followed by a gradual decrease in Q1 2022 transaction volume as the industry started to encounter macroeconomic challenges.
- Strategic buyers continued to dominate M&A activity in the sector, accounting for 92% of industry transactions vs. just 8% completed by private equity groups (financial buyers) throughout Q1 of 2022.
- Staffing-related transactions comprised the majority of HCM deals, with 50 transactions completed across professional, industrial, healthcare, and IT focused staffing firms. Most sectors of the HCM industry slightly declined to normalized levels in Q1 2022, as Staffing transactions were down only 2% and Outsourced Services transactions were down 7% in the first quarter of 2022 from Q1 of last year. Software and Technology transactions, however, realized a 24% decrease due to a decline from previous record high technology demand which was due to the initial shift to a distributed work force environment.
- North America remained the most active region in Q1 of 2022, with 61 total transactions representing 55% of global HCM transaction activity. EMEA also remained active with 36 total transactions representing 33% of global HCM transaction activity.

Q1 2022 TRANSACTION VOLUME BY BUYER TYPE



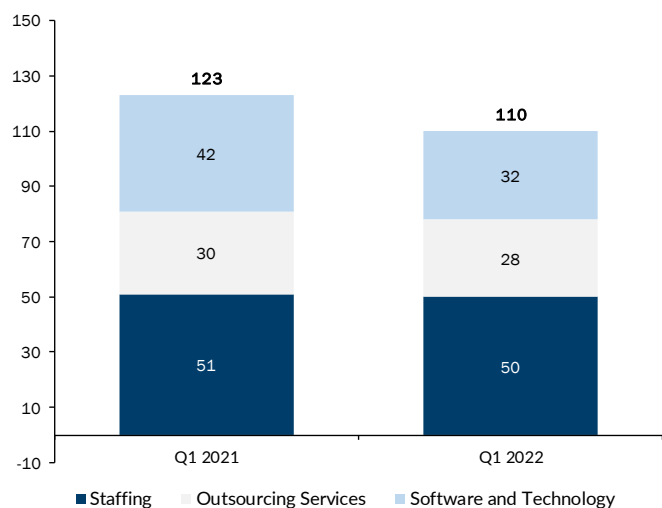
Source: Capital IQ, Proprietary Research

Q1 2022 TRANSACTION VOLUME BY GEOGRAPHY



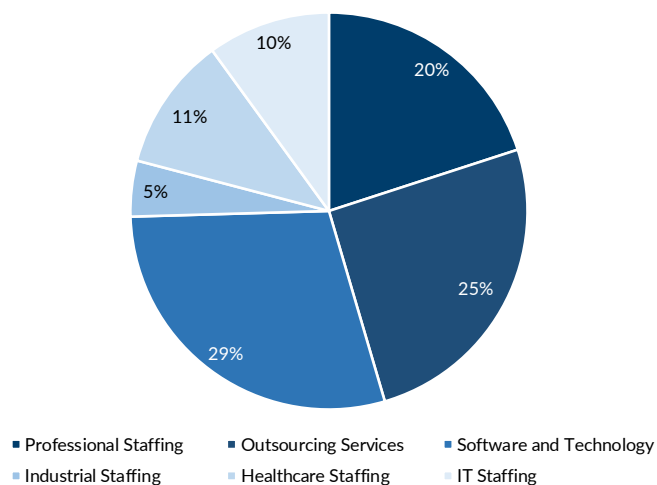
Source: Capital IQ, Proprietary Research

Q1 2021 VS. Q1 2022 VOLUME BY SEGMENT



Source: Capital IQ, Proprietary Research

Q1 2022 TRANSACTION VOLUME BY SEGMENT

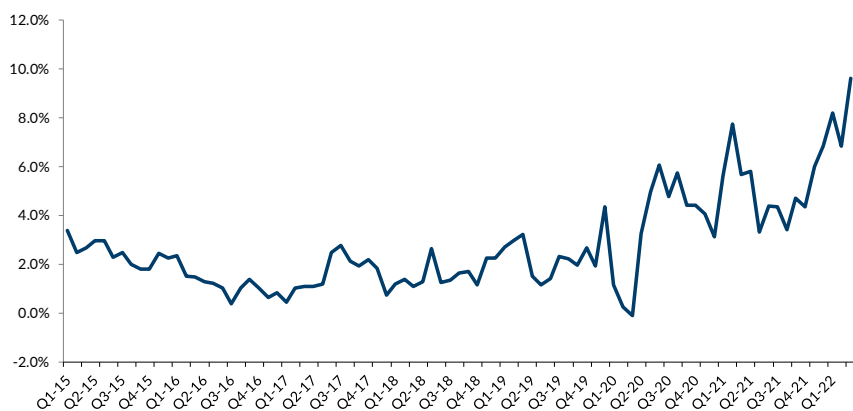


Source: Capital IQ, Proprietary Research

HCM Industry Trends & Outlook

- The Human Capital Management industry performance experienced a healthy start in Q1 2022 as the broader market started to slowly come down from record levels. Demand in the sector was driven by a record number of job openings, an improving supply of candidates as the pandemic's impact on everyday life continued to diminish, and a high pace of wage inflation.
- Looking forward, the Human Capital Management industry anticipates operating in a more subdued macroeconomic environment paired with a contraction in GDP growth. Challenges the industry is expecting to encounter include headwinds from rising interest rates, global disruptions from the war in Ukraine, and supply chain complications.
- Staffing shortages plaguing almost every sector will likely continue to drive demand higher for services stemming from the Human Capital Management industry. This ongoing talent shortage is requiring companies to manage human capital more efficiently while further evolving recruitment processes and strategies.

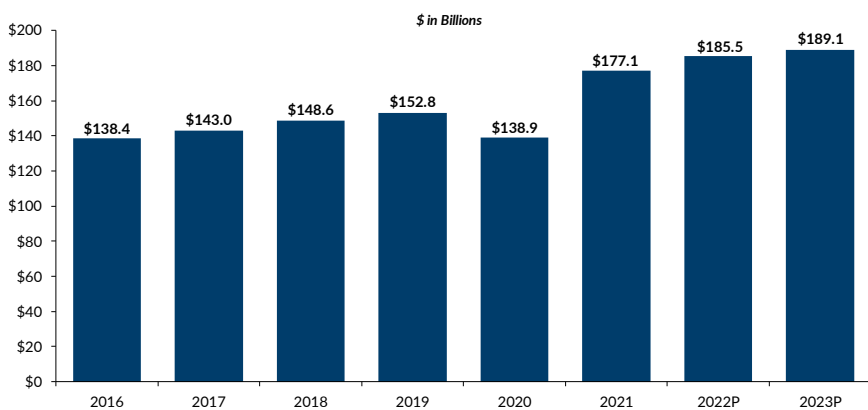
STAFFING INDUSTRY PRODUCER PRICE INDEX (PPI)



Source: Federal Reserve Bank of St. Louis
 Note: Year-over-year Percent Change in Staffing Industry PPI
 Data as of April 2022

- The US Bureau of Labor Statistics provides a Producer Price Index (PPI) that 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 industry has been between 2.0% and 5.0% over the last five years, falling to 3.1% in Q1 2021 and spiking up to 9.6% in Q1 2022.

U.S. STAFFING HISTORICAL AND PROJECTED MARKET SIZE



Source: Staffing Industry Analysts
 (1) Includes Direct Hire and Retained Search firms
 Data as of April 2022

- After a sharp contraction in 2020 due to the health crisis, the US staffing market expanded by 27.5% in 2021, according to Staffing Industry Analysts (SIA).
- As the sector starts to face macroeconomic headwinds, the staffing industry anticipates to see slower growth in 2022 with an increase of 4.7% to \$185.5 billion.

Human Capital Management Indices

PUBLIC EQUITY VALUATION TRENDS:

- Median public equity EV/EBITDA multiples in the Q1 2022 HCM Index decreased over the prior quarter as the broader market started to face growing worries of an economic slowdown linked to inflation and the geopolitical environment

\$ in Millions

Company Name	Headquarters Location	Market Cap.	Enterprise Value	TTM Revenue	TTM Gross Profit	Adjusted EBITDA	TTM Gross Margin	TTM EBITDA Margin	Net Debt/ EBITDA	EV/ Revenue	EV/EBITDA ⁽¹⁾	
											Q1 '22	Q4 '21
Professional & Specialty Staffing												
Recruit Holdings Co., Ltd.	Japan	\$ 72,853	\$ 69,622	\$ 23,648	\$ 13,588	\$ 3,776	57.5%	16.0%	(0.9x)	3.1x	17.1x	24.6x
Robert Half International Inc.	United States	12,438	12,084	6,878	2,906	913	42.3%	13.3%	(0.3x)	1.9x	13.7x	15.3x
AMN Healthcare Services, Inc.	United States	4,796	5,482	4,651	1,517	693	32.6%	14.9%	1.1x	1.4x	8.9x	13.9x
ASGN Incorporated	United States	6,022	6,590	4,194	1,225	472	29.2%	11.3%	1.3x	1.6x	13.8x	12.9x
Hays plc	United Kingdom	2,689	2,632	8,070	589	260	7.3%	3.2%	(0.2x)	0.3x	8.5x	13.8x
Korn Ferry	United States	3,500	3,168	2,461	702	460	28.5%	18.7%	(0.7x)	1.3x	6.0x	8.6x
PageGroup plc	United Kingdom	2,045	1,977	2,226	1,188	301	53.4%	13.5%	(0.2x)	0.9x	6.8x	15.5x
Kforce Inc.	United States	1,501	1,522	1,634	482	117	29.5%	7.2%	(0.0x)	1.0x	13.2x	13.1x
Heidrick & Struggles International, Inc.	United States	775	315	1,093	246	131	22.5%	12.0%	(1.4x)	0.3x	2.1x	4.3x
Resources Connection, Inc.	United States	558	558	760	295	81	38.8%	10.6%	(0.0x)	0.8x	7.0x	8.7x
Cross Country Healthcare, Inc.	United States	825	1,019	2,136	478	226	22.4%	10.6%	1.0x	0.6x	6.2x	12.5x
Impellam Group plc	United Kingdom	250	291	3,063	361	42	11.8%	1.4%	1.0x	0.1x	5.7x	9.0x
Median							29.4%	11.6%	(0.1x)	0.9x	7.8x	13.0x
Industrial & Commercial Staffing												
Randstad N.V.	Netherlands	\$ 11,111	\$ 11,912	\$ 28,580	\$ 5,773	\$ 1,326	20.2%	4.6%	0.3x	0.4x	8.3x	9.4x
Adecco Group AG	Switzerland	7,926	8,420	23,799	4,926	1,064	20.7%	4.5%	3.1x	0.4x	6.1x	6.0x
ManpowerGroup Inc.	United States	5,026	5,692	20,943	3,537	735	16.9%	3.5%	0.9x	0.3x	6.7x	6.3x
Groupe CRIT SA	France	815	572	2,312	135	109	5.8%	4.7%	(2.9x)	0.3x	5.1x	5.4x
Kelly Services, Inc.	United States	856	825	4,910	919	85	18.7%	1.7%	(0.4x)	0.2x	6.6x	5.9x
Synergie SE	France	1,016	903	3,067	326	148	10.6%	4.8%	(1.3x)	0.3x	6.3x	5.9x
TrueBlue, Inc.	United States	1,013	1,030	2,266	590	102	26.0%	4.5%	0.3x	0.5x	8.3x	9.7x
SThree plc	United Kingdom	721	692	1,762	471	93	26.7%	5.3%	(0.3x)	0.4x	6.4x	9.2x
Barrett Business Services, Inc.	United States	575	434	983	214	53	21.8%	5.4%	(2.0x)	0.5x	7.6x	8.0x
Brunel International N.V.	Netherlands	616	574	1,023	237	56	23.2%	5.4%	(1.1x)	0.6x	8.3x	10.4x
Median							20.4%	4.7%	(0.3x)	0.4x	6.6x	7.1x
Outsourcing Services and Technology												
Automatic Data Processing, Inc.	United States	\$ 95,577	\$ 97,263	\$ 16,108	\$ 7,232	\$ 4,221	44.9%	26.2%	0.4x	6.2x	22.9x	25.4x
Paychex, Inc.	United States	49,268	48,800	4,497	3,185	1,990	70.8%	44.3%	(0.2x)	10.9x	24.0x	25.7x
Gartner, Inc.	United States	24,477	27,025	4,893	3,406	1,157	69.6%	23.7%	2.4x	5.7x	21.6x	24.9x
TriNet Group, Inc.	United States	6,123	5,923	4,698	1,017	589	21.6%	12.5%	0.3x	1.3x	11.3x	13.3x
Insperity, Inc.	United States	3,850	3,695	5,264	854	218	16.2%	4.1%	(0.8x)	0.7x	16.9x	21.2x
LifeWorks Inc.	Canada	1,200	1,656	818	250	89	30.6%	10.9%	5.4x	2.0x	14.9x	17.3x
Qess Corp Limited	India	1,283	1,341	1,732	201	46	11.6%	2.6%	1.0x	0.8x	22.1x	30.7x
Median							30.6%	12.5%	0.4x	2.0x	21.6x	24.9x
Median							23.2%	7.2%	(0.0x)	0.7x	8.3x	12.5x
Mean							28.7%	10.4%	0.2x	1.5x	10.8x	13.3x

Market capitalizations and total enterprise values as of March 31, 2022; 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

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Revenue Multiple									
Median	0.6x	0.7x	0.7x	0.8x	1.0x	1.3x	1.2x	1.2x	0.9x
Mean	0.7x	0.8x	0.9x	1.1x	1.3x	1.4x	1.5x	1.4x	1.1x
EBITDA Multiple⁽¹⁾									
Median	6.4x	7.7x	8.7x	10.9x	14.4x	13.6x	13.3x	13.0x	7.8x
Mean	7.0x	8.1x	9.2x	11.5x	15.1x	16.6x	13.5x	12.7x	9.1x

PUBLIC VALUATIONS - INDUSTRIAL AND COMMERCIAL STAFFING INDEX

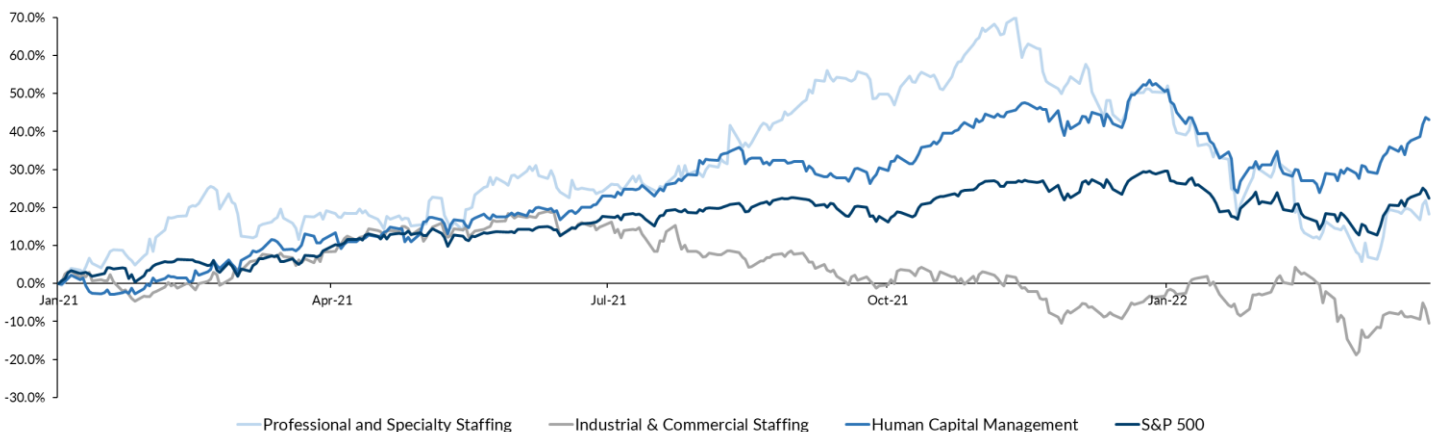
	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Revenue Multiple									
Median	0.2x	0.3x	0.3x	0.3x	0.4x	0.5x	0.4x	0.4x	0.4x
Mean	0.2x	0.3x	0.3x	0.3x	0.4x	0.4x	0.4x	0.4x	0.4x
EBITDA Multiple⁽¹⁾									
Median	3.8x	5.2x	5.4x	7.6x	9.7x	9.8x	8.1x	7.1x	6.6x
Mean	4.2x	5.4x	5.9x	7.9x	9.9x	10.1x	8.3x	7.6x	7.0x

PUBLIC VALUATIONS - OUTSOURCING SERVICES AND TECHNOLOGY INDEX

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Revenue Multiple									
Median	2.8x	2.9x	2.5x	2.8x	2.9x	2.9x	2.8x	2.3x	2.0x
Mean	2.4x	2.8x	2.7x	3.3x	3.6x	3.8x	4.0x	4.4x	3.9x
EBITDA Multiple⁽¹⁾									
Median	13.1x	15.7x	15.2x	16.1x	20.3x	21.2x	21.3x	24.9x	21.6x
Mean	12.2x	14.4x	13.4x	16.5x	18.5x	20.4x	21.9x	22.6x	19.1x

(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

Geographic Expansion

Hamilton-Ryker acquires Time Staffing

January 2022 – Hamilton-Ryker, a leading provider of staffing and HR solutions, announced its acquisition of Time Staffing Inc., a Tiffin, Ohio-headquartered staffing and recruitment company focused on the industrial staffing sector.

This acquisition adds an additional 12 offices to Hamilton-Ryker's portfolio, bringing their total number of geographic locations to 40. The transaction also opens up many new opportunities for Hamilton-Ryker due to the newly added resources in training, technology advancement, and workforce solutions. Time Staffing now stands as the seventh brand in the Hamilton-Ryker portfolio.

Capabilities Expansion

Pearson acquires Credly

January 2022 – Pearson plc (LSE:PSON), a global education publishing and assessment service, has acquired Credly to expand its service offerings and strengthen its workforce analysis, learning, and assessment capabilities. Credly is the market leader in digital workforce credentialing and offers an easy-to-use platform used to verify employee credentials and connect people with the right opportunities.

“The Credly acquisition is another important step in accelerating our strategy in the workforce skills market and in building connectivity across the entire Pearson portfolio. The growing skills gap is putting enormous pressure on the labor market, making verified credentials more essential than ever before,” said Andy Bird, chief executive of Pearson.

Capabilities Expansion

LinkedIn acquires Oribi

February 2022 – LinkedIn Corporation has announced the acquisition of Tel Aviv, Israel-based Oribi Ltd. Oribi developed and operates a platform for web analytics with a focus on analyzing main conversations, tracking interactions, and transferring collected data into useful reports. Terms of the transaction were not disclosed.

This acquisition will further benefit LinkedIn customers, including staffing businesses and recruiters, by allowing them to gain further actionable insights into users and ultimately allow clients to make more informed decisions. As part of the acquisition agreement, LinkedIn will also be opening its first office in Tel Aviv, Israel.

Capabilities Expansion

The Judge Group acquires Slayton Search Partners

February 2022 – The Judge Group, a leading global professional services firm, announced the acquisition Slayton Search Partners, a globally respected leader in the retained executive search sector.

“The acquisition of Slayton combines two leading providers of search services with decades of experience and expertise,” stated Marty Judge, III, CEO of The Judge Group. “Slayton’s reach, depth, and expertise in executive search coupled with a dedication to creating impactful client experiences make them an ideal partner for The Judge Group. Together, we will leverage our collective expertise to build new business relationships, develop deeper partnerships with existing clients, and grow into untapped markets.”

Human Capital Management M&A Activity

SELECT STAFFING TRANSACTIONS

(\$ in Millions)

Announced Date	Target	Buyer	Implied EV	EV/TTM Revenue	EV/TTM EBITDA
Mar-22	H&P Search and Interim AB	Dedicare AB	\$3	n/a	n/a
Mar-22	Volt Information Sciences, Inc.	American CyberSystems, Inc.	\$177	0.2x	6.9x
Mar-22	Alliant, Inc.	PRN Health Services, Inc.	n/a	n/a	n/a
Feb-22	Perigon Group Pty Ltd	Peoplein Limited	\$19	n/a	n/a
Feb-22	Slayton Search Partners, Inc.	The Judge Group, Inc.	n/a	n/a	n/a
Jan-22	SOLCOM GmbH	The House of HR NV	n/a	n/a	n/a
Jan-22	Education Solutions Services, LLC	The Vistria Group, LLC	n/a	n/a	n/a
Jan-22	Northbound Executive Search, LTD.	HireQuest, Inc.	n/a	n/a	n/a
Jan-22	Corporate Employment Resources, Inc.	swipejobs, Inc.	\$19	n/a	n/a
Jan-22	TransTech IT Staffing, LLC	Mitchell Martin, Inc.	n/a	n/a	n/a
Jan-22	Staffing Division of Temporary Alternatives, Inc.	HireQuest, Inc.	n/a	n/a	n/a
Jan-22	Time Staffing Inc.	The Hamilton-Ryker Group, LLC	n/a	n/a	n/a
Jan-22	Favorite Healthcare Staffing Inc.	Acacium Group Limited	n/a	n/a	n/a
Jan-22	Eagle Professional Resources Inc.	S.I. Systems Ltd.	n/a	n/a	n/a
Jan-22	Addison Group	Trilantic North America	n/a	n/a	n/a

SELECT OUTSOURCED SERVICES / HCM SOFTWARE TRANSACTIONS

(\$ in Millions)

Announced Date	Target	Buyer	Implied EV	EV/TTM Revenue	EV/TTM EBITDA
Mar-22	Geometric Results Inc.	PRO Unlimited Inc.	n/a	n/a	n/a
Mar-22	Avanzo Learning Progress SA	Randstad Empleo Empresa de Trabajo Temporal, S.A.U.	n/a	n/a	n/a
Mar-22	Umanis SA	CGI France SAS	\$369	1.4x	11.0x
Mar-22	Claro Analytics, Inc.	Wilson Human Capital Group, Inc.	n/a	n/a	n/a
Mar-22	Rocket Power, Inc.	Kelly Services, Inc.	n/a	n/a	n/a
Feb-22	Oribi Ltd.	LinkedIn Corporation	\$80	n/a	n/a
Feb-22	Webscale Pty Ltd	Employment Hero Pty Ltd	n/a	n/a	n/a
Feb-22	Refensa AB	Grade AB	n/a	n/a	n/a
Feb-22	Mindscope Inc.	Univerus Software Inc.	n/a	n/a	n/a
Jan-22	Credly, Inc.	Pearson plc	\$246	18.5x	n/a
Jan-22	Efficient Hire, LLC	Equifax Workforce Solutions, Inc.	n/a	n/a	n/a
Jan-22	Wuxi Talent Home Information Technology Co., Ltd.	Skillful Craftsman Education Technology Limited	\$5	n/a	n/a
Jan-22	Boardroom Insiders, Inc.	Euromoney Institutional Investor PLC	\$25	5.2x	35.7x
Jan-22	Starschema Ltd.	HCL Technologies Limited	\$43	n/a	n/a
Jan-22	Able Software Inc.	Bullhorn, Inc.	n/a	n/a	n/a

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

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ENERGY PRODUCTS & SERVICES DEAL OF THE YEAR



2021 M&A ATLAS AWARD WINNER – USA MIDDLE MARKETS
PLASTICS & PACKAGING 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



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