

Business Services

INDUSTRY REPORT

Summer | 2023

CREATING
M&A STRATEGIES
FOR BUSINESS OWNERS

SINCE 1956



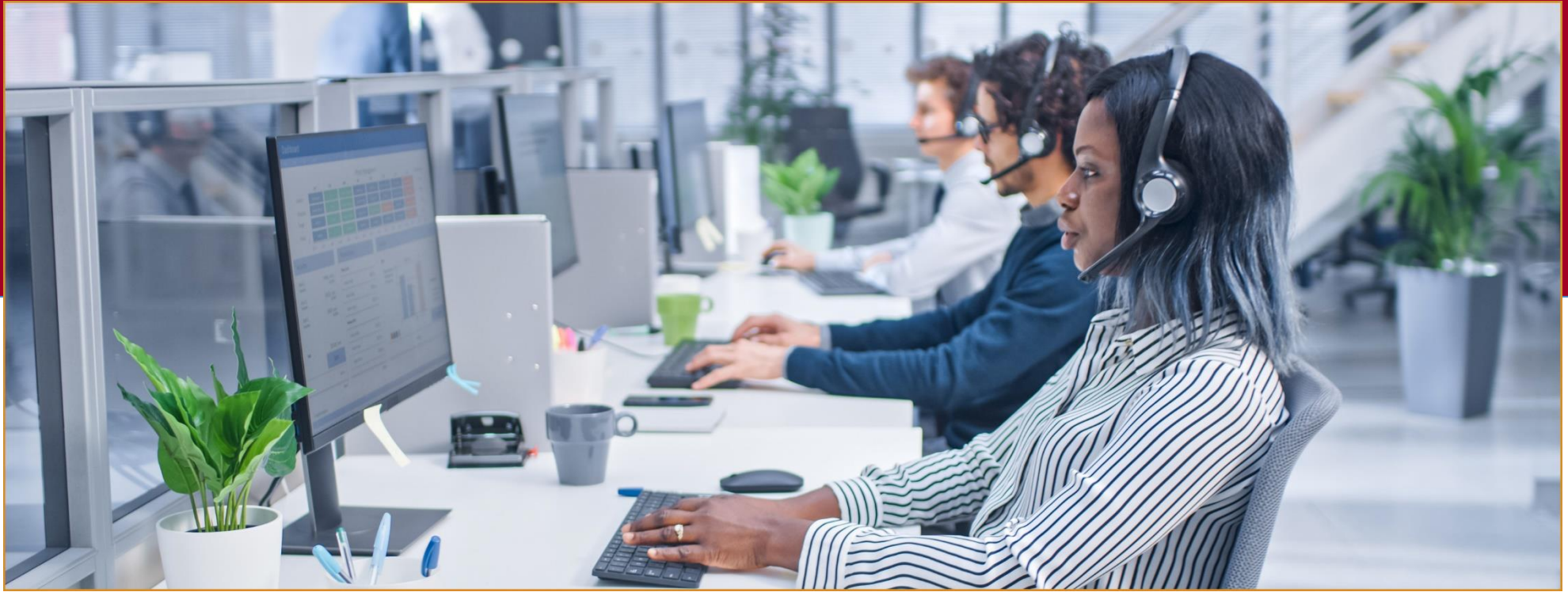


Table of Contents

Market Observations	3
Transaction Highlights	11
Public Companies	14
CFA Overview	25



Market Observations

Market Summary

Business Services Market

The global business services industry is still considered to be impacted by the highly volatile macroeconomic environment, exacerbated by persistent demand fluctuations, unsettled labor markets, and rising geopolitical tensions. Furthermore, there is a growing need for sustainable operating models to meet ESG compliance requirements. However, the business service operations adapted quickly to new demands by embracing digital solutions such as chatbots and control interfaces for remote work and contactless practices. This has allowed them to operate effectively in distributed global organizations. The resilience of the industry has been greatly supported by digital solutions, particularly cloud-based approaches that have proven effective for both in-office and remote work setups. These digital solutions have fostered innovation, enabling real-time collaboration and connectivity among customers and stakeholders. The business service models have evolved to become more capable, sophisticated, and influential, providing support for global operations. While the International Data Corporation predicts a direct impact on professional services due to the recession, the strong growth experienced in 2022, particularly in business consulting, suggests that the slowdown in 2023 and 2024 will be less severe than previously anticipated. This positive trend is further aided by lower attrition rates, inflation-adjusted price adjustments, and the increasing need for digitization in both corporate and governmental operations. According to a CNBC report, the US unemployment rate has decreased to 3.5%, indicating a narrowing labor shortage problem. The global waste management and recovery services market is projected to grow from \$169.3 billion in 2022 to \$180.6 billion in 2023, with a CAGR of 6.7%. By 2027, it is expected to reach \$216.4 billion, with a CAGR of 4.6% as per the report published by the business research company. The global business support services market has witnessed growth from \$624.8 billion in 2022 to \$681.7 billion in 2023, with a CAGR of 9.1%. It is expected to reach \$931.4 billion in 2027, with a CAGR of 8.1%, according to a report by Research and Markets.

Public Company Valuations

The CFA Select Business Services Index went up by 4.8% in the second quarter of 2023, and the 12 months return on the Index increased by 15.1%. Our index for each of the subsectors in the Business Services industry increased in the second quarter of 2023 except for Professional, Scientific, and Technical Services that witnessed an 18.7% decline. Administrative and Support and Waste Management and Remediation Services Index had the highest median EBITDA multiple with 14.1x while Rental and Leasing Services Index had the highest median revenue multiple with 4.1x. Data Processing, Hosting, and Related Services Index had the median revenue multiple and median EBITDA multiple of 3.8x and 13.5x respectively. Administrative and Support and Waste Management and Remediation Services Index had median revenue multiple of 3.2x. Services to Buildings and Dwellings, Employment Services Index, Business Support Services Index, Professional, Scientific, and Technical Services Index, and Advertising, Public Relations, and Related Services Index had median revenue multiple of 0.7x, 0.5x, 1.3x, 1.0x and 1.5x respectively, and median EBITDA multiple of 10.3x, 8.6x, 8.4x, 8.0x, and 7.4x respectively..



The public business services maintained the growth in the second quarter of 2023...

Mergers and Acquisitions

The M&A activity in the business services industry continue to witness declining trend due to increasing market uncertainties. The declining trend of the M&A activities has continued into the second quarter of 2023. The number of transactions in Q2 2023 declined by 7% from Q1 2023. Large value transactions plunged significantly with rising focus on key metrics that ensure cash flow security and revenue visibility, leading to a greater interest in business service companies offering long-term revenue visibility and market growth. The valuation of companies continue to face intense pressure. However, it is still anticipated that the industry would experience further consolidations with a higher count of small firms being acquired by large players of the market with inclining economic stress.

Industry Trends

Growth of Cloud Migration

The reliance of business firms on cloud computing has been increasing significantly to achieve flexibility, scalability, agility, cost reduction, faster time to market, and digital transformation. Cloud migration services aid in moving applications and databases from legacy on-premise systems to public clouds. These services involve optimizing operating costs, implementing monitoring tools, and transferring knowledge to in-house teams. The COVID-19 pandemic has prompted enterprises worldwide to digitize key processes using cloud solutions. At present, Amazon Web Services' cloud products like Amazon Cloud Front, Amazon Virtual Private Cloud, and Amazon Elastic Cloud Compute are preferred for cloud migration. The global market size for cloud migration services was valued at \$169.8 billion in 2022 and is projected to reach \$638.0 billion by 2028, exhibiting a CAGR of 24.8% during 2023-2028, driven by the integration of cloud migration services, particularly in manufacturing to meet industry 4.0 standards and modernize and automate industrial processes.

AI-based Marketing Services

AI is set to become an essential tool for digital marketing services in 2023, offering valuable benefits like personalization, task automation, improved data analysis, and enhanced customer experience. Its adoption has opened up numerous opportunities for achieving objectives and driving growth. The emergence of the metaverse and AR/VR applications has led to a shift toward more immersive content experiences. For example, Gucci, a luxury fashion brand, introduced a virtual Gucci Garden tour that replicates their museum in Italy, allowing users to explore and request product information. This form of advertising has effectively increased brand awareness among the younger demographic. By incorporating AI tools, marketing efforts not only save time and costs but also gain accurate targeting capabilities through machine learning algorithms. The global market size for AI in marketing was valued at \$12.6 billion in 2022 and is expected to grow at a CAGR of 26.6% from 2023 to 2030, according to a report by Grand View Research. Furthermore, Statista reports that 57% of B2B marketers in the US utilized chatbots in their demand generation programs to better understand their audience.



ESG & Sustainability Advisory services remain prominent

ESG services have become a priority in the business industry due to changing customer preferences, regulatory requirements, and societal pressures. The global ESG & sustainability advisory market is projected to reach \$39.3 billion in 2023 and is expected to grow at a CAGR of 6.3% to reach \$72.4 billion in 2033. A 2023 survey by Statista reveals that 50% of professional investors worldwide plan to increase their allocation of socially responsible investments in the coming year. The increasing focus on sustainability and climate change has driven corporations to adopt emission-controlled processes, aiming to achieve a net-zero carbon economy by 2050. This driver has led to the rapid adoption of ESG advisory services. It is estimated that overall spending on ESG business services will grow at a rate of 32% per year for the next five years. Among the various services provided under ESG advisory, water, and waste management services are in high demand. However, achieving 100% adoption remains crucial as investors are concerned about its impact on investment performance.

Significant News

KPMG eyes \$12 billion opportunity in five-year AI, cloud deal with Microsoft

IT Pro, July 12, 2023

"Tools within the Microsoft 365 and Azure OpenAI service will be available through early access to business units throughout KPMG, such as its audit, tax, and advisory groups. The firm said that its 85,000 auditors will have time freed up to focus on "high-risk areas of the audit, sector-specific risks, and challenges" during the hundreds of thousands of audits the company completes every year."

[Read More >](#)

Accenture to Invest \$3 Billion in AI to Accelerate Clients' Reinvention

Accenture, June 13, 2023

"Accenture announced a \$3 billion investment over three years in its Data & AI practice to help clients across all industries rapidly and responsibly advance and use AI to achieve greater growth, efficiency and resilience. "There is unprecedented interest in all areas of AI, and the substantial investment we are making in our Data & AI practice will help our clients move from interest to action to value, and in a responsible way with clear business cases," said Julie Sweet, chair and CEO, Accenture."

[Read More >](#)

Google Considering Generative AI Integration In Advertising Business

Financial Times, April 20, 2023

"Google plans to introduce generative artificial intelligence into its advertising business over the coming months, as big tech groups rush to incorporate the groundbreaking technology into their products."

[Read More >](#)

M&A Metrics

Business Services Industry

M&A activity in the business services industry decreased in the second quarter of 2023. The number of transactions decreased from 1,835 in Q1 2023 to 1,705 in Q2 2023. The number of sub- \$50 million transactions decreased from 1,741 in Q1 2023 to 1,662 in Q2 2023. The number of transactions above \$100 million decreased from 73 in Q1 2023 to 28 in Q2 2023. The total number of M&A transactions decreased 28.5% year on year from 2,383 in Q2 2022 to 1,705 in Q2 2023.



M&A Deal Summary Table | Count by Deal Size over Time

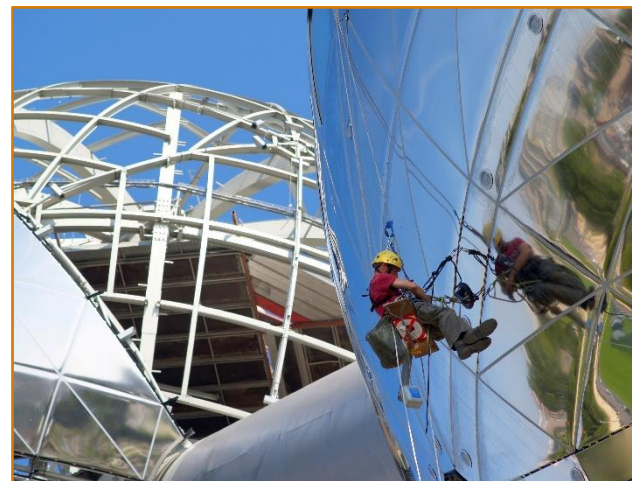
Transaction Value	Q 2020 3	Q 2020 4	Q1 2021 1	Q 2021 2	Q 2021 3	Q 2021 4	Q 2022 1	Q 2022 2	Q 2022 3	Q 2022 4	Q 2023 1	Q 2023 2
Not Disclosed	1,406	1,720	2,067	1,983	2,192	2,216	2,136	1,895	1,665	1,504	1,495	1,513
Under \$10 MM	232	263	218	255	292	302	235	243	194	214	169	102
\$10 - \$25 MM	66	98	86	99	69	106	73	66	61	58	47	26
\$25 - \$50 MM	43	69	57	76	48	79	66	49	40	40	30	21
\$50 - \$100 MM	35	49	51	42	62	77	47	47	29	28	21	15
\$100 - \$500 MM	66	89	75	92	112	102	84	74	48	43	48	23
\$500 MM+	46	49	77	62	62	68	57	39	31	22	25	5
Total Transactions	1,894	2,337	2,631	2,609	2,837	2,950	2,695	2,383	2,068	1,909	1,835	1705

Source: FactSet

M&A Metrics Spotlight on Data Processing , Hosting Services and Related Services

Data Processing, Hosting and Related Services

M&A activity in the Data processing, hosting and related services industry decreased in the second quarter of 2023. The number of transactions decreased from 82 in Q1 2023 to 53 in Q2 2023. The number of sub- \$50 million transactions decreased from 77 in Q1 2023 to 51 in Q2 2023. The number of transactions above \$100 million decreased from 4 in Q1 2023 to 1 in Q2 2023. The total number of M&A transactions decreased 51.3% year on year from 109 in Q2 2022 to 53 in Q2 2023.



M&A Deal Summary Table | Count by Deal Size over Time

Transaction Value	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Not Disclosed	72	93	108	94	109	113	90	91	94	72	70	51
Under \$10 MM	11	6	7	11	9	15	10	8	6	8	4	0
\$10 - \$25 MM	4	6	2	6	2	3	5	3	3	2	2	0
\$25 - \$50 MM	0	5	1	2	1	0	2	1	2	0	1	0
\$50 - \$100 MM	1	2	2	2	1	3	2	1	3	2	1	1
\$100 - \$500 MM	2	3	3	5	13	8	5	4	4	3	4	1
\$500 MM+	4	5	3	2	5	3	4	1	0	3	0	0
Total Transactions	94	120	126	122	140	145	118	109	112	90	82	53

Source: FactSet

Industry Metrics

Industry Financial Data and Ratios

NAICs 5324 - Commercial & Industrial Machinery & Equipment Rental & Leasing

Financial Metric	Last12Mo	2022	2021
Current Ratio	3.01	3.17	3.51
Gross Profit Margin	68.48%	68.70%	72.49%
Net Profit Margin	18.60%	17.67%	14.45%
Accounts Receivable Days	72.31	77.58	79.24
Accounts Payable Days	37.58	50.36	50.21
Debt-to-Equity Ratio	3.33	3.45	3.48
Return on Equity	37.72%	36.96%	35.23%
Sales per Employee	\$376,388	\$376,388	\$225,365
Profit per Employee	\$75,738	\$75,738	\$40,619
Sales Growth	17.92%	19.75%	17.04%
Profit Growth	22.40%	26.96%	36.46%

NAICs 5418 - Advertising, Public Relations, and Related Services

Financial Metric	Last12Mo	2022	2021
Current Ratio	4.41	4.33	3.65
Gross Profit Margin	64.13%	62.35%	64.27%
Net Profit Margin	9.00%	9.86%	9.46%
Accounts Receivable Days	48.77	53.73	51.24
Accounts Payable Days	82.41	55.93	73.69
Debt-to-Equity Ratio	2.41	2.3	2.59
Return on Equity	55.08%	58.01%	66.62%
Sales per Employee	--	\$378,935	\$242,057
Profit per Employee	--	\$104,544	\$45,810
Sales Growth	16.94%	19.64%	19.51%
Profit Growth	10.92%	18.22%	35.90%

Source: Profit Cents

NAICs 5182 - Data Processing, Hosting, and Related Services

Financial Metric	Last12Mo	2022	2021
Current Ratio	2.73	2.62	3.54
Gross Profit Margin	71.77%	72.49%	68.66%
Net Profit Margin	-0.94%	2.72%	8.55%
Accounts Receivable Days	54.07	53.8	58.35
Accounts Payable Days	41.67	48.25	50.58
Debt-to-Equity Ratio	2.97	3.36	2.25
Return on Equity	27.02%	35.04%	39.98%
Sales per Employee	--	--	\$307,201
Profit per Employee	--	--	\$95,639
Sales Growth	8.87%	10.76%	23.82%
Profit Growth	-11.20%	5.85%	22.98%

NAICs 5419 - Other Professional, Scientific, and Technical Services

Financial Metric	Last12Mo	2022	2021
Current Ratio	4.39	4.46	4.49
Gross Profit Margin	70.35%	70.30%	74.12%
Net Profit Margin	11.46%	12.48%	14.79%
Accounts Receivable Days	43.25	42.92	27.44
Accounts Payable Days	19.28	19.07	16.6
Debt-to-Equity Ratio	2.68	2.66	2.85
Return on Equity	58.00%	61.37%	69.49%
Sales per Employee	\$127,572	\$139,715	\$219,866
Profit per Employee	(\$1,204)	\$7,869	\$26,853
Sales Growth	13.36%	13.43%	20.57%
Profit Growth	1.49%	4.20%	32.95%

Industry Metrics

Industry Financial Data and Ratios

NAICs 5611 - Office Administrative Services

Financial Metric	Last12 Mo	2022	2021
Current Ratio	5.13	4.82	4.51
Gross Profit Margin	82.11%	82.44%	86.05%
Net Profit Margin	19.42%	17.81%	14.62%
Accounts Receivable Days	90.87	91.75	95.31
Accounts Payable Days	21.06	19.35	22.01
Debt-to-Equity Ratio	3.33	2.94	2.85
Return on Equity	65.08%	64.51%	64.43%
Sales per Employee	--	--	--
Profit per Employee	--	--	--
Sales Growth	18.51%	20.58%	19.87%
Profit Growth	-4.02%	-5.55%	57.63%

NAICs 5614 - Business Support Services

Financial Metric	Last12 Mo	2022	2021
Current Ratio	4.37	4	4.18
Gross Profit Margin	74.30%	75.51%	76.14%
Net Profit Margin	11.99%	11.92%	13.98%
Accounts Receivable Days	55.14	57.06	41.24
Accounts Payable Days	16.83	38.22	21.55
Debt-to-Equity Ratio	2.54	2.63	2.83
Return on Equity	40.72%	46.31%	56.52%
Sales per Employee	\$190,976	\$190,976	\$201,590
Profit per Employee	\$38,302	\$38,302	\$32,046
Sales Growth	10.91%	10.56%	17.23%
Profit Growth	-4.64%	-7.77%	31.14%

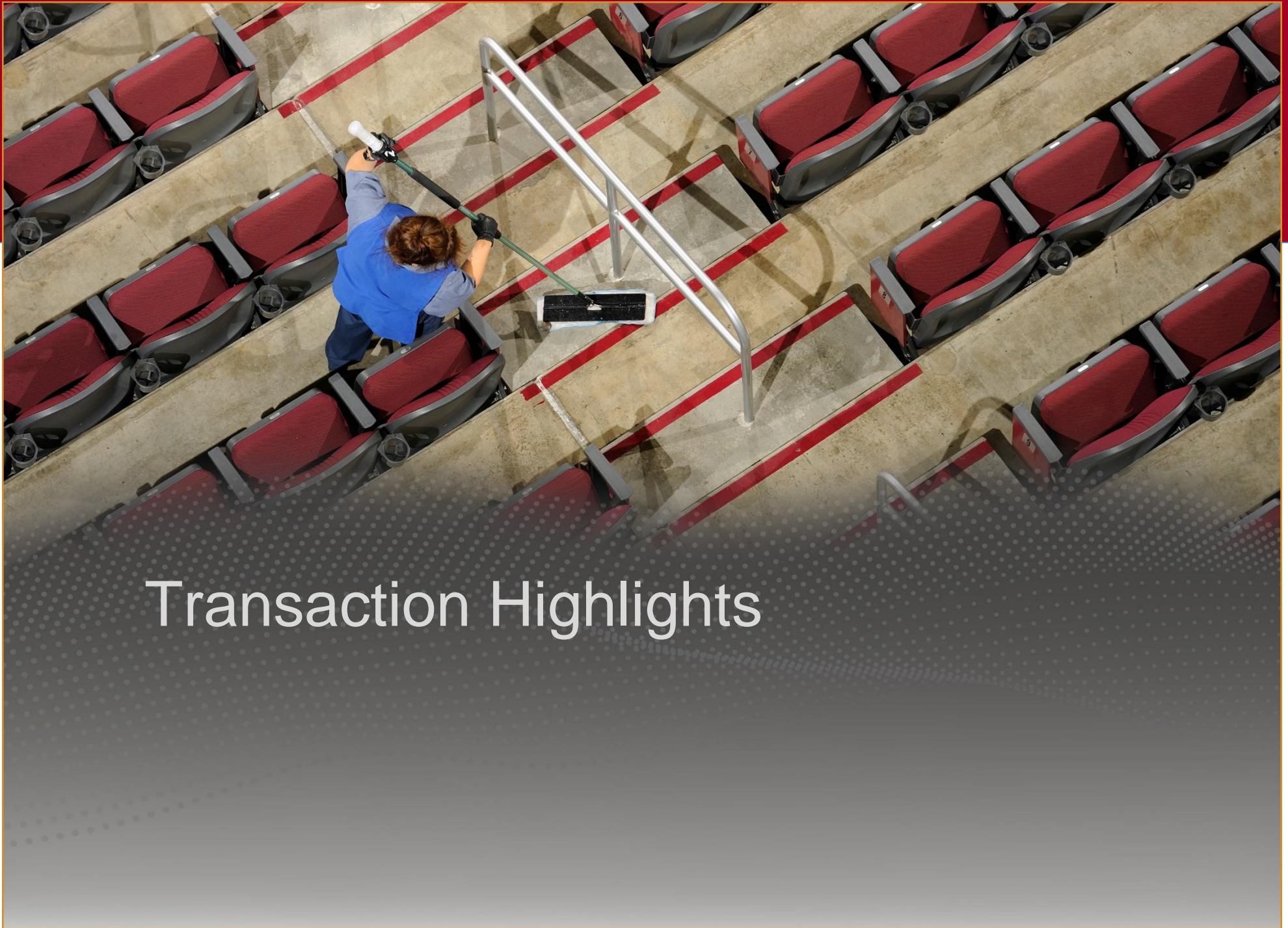
Source: Profit Cents

NAICs 5613 - Employment Services

Financial Metric	Last12 Mo	2022	2021
Current Ratio	4.88	4.78	4.89
Gross Profit Margin	49.58%	48.12%	50.59%
Net Profit Margin	6.77%	8.05%	9.56%
Accounts Receivable Days	45.63	48.62	48.97
Accounts Payable Days	8.26	7.42	8.21
Debt-to-Equity Ratio	1.42	1.36	1.8
Return on Equity	50.26%	58.98%	78.11%
Sales per Employee	\$1,141,054	\$1,141,054	\$1,139,973
Profit per Employee	\$57,496	\$57,496	\$42,139
Sales Growth	24.38%	28.39%	28.99%
Profit Growth	2.58%	9.69%	51.06%

NAICs 5617 - Services to Buildings and Dwellings

Financial Metric	Last12 Mo	2022	2021
Current Ratio	3.89	3.77	4.01
Gross Profit Margin	63.41%	62.41%	63.87%
Net Profit Margin	9.30%	9.21%	9.61%
Accounts Receivable Days	29.16	33.9	26.54
Accounts Payable Days	22.73	22.88	15.2
Debt-to-Equity Ratio	2.53	2.55	2.51
Return on Equity	59.64%	56.98%	69.90%
Sales per Employee	\$158,414	\$158,414	\$139,090
Profit per Employee	\$8,908	\$8,908	\$12,045
Sales Growth	19.44%	18.99%	20.63%
Profit Growth	0.96%	2.51%	30.27%



Transaction Highlights

Notable Transactions



In June 2023, **Searchlight Capital Partners LP and Providence Equity Partners LLC** acquired **Hyve Group Plc** for GBP524 million (**US\$653 million**) in cash. The acquisition would allow both companies to expand their business capabilities. Founded in 1991, Hyve Group Plc is located in London, Greater London, United Kingdom and organizes international trade exhibitions and conferences.



In May 2023, **Blackstone Inc** acquired **International Gemological Institute BVBA** from Shanghai Yuyuan Tourist Mart Group Co Ltd, ultimately owned by Fosun International Holdings Ltd, **for an enterprise value of EUR488.1 million (US\$526.5 million)**. Under the terms of the transaction, Blackstone Inc would acquire 80% stake from Shanghai Yuyuan Tourist Mart Group Co Ltd and the remaining 20% stake from Roland Lorie, who belongs to the founding family. Founded in 1975, International Gemological Institute BVBA is located in Antwerp, Brussels Region, Belgium and provides courses for gem certification.



In May 2023, **MultiPlan Corp** acquired **Benefits Science LLC** for **US\$223.7 million in cash**, stock and contingent payout. Under the terms of the transaction, MultiPlan Corp paid US\$140.8 million in cash, issued 21,588,658 common shares in stock and US\$66 million in contingent payout to the shareholders of Benefits Science LLC. The transaction expands MultiPlan Corp's service offerings and foothold for in-network commercial, medicare advantage and other government programs, property and casualty, and supplemental insurance markets. Co-founded by Dimitris Bertsimas, Ph.D in 2012, Benefits Science LLC is located in Boston, Massachusetts, United States and provides healthcare analytics solutions..



In April 2023, **Rollins Inc** acquired **Fox Pest Control (Utah)** for **US\$350 million**. Under the terms of transaction, Rollins Inc paid US\$318 million in cash and US\$32 million in contingent payout to Fox Pest Control (Utah) upon the attainment of future growth and profitability levels. The acquisitions expands Rollins Inc's presence in United States. Co-founded by Mike Romney and Brayan white in 2012, Fox Pest Control (Utah) is located in Logan, Utah, United States and provides pest controls services and has an approximately 1,300 employees. The company also generated an annual revenue of US\$120 million in 2022.



The logos shown on this page are property of the respective owners

Select M&A Transactions

Date	Target Name	Acquirer Name	Enterprise Value (MM)	Revenue	EBITDA
06/13/23	Tyco Australia Group Pty Ltd.	Intelligent Monitoring Group Ltd.	30.37	NA	NA
06/08/23	Hyve Group Plc	Providence Equity Partners LLC; Searchlight Capital Partners LP /New York/; Hyve Group Plc /Private Group/	749.27	156.20	246.74
06/01/23	After, Inc.	Domestic & General Group Ltd.	75.00	NA	NA
05/22/23	Indoff LLC	Global Industrial Co.	69.20	180.00	NA
05/21/23	International Gemmological Institute BV	Blackstone, Inc.	526.52	NA	NA
05/16/23	Polar Security, Inc.	International Business Machines Corp.	60.00	NA	NA
05/12/23	Evolar AB	First Solar, Inc.	80.00	NA	NA
05/09/23	Benefits Science LLC	MultiPlan Corp.	223.69	NA	NA
05/08/23	Valence Discovery, Inc.	Recursion Pharmaceuticals, Inc.	47.50	NA	NA
05/04/23	I3 Product Development	Helios Technologies, Inc.	45.20	13.00	NA
05/04/23	FX Innovation	The Bell Telephone Company of Canada	122.54	NA	NA
04/17/23	Global Traffic Technologies LLC	Miovision Technologies, Inc.	107.00	40.00	NA
04/14/23	Skycon Ltd.	Better Collective A/S	54.28	NA	NA
04/05/23	Calibre Professional Services One Pty Ltd.	WSP Australia Pty Ltd.	185.61	NA	NA
04/05/23	Fox Pest Control (Utah)	Rollins, Inc.	350.00	120.00	NA
04/03/23	eAgile, Inc.	CCL Industries, Inc.	54.00	NA	NA
(\$ in millions) Source: Factset					



Public Companies

Industry Performance

CFAW Select Business Services Index

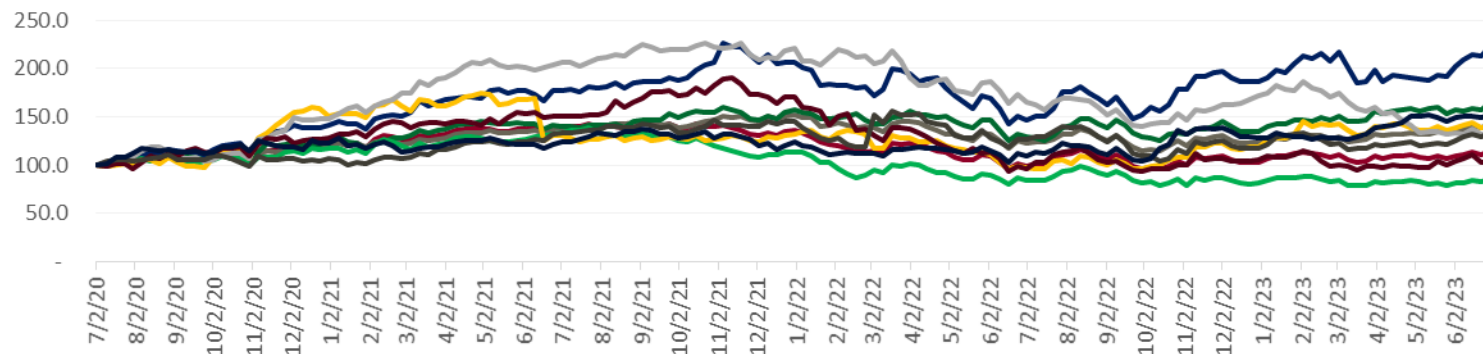
CFAW Select Business Services Index | Median EBITDA Multiples



CFAW Select Business Services Index | Median Revenue Multiples



- Select CFAW Select Business Services Index
- S&P 500
- CFAW Selected Administrative and Support and Waste Management and Remediation Services Index
- CFAW Selected Rental and Leasing Services Index
- CFAW Selected Data Processing, Hosting, and Related Services Index
- CFAW Selected Advertising, Public Relations, and Related Services Index
- CFAW Selected Professional, Scientific, and Technical Services Index
- CFAW Selected Employment Services Index
- CFAW Selected Business Support Services Index
- CFAW Selected Services to Buildings and Dwellings Index

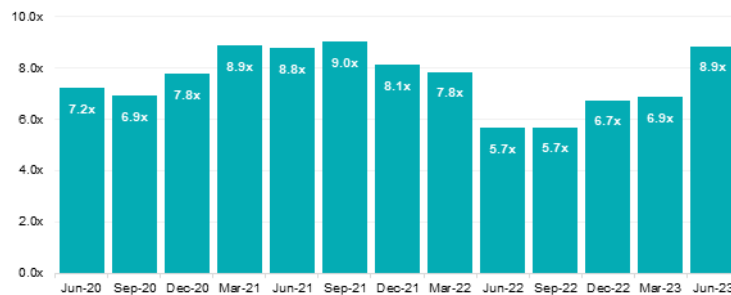


Source: FactSet

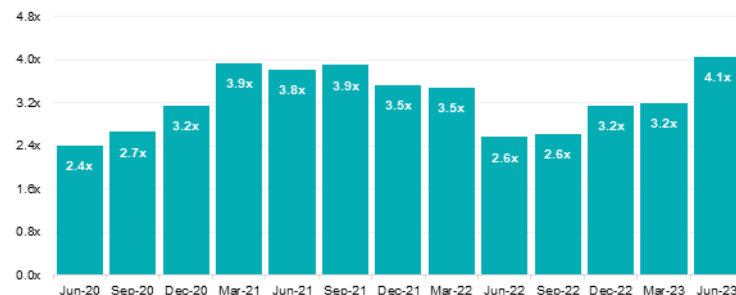
Public Comparables

Rental and Leasing Services

Rental and Leasing Services | Median EBITDA Multiples



Rental and Leasing Services | Median Revenue Multiples



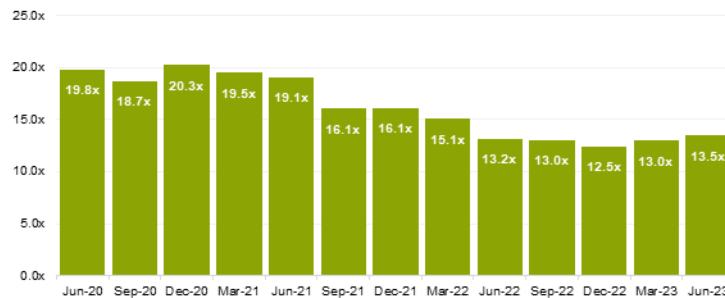
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
ALD SA	\$10.70	817	\$8,739	\$55,059	\$13,445	\$6,216	4.1x	8.9x
Ryder System, Inc.	\$84.79	46	\$3,860	\$10,949	\$11,959	\$2,891	0.9x	3.8x
Avis Budget Group, Inc.	\$228.67	39	\$8,858	\$33,639	\$11,998	\$5,835	2.8x	5.8x
United Rentals, Inc.	\$445.37	68	\$30,411	\$43,016	\$13,186	\$6,154	3.3x	7.0x
Ashtead Group plc	\$69.21	438	\$30,319	\$39,237	\$10,093	\$4,597	3.9x	8.5x
AerCap Holdings NV	\$63.52	247	\$15,692	\$59,918	\$7,272	\$5,947	8.2x	10.1x
PROG Holdings, Inc.	\$32.12	46	\$1,468	\$1,825	\$2,486	\$315	0.7x	5.8x
Air Lease Corporation Class A	\$41.85	111	\$4,646	\$22,962	\$2,351	\$2,146	9.8x	10.7x
Cintas Corporation	\$497.08	102	\$50,574	\$53,113	\$8,816	\$2,212	6.0x	24.0x
Upbound Group, Inc.	\$31.13	56	\$1,743	-	-	-	-	-
Mean				\$35,524	\$9,067	\$4,035	4.4x	9.4x
Median				\$39,237	\$10,093	\$4,597	3.9x	8.5x

Source: FactSet

Public Comparables

Data Processing, Hosting, and Related Services

Data Processing, Hosting, and Related Services | Median EBITDA Multiples



Data Processing, Hosting, and Related Services | Median Revenue Multiples



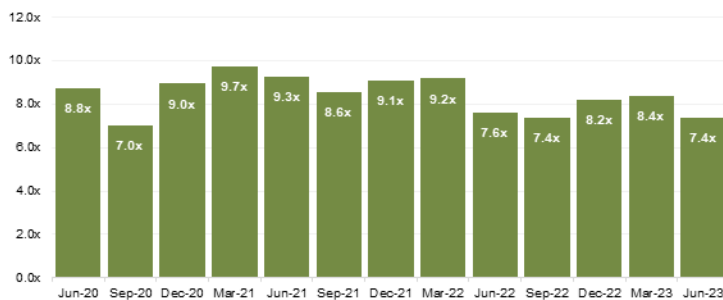
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
PayPal Holdings, Inc.	\$66.73	1,098	\$73,272	\$74,844	\$28,161	\$5,563	2.7x	13.5x
DXC Technology Co.	\$26.72	205	\$5,482	\$9,741	\$14,169	\$1,902	0.7x	5.1x
Fiserv, Inc.	\$126.15	610	\$76,903	\$100,203	\$18,452	\$7,380	5.4x	13.6x
Automatic Data Processing, Inc.	\$219.79	412	\$90,551	\$92,018	\$18,012	\$5,056	5.1x	18.2x
Fidelity National Information Services, Inc.	\$54.70	592	\$32,408	\$49,925	\$14,574	\$6,088	3.4x	8.2x
Global Payments Inc.	\$98.52	260	\$25,615	\$41,823	\$9,283	\$3,778	4.5x	11.1x
Equinix, Inc.	\$783.94	94	\$73,349	\$88,209	\$7,728	\$4,486	11.4x	19.7x
Broadridge Financial Solutions, Inc.	\$165.63	118	\$19,564	\$22,961	\$6,061	\$1,398	3.8x	16.4x
Bread Financial Holdings, Inc.	\$31.39	50	\$1,577-	-	-	-		
Mean				\$59,966	\$14,555	\$4,456	4.6x	13.2x
Median				\$62,385	\$14,372	\$4,771	4.1x	13.5x

Source: FactSet

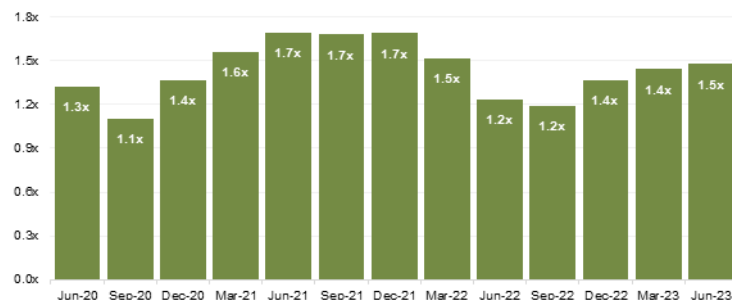
Public Comparables

Advertising, Public Relations, and Related Services

Advertising, Public Relations, and Related Services | Median EBITDA Multiples



Advertising, Public Relations, and Related Services | Median Revenue Multiples



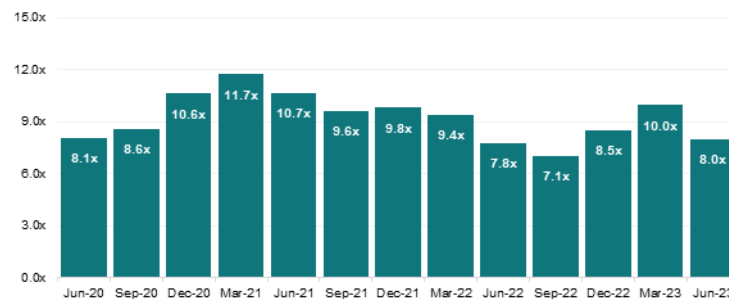
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
WPP Plc	\$10.47	1,075	\$11,252	\$18,995	\$17,915	\$2,358	1.1x	8.1x
Omnicom Group Inc	\$95.15	198	\$18,799	\$23,309	\$14,365	\$2,491	1.6x	9.4x
Publicis Groupe SA	\$80.19	254	\$20,393	\$22,772	\$15,426	\$3,080	1.5x	7.4x
Interpublic Group of Companies, Inc.	\$38.58	385	\$14,851	\$18,254	\$10,811	\$1,653	1.7x	11.0x
Nielsen Holdings Plc	-	-	-		\$3,541	\$1,341		
Gannett Co., Inc.	\$2.25	149	\$335	\$1,600	\$2,790	\$251	0.6x	6.4x
Advantage Solutions Inc Class A	\$2.34	325	\$759	\$2,662	\$4,203	\$404	0.6x	6.6x
Clear Channel Outdoor Holdings Inc	\$1.37	483	\$662	\$7,573	\$2,495	\$821	3.0x	9.2x
Thryv Holdings, Inc.	\$24.60	35	\$851	\$1,264	\$1,057	\$234	1.2x	5.4x
Trade Desk, Inc. Class A	\$77.22	446	\$34,453	\$36,664	\$1,733	\$264	21.2x	139.1x
Mean				\$14,788	\$7,434	\$1,290	3.6x	22.5x
Median				\$18,254	\$3,872	\$1,081	1.5x	8.1x

Source: FactSet

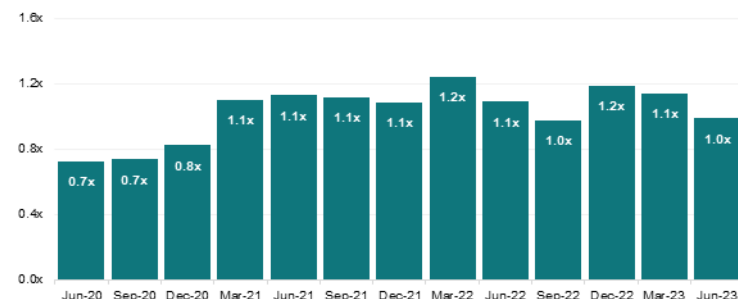
Public Comparables

Professional, Scientific and Technical Services

Professional, Scientific, and Technical Services | Median EBITDA Multiples



Professional, Scientific, and Technical Services | Median Revenue Multiples



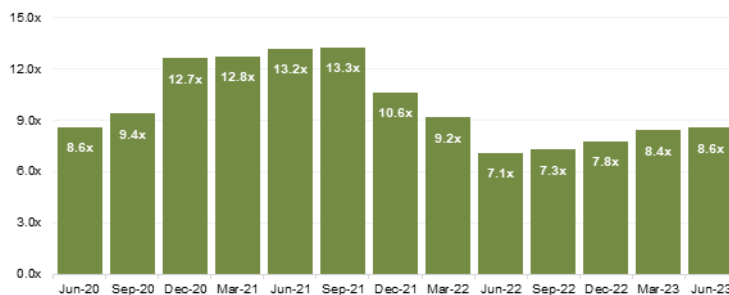
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Concentrix Corporation	\$80.75	52	\$4,203	\$6,583	\$6,471	\$1,055	1.0x	6.2x
Ipsos SA	\$55.59	44	\$2,460	\$2,694	\$2,479	\$375	1.1x	7.2x
Eltel AB	\$0.69	157	\$107	\$296	\$865	\$23	0.3x	12.9x
Resources Connection, Inc.	\$15.71	34	\$529	\$427	\$776	\$83	0.6x	5.1x
CVS Group plc	\$25.16	71	\$1,797	\$1,982	\$710	\$125	2.8x	15.9x
RWS Holdings plc	\$2.99	384	\$1,148	\$1,142	\$912	\$202	1.3x	5.6x
Forrester Research, Inc.	\$29.09	19	\$559	\$528	\$514	\$46	1.0x	11.6x
Calian Group Ltd.	\$46.50	12	\$550	\$528	\$480	\$48	1.1x	10.9x
L. B. Foster Company	\$14.28	11	\$158	\$253	\$531	\$26	0.5x	9.7x
Performant Financial Corporation	\$2.70	76	\$205	\$202	\$108	(\$3)	1.9x	NM
Mean				\$1,464	\$1,385	\$198	1.2x	9.5x
Median				\$528	\$743	\$66	1.1x	9.7x

Source: FactSet

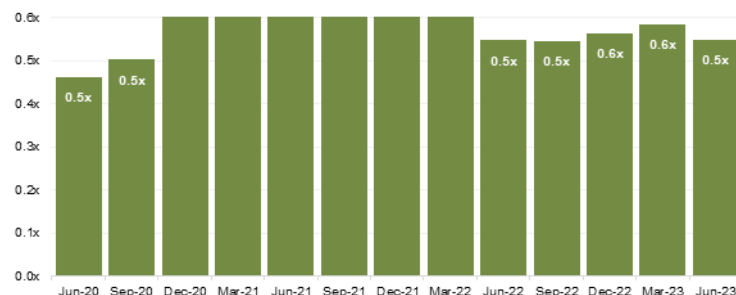
Public Comparables

Employment Services

Employment Services | Median EBITDA Multiples



Employment Services | Median Revenue Multiples



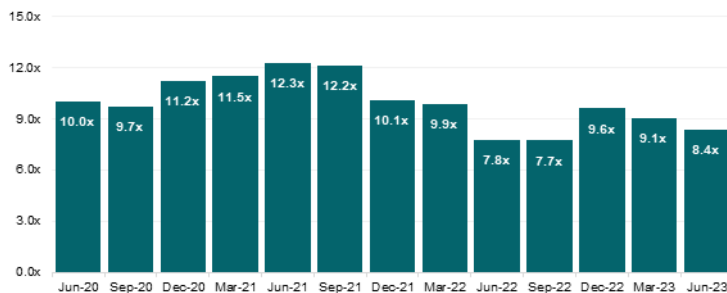
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
Randstad NV	\$52.71	184	\$9,696	\$10,912	\$28,276	\$1,567	0.4x	7.0x
Adecco Group AG	\$32.67	168	\$5,503	\$8,522	\$24,845	\$992	0.3x	8.6x
Recruit Holdings Co., Ltd.	\$31.57	1,696	\$53,542	\$45,130	\$25,011	\$3,776	1.8x	12.0x
ManpowerGroup Inc.	\$79.40	50	\$3,937	\$4,966	\$19,219	\$656	0.3x	7.6x
PERSOL HOLDINGS CO. LTD.	\$17.91	233	\$4,177	\$4,158	\$9,231	\$551	0.5x	7.5x
Hays plc	\$1.30	1,589	\$2,065	\$2,161	\$8,859	\$332	0.2x	6.5x
Robert Half Inc.	\$75.22	107	\$8,055	\$7,554	\$6,916	\$718	1.1x	10.5x
Kelly Services, Inc. Class A	\$17.61	32	\$565	\$568	\$4,887	\$112	0.1x	5.1x
Insperity, Inc.	\$118.96	38	\$4,537	\$4,262	\$6,284	\$282	0.7x	15.1x
TriNet Group, Inc.	\$94.97	60	\$5,668	\$4,586	\$4,922	\$535	0.9x	8.6x
Mean				\$9,282	\$13,845	\$952	0.6x	8.8x
Median				\$4,776	\$9,045	\$604	0.4x	8.1x

Source: FactSet

Public Comparables

Business Support Services

Business Support Services | Median EBITDA Multiples



Business Support Services | Median Revenue Multiples



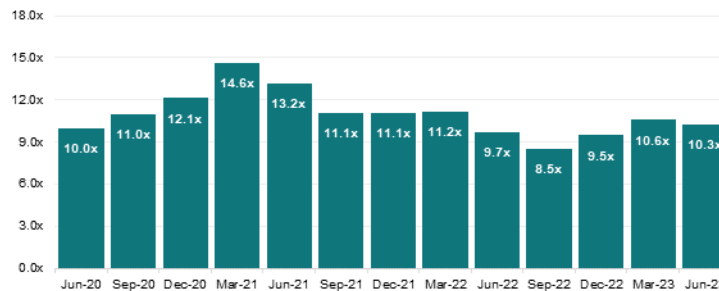
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
S&P Global, Inc.	\$400.89	318	\$127,563	\$141,765	\$12,059	\$5,154	11.8x	27.5x
Teleperformance SA	\$167.41	60	\$9,966	\$12,743	\$8,540	\$1,700	1.5x	7.5x
Moody's Corporation	\$347.72	184	\$63,807	\$69,297	\$5,529	\$2,283	12.5x	30.4x
Capita plc	\$0.35	1,701	\$594	\$1,343	\$3,488	\$322	0.4x	4.2x
Conduent, Inc.	\$3.40	218	\$740	\$1,908	\$3,800	\$365	0.5x	5.2x
Genpact Limited	\$37.57	181	\$6,812	\$7,922	\$4,405	\$698	1.8x	11.3x
IWG Plc	\$1.75	1,007	\$1,764	\$9,727	\$3,546	\$1,799	2.7x	5.4x
TTEC Holdings, Inc.	\$33.84	47	\$1,605	\$2,495	\$2,486	\$288	1.0x	8.7x
Donnelley Financial Solutions, Inc.	\$45.53	29	\$1,335	\$1,584	\$797	\$195	2.0x	8.1x
Startek, Inc.	\$2.92	40	\$118	\$201	\$233	\$23	0.9x	8.7x
Mean				\$24,899	\$4,488	\$1,283	3.5x	11.7x
Median				\$5,209	\$3,673	\$532	1.6x	8.4x

Source: FactSet

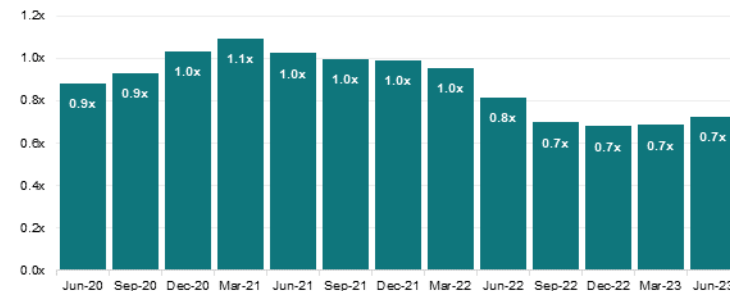
Public Comparables

Services to Buildings and Dwellings

Services to Buildings and Dwellings | Median EBITDA Multiples



Services to Buildings and Dwellings | Median Revenue Multiples



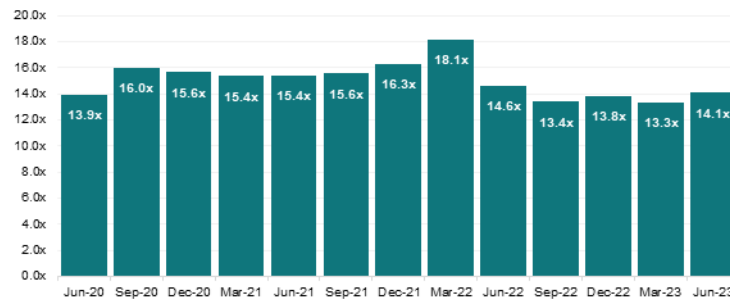
Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
ISS A/S	\$21.14	186	\$3,924	\$5,912	\$11,134	\$629	0.5x	9.4x
ABM Industries Incorporated	\$42.65	66	\$2,821	\$4,265	\$7,948	\$427	0.5x	10.0x
Rentokil Initial plc	\$7.82	2,520	\$19,704	\$23,717	\$5,790	\$1,366	4.1x	17.4x
MITIE Group PLC	\$1.23	1,343	\$1,646	\$1,658	\$4,747	\$247	0.3x	6.7x
BrightView Holdings, Inc.	\$7.18	93	\$671	\$2,008	\$2,796	\$273	0.7x	7.4x
Rollins, Inc.	\$42.83	493	\$21,108	\$21,577	\$2,870	\$627	7.5x	34.4x
GDI Integrated Facility Services Inc	\$31.53	15	\$462	\$1,064	\$1,755	\$101	0.6x	10.6x
Servizi Italia S.p.A.	\$1.46	32	\$47	\$190	\$293	\$59	0.6x	3.2x
Sureserve Group Plc	\$1.58	171	\$269	\$269	\$366	\$29	0.7x	9.2x
Evolent Health Inc Class A	\$30.30	113	\$3,431	\$3,708	\$1,632	\$121	2.3x	30.6x
Mean				\$6,740	\$4,189	\$417	1.7x	12.0x
Median				\$2,008	\$2,870	\$273	0.6x	9.4x

Source: FactSet

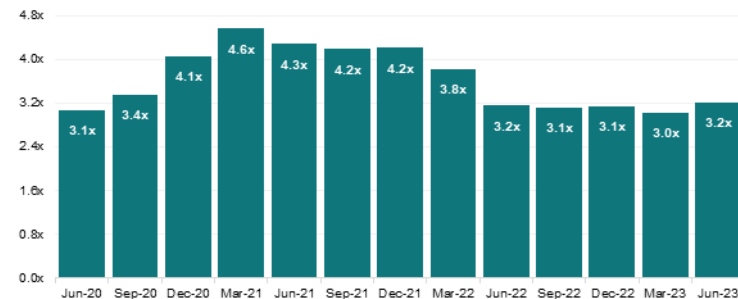
Public Comparables

Administrative and Support and Waste Management and Remediation Services

Admin & Support and Waste Management & Remediation | Median EBITDA Multiples



Admin & Support and Waste Management & Remediation | Median Revenue Multiples



Company \$USD in Millions	Share Price	Shares O/S	Market Cap	Enterprise Value	Revenues (LTM)	EBITDA (LTM)	Enterprise Value /	
							Revenues	EBITDA
R1 RCM Inc	\$18.45	419	\$7,730	\$9,467	\$2,135	\$464	4.4x	20.4x
Evolent Health Inc Class A	\$30.30	113	\$3,431	\$3,708	\$1,632	\$121	2.3x	30.6x
TUI AG	\$7.09	507	\$3,597	\$6,899	\$20,501	\$1,491	0.3x	4.6x
Booking Holdings Inc.	\$2,700.33	36	\$96,381	\$96,637	\$19,341	\$6,305	5.0x	15.3x
Expedia Group, Inc.	\$109.39	143	\$15,599	\$15,018	\$12,260	\$2,038	1.2x	7.4x
Waste Connections, Inc.	\$143.08	258	\$36,862	\$43,729	\$7,667	\$2,314	5.7x	18.9x
Waste Management, Inc.	\$173.42	405	\$70,245	\$85,413	\$20,021	\$5,729	4.3x	14.9x
Republic Services, Inc.	\$153.17	316	\$48,452	\$60,645	\$14,435	\$4,138	4.2x	14.7x
Mean				\$40,189	\$12,249	\$2,825	3.4x	15.8x
Median				\$29,373	\$13,347	\$2,176	4.2x	15.1x

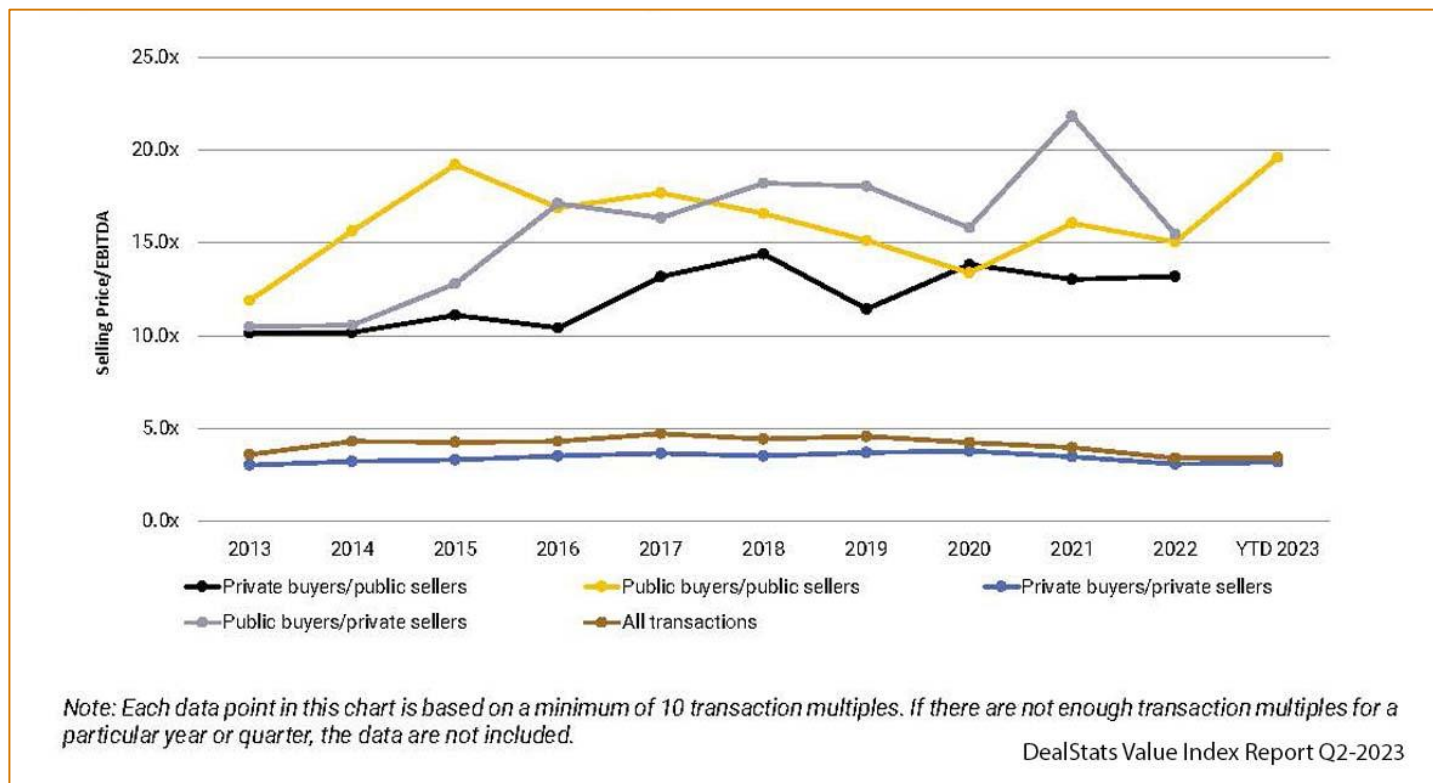
Source: FactSet

Public Vs. Private Comparables

Valuation Premiums Can Be Considerable

Regardless of industry, publicly traded companies often trade at premium valuations to privately held companies. This is reflected in M&A transactions and can lead to unrealistic value expectations for some business owners. The chart below illustrates this variance and shows that the variance has been both long term and growing.

Transactions between private buyer and private seller tend to be small by comparison and thus do not benefit from a “size” premium that is associated with transactions in general. While this chart does not breakout private equity transactions, our analysis indicates those transactions usually fall between public and private and move closer to public as size increases.





CFA Overview

About CFA

Who We Are / What We Do

Corporate Finance Associates (CFA) is an independent international investment banking firm serving middle-market businesses. For over 60 years Corporate Finance Associates has been advocating on behalf of business owners who are restructuring a company, either through divestiture, merger, acquisition or recapitalization. Combining the knowledge and leverage of a larger bank with the customer focused detail of a boutique firm, from inception to completion, our senior principals provide hands-on expertise to clients buying, selling or recapitalizing a business.

This Business Services Industry Practice Group was established to draw on the experience of CFA advisors, many of whom as former business owners and CEOs, have first-hand knowledge and have completed many transactions in this industry. Working with your local CFA representative, you can be sure that the collective wealth of knowledge is available to every CFA client.



Sell-Side Advisory

Whether as a divestiture strategy or a recapitalization strategy selling all or part of a business requires equal parts creative thinking, critical analysis, expert advice, sound planning and flawless execution. Having the right team of investment banking professionals working for you is critical to ensure success.



Capital Markets

Our commitment to remaining independent from any investment or lending affiliates ensures that we deliver unbiased guidance. It also promotes maximum competition among lending sources, helping to fully leverage value for our clients. Our role is to help you raise the type of capital that best fits your needs.



Buy-Side Advisory

Growth through acquisition is a complex process. It involves strategy, planning, critical analysis, coordination and negotiation. When you want to take advantage of the fast growth offered by a consolidation or roll-up, CFA's broad reach, sources of financing and efficient closings can help you achieve your business growth goals.



Financial Advisory

Now that you have made the decision to raise capital for your business, choosing the right investment banker is critical. Whether you are buying out a partner, financing an acquisition or seeking growth capital, CFA is the right choice to help you achieve your financing goals.



Exit Planning

Every business will ultimately undergo a transfer via sale or merger, a charitable donation, a transfer to a child or relative or even bankruptcy, liquidation or death. Every ownership transfer carries with it a unique set of consequences and the best consequences usually begin with a clearly defined exit plan.



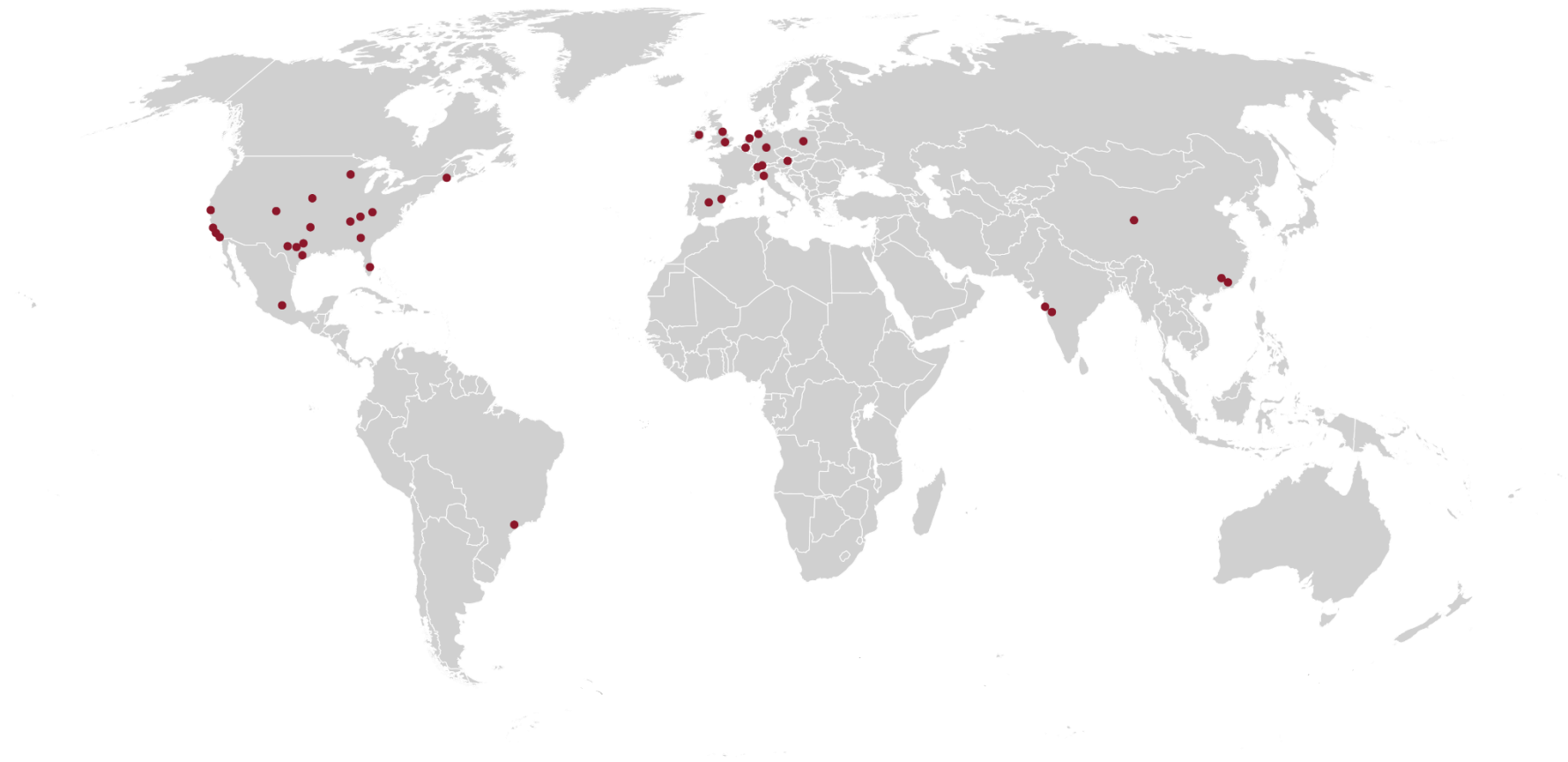
Business Valuation

"What is my business worth" is a question we often hear from business owners contemplating a business sale, merger or recapitalization. Answering this question depends on many factors, including the business valuation methods that are employed in the calculation.

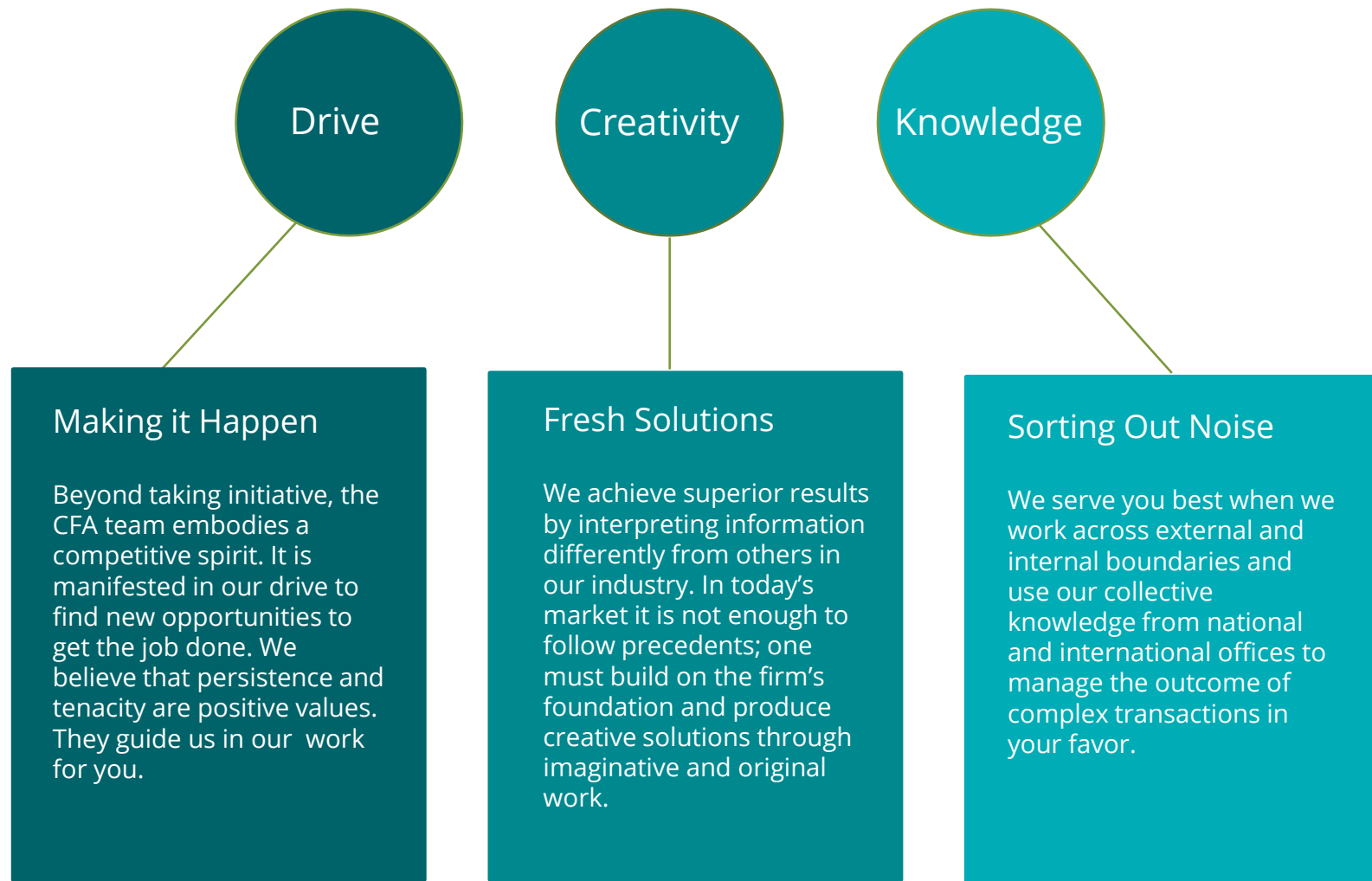
Local Service, Global Reach

Where We Are

With offices across the USA and in Austria, Belgium, Brazil, Germany, Hong Kong, India, Ireland, Italy, Mexico, Netherlands, Poland, Spain, Switzerland and the United Kingdom providing middle-market companies with a wide range of M&A, financial advisory services and access to capital resources.

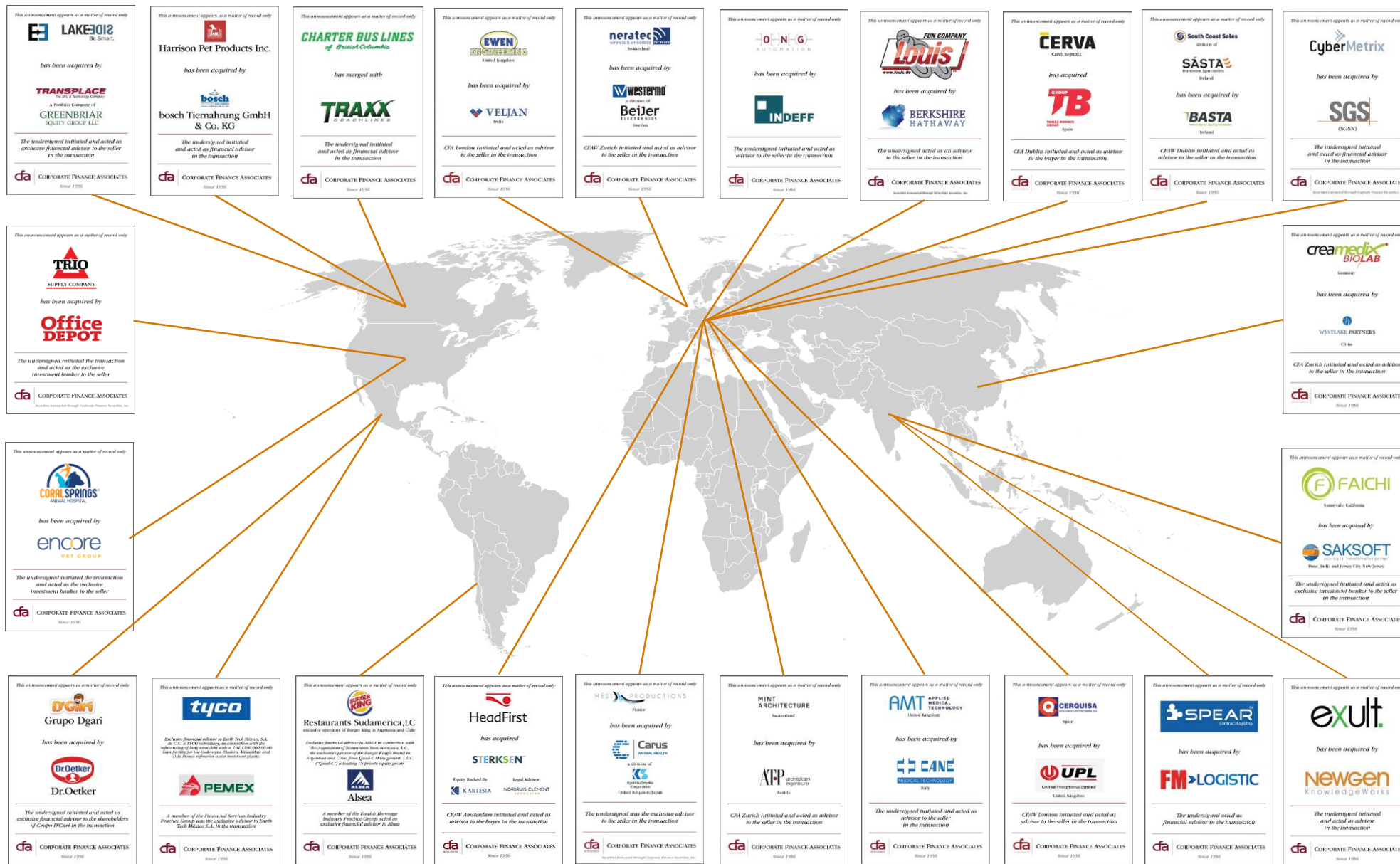


Delivering Results



Founded in 1956 • 70 Managing Directors • 37 Offices Worldwide • Billions in M&A Transactions

Worldwide Transactions



Industry Practice Groups

Business Services



The Business Services practice group is comprised of accomplished dealmakers with extensive experience in advising both public and private companies in the industry. These dealmakers offer expert service in acquisitions, divestitures, financing, and strategic planning to a wide range of companies operating in multiple subsectors including:

- Advertising and Communication
- Personnel and Employment Agencies
- Security and Alarm Systems
- Engineering and Architectural Services
- Equipment and Vehicle Rentals
- Miscellaneous Services

Whether you want to acquire, merge, sell, or finance, let CFA's industry knowledge, international resources and proven dealmaking skills work for you. We research, identify, qualify, advocate, negotiate and help steer you through the mine fields of due diligence to maximize your value and secure your objective.

Aerospace/Defense/Government
Agriculture
Animal Health
Business Services
Commercial Real Estate
Consumer Retail
Energy
Engineering/Construction
Financial Services & FinTech
Food/Beverage
Healthcare/Life Sciences
Industrials
Metal Fabrication
Print/Packaging
Semiconductors
Technology/Media/Telecom
Transportation/Logistics/Supply Chain
Wholesale Distribution

Recent Selected Industry Transactions

This announcement appears as a matter of record only



has been acquired by



The undersigned initiated the transaction and acted as the exclusive investment banker to the seller

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only



has acquired



The undersigned acted as exclusive investment banking advisor to the buyer

cfa | CORPORATE FINANCE ASSOCIATES
Securities transacted through Silver Oak Securities, Inc.
Silver Oak Securities, Inc. and Corporate Finance Associates are unrelated entities.

This announcement appears as a matter of record only



Service, Products/Distribution and Resale Divisions

has been acquired by



The undersigned acted as exclusive advisor to the seller in the sale of its Service, Products/Distribution and Resale Divisions

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only



has acquired



The undersigned acted as exclusive investment banking advisor to the buyer

cfa | CORPORATE FINANCE ASSOCIATES
Securities transacted through Silver Oak Securities, Inc.
Silver Oak Securities, Inc. and Corporate Finance Associates are unrelated entities.

This announcement appears as a matter of record only



has acquired



CEA Dublin acted as advisor to MCR Group in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only



has been acquired by



The undersigned initiated the transaction and acted as the exclusive investment banker to the seller

cfa | CORPORATE FINANCE ASSOCIATES
Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only



has acquired



CEAW Amsterdam initiated and acted as advisor to the buyer in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only



has been acquired by



CEAW Amsterdam initiated and acted as advisor to the seller in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only



has been acquired by



CEAW Zurich initiated the transaction and acted as advisor to the sellers

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

This announcement appears as a matter of record only



has been acquired by



CEAW Zurich supported by CEAW Hong Kong initiated and acted as advisor to the seller in the transaction

cfa | CORPORATE FINANCE ASSOCIATES
Since 1956

Recent Selected Industry Transactions

This announcement appears as a matter of record only



has been acquired by



The undersigned initiated and acted as advisor to Kefron in the transaction



CORPORATE FINANCE ASSOCIATES

Since 1956

This announcement appears as a matter of record only



has acquired



The undersigned initiated and acted as advisor to the buyer in the transaction



CORPORATE FINANCE ASSOCIATES

Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only



has been acquired by



Other Advisors

VAN BENTHEM & KELLER

JE LAW

PKF WALLAST

CFAW Amsterdam initiated and acted as advisor to the seller in the transaction



CORPORATE FINANCE ASSOCIATES

Since 1956

This announcement appears as a matter of record only

J.R. Kesler, LLC

has acquired



The undersigned initiated and acted as the exclusive investment banker to the buyer in the transaction



CORPORATE FINANCE ASSOCIATES

Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only



has been acquired by



CFAW Amsterdam initiated and acted as advisor to the seller in the transaction



CORPORATE FINANCE ASSOCIATES

Since 1956

This announcement appears as a matter of record only



A Portfolio Company Of



has acquired

COPCIE

CFAW Paris initiated and acted as advisor to the buyer in the transaction



CORPORATE FINANCE ASSOCIATES

Since 1956

This announcement appears as a matter of record only



with equity backing from



has acquired



CFAW Amsterdam initiated and acted as advisor to the buyer in the transaction



CORPORATE FINANCE ASSOCIATES

Since 1956

This announcement appears as a matter of record only



has been acquired by The Leadership Team and



HUNT TECHNOLOGY VENTURES, L.P.

The undersigned acted on behalf of eGroup



CORPORATE FINANCE ASSOCIATES

Securities transacted through Corporate Finance Securities, Inc.

This announcement appears as a matter of record only



has received an investment from



The undersigned initiated and acted as advisor to the Adzooma in the transaction



CORPORATE FINANCE ASSOCIATES

Since 1956

This announcement appears as a matter of record only



has acquired



Equity Backed By



Legal Advisor
































CFAW Amsterdam initiated and acted as advisor to the buyer in the transaction



CORPORATE FINANCE ASSOCIATES

Since 1956

Recent Selected Industry Transactions

<p><i>This announcement appears as a matter of record only</i></p> <p>International Card Services, LLC dba</p>  <p>POS PROS POINT OF SALE ADVISORS</p> <p><i>has been acquired by</i></p>  <p>Paysafe:</p> <p>March 1, 2021</p> <hr/> <p><i>CEA initiated and acted as the exclusive investment banker to the seller. TSG served as the exclusive industry expert to CFA.</i></p> <hr/> <p> CORPORATE FINANCE ASSOCIATES  TSG Payment Experts. Powerful Data. THE STRANHECKER GROUP</p> <p><small>Securities transacted through Silver Oak Securities, Inc. Silver Oak Securities and Corporate Finance Associates are unrelated entities.</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>HeadFirst</p> <p><i>has acquired</i></p>  <p>between</p> <p>Equity Backed By  KARTESIA Legal Advisor  NORBRUIS CLEMENT ADVOCATES</p> <hr/> <p><i>The undersigned initiated and acted as advisor to the buyer in the transaction</i></p> <hr/> <p> CORPORATE FINANCE ASSOCIATES SINCE 1956</p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>tap QA</p> <p><i>has been acquired by</i></p>  <p>BCforward</p> <hr/> <p><i>The undersigned initiated the transaction and acted as the exclusive investment banker to the seller</i></p> <hr/> <p> CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>IC ENABLE Semiconductor Layout and Design Services</p> <p><i>has been acquired by</i></p>  <p>SYNERGOS</p> <hr/> <p><i>The undersigned initiated the transaction and acted as the exclusive investment banker to the seller</i></p> <hr/> <p> CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>	<p><i>This announcement appears as a matter of record only</i></p> <p>TRINITY HUNT PARTNERS</p> <p><i>has acquired</i></p>  <p>J M JURIS MEDICUS</p> <hr/> <p><i>The undersigned initiated and acted as financial advisor to the buyer in the transaction</i></p> <hr/> <p> CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>
<p><i>This announcement appears as a matter of record only</i></p>  <p>ATA ANDERSON INSURANCE ASSOCIATES</p> <p><i>has been acquired by</i></p> <p>Anderson Insurance Associates, Inc. Employee Stock Ownership Plan</p> <hr/> <p><i>The undersigned initiated and acted as financial advisor to the company</i></p> <hr/> <p> CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>Wehner MultiFamily LLC</p> <p><i>has been acquired by</i></p>  <p>HIDDEN HARBOR CAPITAL PARTNERS</p> <hr/> <p><i>The undersigned initiated the transaction and acted as the exclusive investment banker to the seller</i></p> <hr/> <p> CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>Texas CEO MAGAZINE</p> <p><i>has been acquired by</i></p> <p>TheAmericanCEO <small>walking the tightrope</small></p> <hr/> <p><i>The undersigned initiated the transaction and acted as the exclusive investment banker to the seller</i></p> <hr/> <p> CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>IMMEL CONSTRUCTION</p> <p><i>has been acquired by</i></p> <p>Howard Immel, Inc. Employee Stock Ownership Plan</p> <hr/> <p><i>The undersigned initiated and acted as financial advisor to the company</i></p> <hr/> <p> CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>	<p><i>This announcement appears as a matter of record only</i></p>  <p>Alliance of Computer Professionals</p> <p><i>has been acquired by</i></p>  <p>DIVERSANT <small>Empowered by Difference</small></p> <hr/> <p><i>The undersigned initiated the transaction and acted as the exclusive investment banker to the seller</i></p> <hr/> <p> CORPORATE FINANCE ASSOCIATES <small>Securities transacted through Corporate Finance Securities, Inc.</small></p>