



# M&A MARKET MONITOR

STAFFING INDUSTRY

January 2021

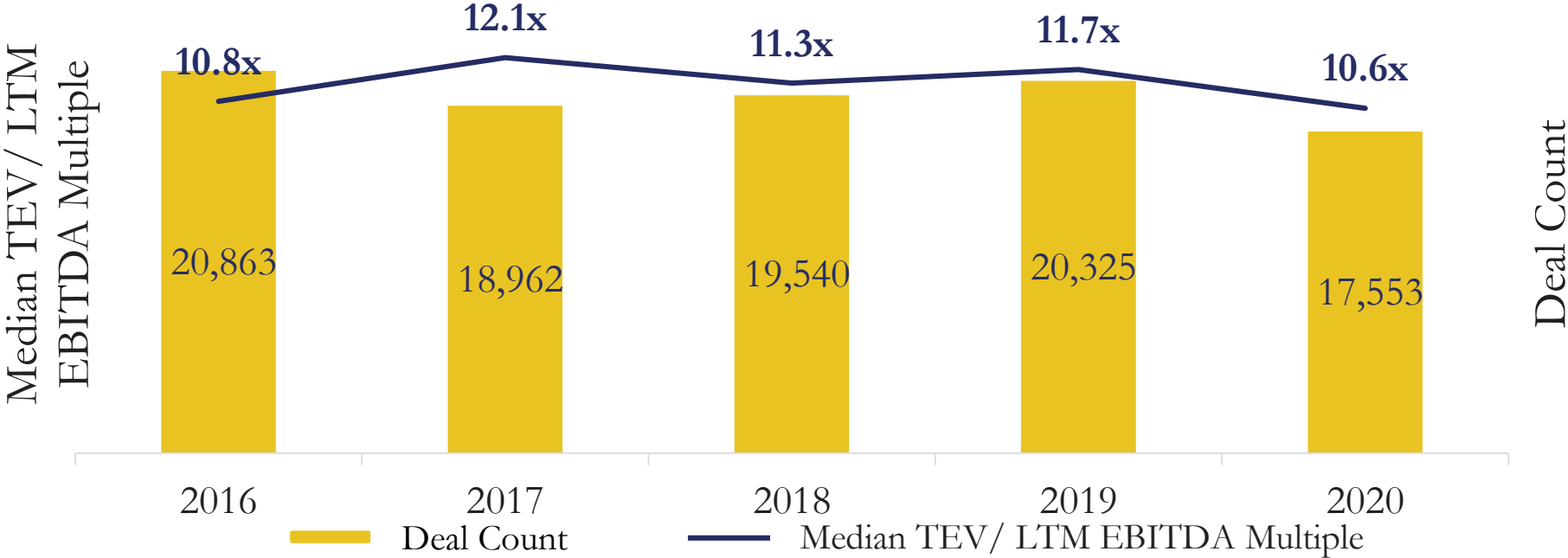
# U.S. & Canada M&A Market Overview



## Overall Market Transactions

### Quick Highlights

- Although the pandemic affected the U.S. & Canada M&A market, volume and multiples ended the year at approximately 90% of recent historical averages
  - 2020 deal count was 88% of the previous 4-year (2016-2019) average
  - 2020 median TEV/LTM EBITDA multiple was 92% of the previous 4-year (2016-2019) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources, As of 12/31/2020

### About the Data

The information presented in this report is an analysis of deals in the United States or Canada. A deal is described as any closed or announced M&A transaction where the target is headquartered in the United States or Canada, financial terms of the transaction have been disclosed, and the target has an industry classification that falls into the subject industry group and as such may not be representative of your company's market valuation. Past performance is not indicative of future results. Certain adjustments have been made to the information to exclude transactions which are not specific to the industry or incorporate relevant transactions for which an industry classification was omitted.

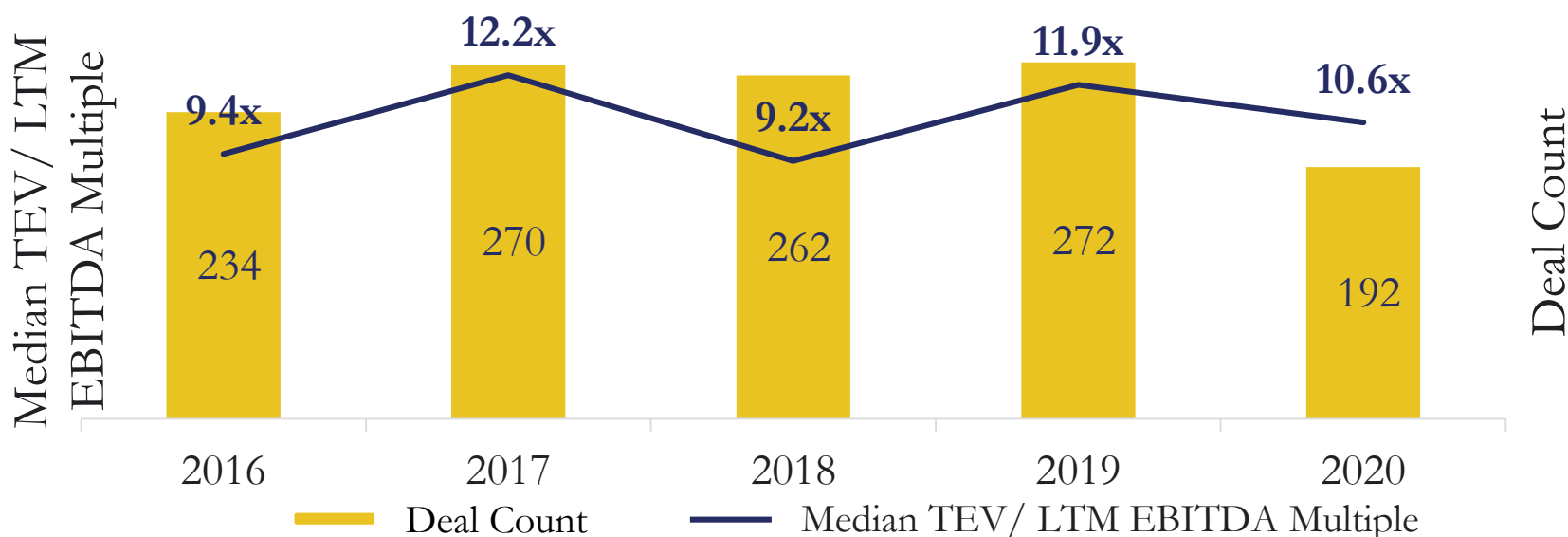
# U.S. & Canada M&A Market Overview

## Staffing Industry Transactions



### Quick Highlights

- The Staffing industry 2020 deal multiples remained unchanged compared to historical averages while deal volume lagged
  - 2020 deal count was 74% of the previous 4-year (2016-2019) average
  - 2020 median TEV/LTM EBITDA multiple was 99% of the previous 4-year (2016-2019) average



Source: S&P Capital IQ; ArkMalibu; Other publicly available sources

As of 12/31/2020

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# Public Companies' Trading Metrics | Staffing Industry

As of: 12/31/2020

Category / Company	Valuation Statistics				Multiples Data			
	Last Price	Equity Value	Enterprise Value	EBITDA Margin	EV / Revenue (x)		EV / EBITDA (x)	
					LTM	NTM	LTM	NTM
USD in millions except per share price								
<b>Commercial Staffing</b>								
Adecco Group AG	\$66.87	\$10,838	\$11,949	3.5%	0.5	0.5	10.1	11.1
Barrett Business Services, Inc.	\$68.21	\$522	\$402	5.0%	0.5	0.4	7.5	8.5
Kelly Services, Inc.	\$20.57	\$808	\$648	1.6%	0.1	0.1	6.0	7.3
ManpowerGroup Inc.	\$90.18	\$5,188	\$5,139	2.7%	0.3	0.3	7.6	9.9
Randstad N.V.	\$65.13	\$11,937	\$12,425	3.2%	0.5	0.4	11.9	9.0
TrueBlue, Inc.	\$18.69	\$637	\$650	2.2%	0.3	0.3	9.4	12.1
<b>Median</b>	<b>\$42.85</b>	<b>\$723</b>	<b>\$649</b>	<b>2.9%</b>	<b>0.4</b>	<b>0.4</b>	<b>9.4</b>	<b>9.5</b>
<b>Executive and Retained Search</b>								
Heidrick & Struggles International, Inc.	\$29.38	\$569	\$435	10.0%	0.7	0.7	4.6	6.4
Korn Ferry	\$43.50	\$2,356	\$2,380	10.6%	1.4	1.4	9.3	9.6
<b>Median</b>	<b>\$36.44</b>	<b>\$1,462</b>	<b>\$1,408</b>	<b>10.3%</b>	<b>1.0</b>	<b>1.1</b>	<b>6.9</b>	<b>8.0</b>
<b>Healthcare Staffing</b>								
AMN Healthcare Services, Inc.	\$68.25	\$3,210	\$4,152	11.4%	1.8	1.8	13.4	13.4
Cross Country Healthcare, Inc.	\$8.87	\$333	\$412	2.9%	0.5	0.5	10.9	13.6
<b>Median</b>	<b>\$38.56</b>	<b>\$1,772</b>	<b>\$2,282</b>	<b>7.2%</b>	<b>1.1</b>	<b>1.2</b>	<b>12.2</b>	<b>13.5</b>
<b>Professional Staffing</b>								
ASGN Incorporated	\$83.53	\$4,419	\$5,323	10.2%	1.3	1.3	12.8	12.2
Groupe CRIT SA	\$76.45	\$848	\$611	4.6%	0.2	0.3	4.5	9.1
Impellam Group PLC	\$3.19	\$147	\$204	0.7%	0.1	NM	6.0	NM
Kforce Inc.	\$42.09	\$875	\$897	5.9%	0.7	0.7	10.2	10.0
PageGroup plc	\$6.11	\$1,947	\$1,892	5.5%	0.9	1.0	11.7	13.4
RCM Technologies, Inc.	\$2.07	\$24	\$42	-3.1%	0.3	0.3	NM	8.8
Robert Half International Inc.	\$62.48	\$7,010	\$6,723	9.5%	1.3	1.3	11.4	13.4
<b>Median</b>	<b>\$42.09</b>	<b>\$875</b>	<b>\$897</b>	<b>5.5%</b>	<b>0.7</b>	<b>0.8</b>	<b>10.8</b>	<b>11.1</b>

Source: S&P Capital IQ; ArkMalibu

EV = enterprise value; LTM = last twelve months; NTM = next twelve months; NM = not meaningful



ARKMALIBU

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We're not like other banks – we don't have conflicted business relationships with buyers, leaving our senior advisors and principals unhindered and unyielding in their pursuit of your goals. From the first meeting to dry ink, we are dedicated to exceeding your expectations and surpassing industry valuation benchmarks during one of life's most prodigious events. Selling a company requires both psychological intelligence and financial rigor, and that is ArkMalibu. We're a steady ship in stormy seas – here to guide you through uncharted territory with experience, integrity, and confidentiality at every turn.



## Unconflicted. Loyalty to You is our Livelihood

- We only represent sellers; we're not incentivized to encourage you to accept less than your company's true maximum value.
- We pursue the highest possible value because we're unconflicted.



## Unorthodox. Senior-Level Service is Our Standard

- All of ArkMalibu's clients receive care and attention from our senior-level advisors and principals.
- From analysts to principals, our team remains present and available throughout the process.



## Unrelenting. Our Unrivaled Strategy Sells Your Story

- Our approach: understand, capture, and communicate your company's culture – the asset that can't be duplicated – and work to identify buyers whose goals and values align with yours, negotiating tirelessly on your behalf in order to complete the deal with the best partner.
- Our proprietary Four Boxes Analysis delivers prospective buyers a compelling investment story with undeniable upside.



## We are Anchored to Increasing Your Value

- ArkMalibu is tied to your destiny; we are anchored to the goal of bringing you unparalleled value while navigating the personalities and interests of the people involved.
- Selling a business requires as much EQ as IQ; with our depth of experience and understanding of the complex human dynamics at play, we coach you through the challenges so you can enjoy your hard-earned and well-deserved prosperity.



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