

Q1 2022 Human Capital M&A Intelligence Report

June 20, 2022 – Austin, TX – De Bellas & Co., the leading M&A advisory firm serving the Staffing and Workforce Solutions industries exclusively, reported today on M&A activity in Q1 2022:

Economy

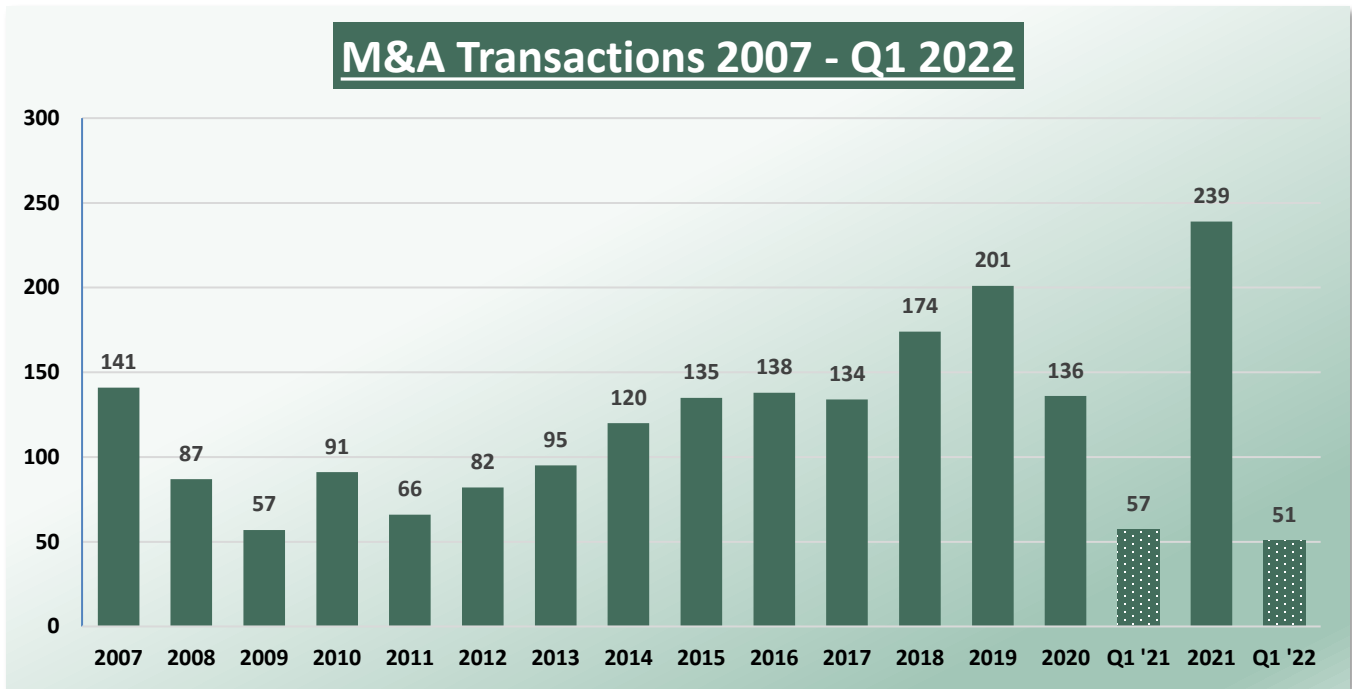
According to its May 2022 update, the Conference Board Leading Economic Index for the US declined in April and was “essentially flat in recent months which is in line with a moderate growth outlook in the near-term.” Downside risks include inflation, rising interest rates, Ukraine, supply chain disruptions, and pandemic-related shutdowns, particularly in China. On balance, the Board projects that the US economy should resume expanding in Q2 following Q1’s contraction in real GDP, projecting a 2.3 percent year-over-year US GDP growth in 2022.

We note that Q1 2022 activity decreased a moderate 4% versus Q4 2021. Many buyers are continuing to come to us to reflect their interest in making acquisitions. These factors plus continuing positive input from buyers, leads us to conclude that M&A activity will remain robust in the future.

Transactions

In Q1 2022, 51 M&A transactions were announced or completed, vs. 57 in Q1 2021, representing a decrease of 11%. Below is a table showing transactions for each segment in the first quarter of this year and last year. We will continue to show both current and prior year comparisons for the quarter just ended as well as YTD comparisons for Q2-Q4.

SEGMENT	Q1 2022	Q1 2021	#CHANGE
Staffing			
Engineering/Design Staffing	1	0	-1
Healthcare Staffing	9	11	2
Industrial Staffing	5	3	-2
IT Staffing	8	8	0
Life Sciences Staffing	0	1	1
Marketing/Creative Staffing	2	0	-2
Multiple Commercial Staffing Segments	2	1	-1
Multiple Professional Staffing Segments	1	1	0
Multiple Staffing Segments	0	2	2
Office/Clerical Staffing	0	1	1
Other Professional Staffing	0	1	1
Other Staffing	1	0	-1
Place & Search	9	5	-4
Workforce Solutions			
Direct Work Engagement	0	2	2
Multiple Workforce Solutions	0	1	1
Other Workforce Solutions	3	5	2
Payrolling/Compliance - PEO	0	2	2
Process Outsourcing (MSP-RPO-BPO)	3	2	-1
Talent Acquisition Technology	7	11	4
TOTALS	51	57	-6



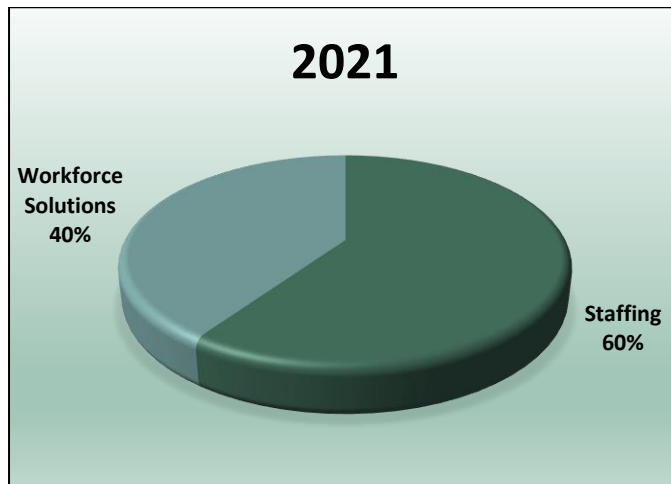
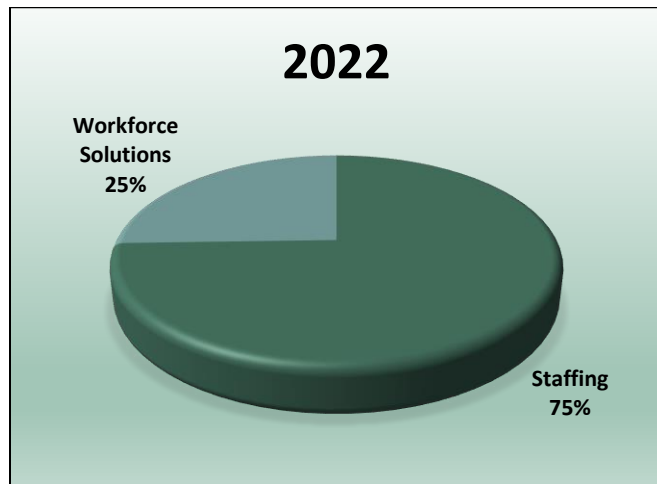
The table below shows transactions by segment for Q1 2022, in order of total transactions.

M&A ACTIVITY Q1 2022		
Segment	Staffing/WFS	Total
Healthcare Staffing	Staffing	9
Place & Search	Staffing	9
IT Staffing	Staffing	8
Talent Acquisition Technology	Workforce Solutions	7
Industrial Staffing	Staffing	5
Process Outsourcing (MSP-RPO-BPO)	Workforce Solutions	3
Other Workforce Solutions	Workforce Solutions	3
Marketing/Creative Staffing	Staffing	2
Multiple Commercial Staffing Segments	Staffing	2
Multiple Professional Staffing Segments	Staffing	1
Engineering/Design Staffing	Staffing	1
Other Staffing	Staffing	1

51 STAFFING AND WORKFORCE SOLUTIONS TRANSACTIONS - Q1 2022

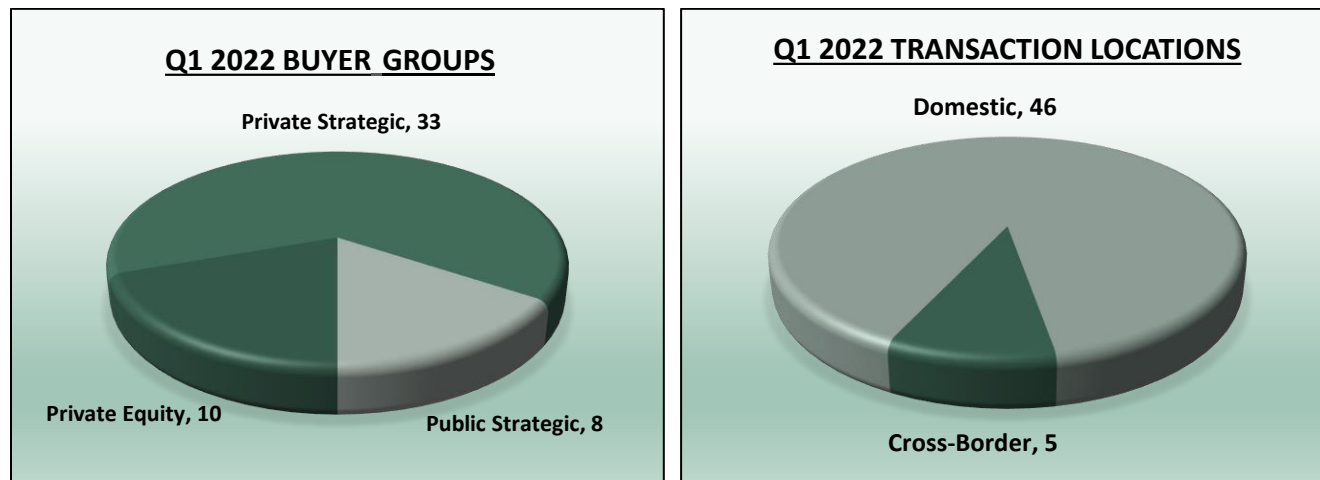


The two charts below show the percentage breakdown of Staffing transactions vs. Workforce Solutions transactions for the first quarter of this year and last year. Staffing gained 15% in 2022 and Workforce Solutions lost 15%.



Buyers

In Q1 2022 Private Strategic Buyers accounted for 65% of all transactions. Private Equity Firms accounted for 16% and Public Strategic Buyers accounted for 19%.



Publicly Owned Companies with M&A Activity in 2022

COMPANY	NUMBER DEALS	SYMBOL
Cross Country Education (Division of Cross Country Healthcare Inc.)	1	NASDAQ: CCRN
Futuris Co.	2	OTCMKTS: FTRS
HireQuest Inc.	3	NASDAQ: HQI
InStaff (Light Industrial Segment of BGSF Inc.)	1	NYSE: BGSF
Kelly	1	NASDAQ: KELYA, KELYB
Volt Information Sciences Inc.	1	NYSEAMERICAN: VOLT



2022 Transactions

DATE	ACQUIRER	TARGET	SIA SEGMENT
STAFFING TRANSACTIONS			
1/4/2022	Trilantic North America	Addison Group	IT Staffing
1/5/2022	RedCloud Consulting	Denny Mountain Media	Marketing/Creative Staffing
1/5/2022	System One	Dreamtek	Marketing/Creative Staffing
1/6/2022	Acacium Group	Favorite Healthcare Staffing	Healthcare Staffing
1/10/2022	Littlejohn Capital LLC	Alto Healthcare Staffing	Healthcare Staffing
1/10/2022	Hamilton-Ryker	Time Staffing	Industrial Staffing
1/10/2022	Motion Recruitment Partners LLC	Matrix Resources	IT Staffing
1/10/2022	HireQuest Inc. (NASDAQ: HQI)	Staffing Division of dmDickason Personnel Services	Multiple Commercial Staffing Segments
1/11/2022	MidOcean Partners	GHR Healthcare	Healthcare Staffing
1/11/2022	Mitchell Martin Inc.	TransTech IT Staffing	IT Staffing
1/11/2022	Talent Group	EdgeLink	IT Staffing
1/12/2022	Swoon	Grapevine	Place & Search
1/13/2022	Interim HealthCare Inc.	Interim's Sacramento, California-based hospice franchise	Healthcare Staffing
1/14/2022	A&M Capital Partners	P2P Staffing Corp.	Multiple Professional Staffing Segments
1/18/2022	Lee Equity Partners LLC	Therapy Partner Solutions	Healthcare Staffing
1/19/2022	FTV Capital	Gale Healthcare Solutions	Healthcare Staffing
1/19/2022	HireQuest Inc. (NASDAQ: HQI)	The Dubin Group Inc. and Dubin Workforce Solutions Inc.	Place & Search
1/24/2022	Swipejobs Inc.	Corestaff	Industrial Staffing
1/26/2022	Power Labor Staffing LLC	Power and Cable Division of SelecSource Staffing	Industrial Staffing
1/26/2022	HireQuest Inc. (NASDAQ: HQI)	Northbound Executive Search Ltd.	Place & Search
2/2/2022	Crescent Cove Advisors	Kingsley Gate Partners	Place & Search
2/2/2022	Futuris Co. (OTCMKTS: FTRS)	Cadan Technologies	IT Staffing
2/8/2022	The Judge Group	Slayton Search Partners	Place & Search
2/28/2022	Infinedi Partners LP	LaSalle Network	Place & Search
3/1/2022	Jobandtalent	InStaff (Light Industrial Segment of BGSF Inc. (NYSE: BGSF))	Industrial Staffing
3/2/2022	Job.com	QCI Healthcare	Healthcare Staffing
3/3/2022	Ascend Staffing	WorkStaffing	Industrial Staffing
3/4/2022	Diversified Search Group	Alta Associates	Place & Search
3/11/2022	33eleven	Lumeidon Partners	Place & Search
3/11/2022	PRN Health Services LLC	Alliant Staffing LLC	Healthcare Staffing
3/11/2022	Futuris Co. (OTCMKTS: FTRS)	Affordable Rehab Services	Healthcare Staffing
3/14/2022	Sentinel Capital Partners	TriMech	Engineering/Design Staffing
3/14/2022	Vega Consulting Inc., a division of ACS Solutions	Volt Information Sciences Inc. (NYSEAMERICAN: VOLT)	Multiple Commercial Staffing Segments
3/15/2022	MSRcosmos Group	Synapsis Group	IT Staffing
3/17/2022	CSS Corp	Directly's OnDemand Business Unit	Other Staffing
3/18/2022	PDQ Staffing	McKee-Burke and Associates	Place & Search
3/22/2022	Mission Critical Partners	RKV Technologies	IT Staffing
3/29/2022	NTT Data	Vectorform	IT Staffing
WORKFORCE SOLUTIONS TRANSACTIONS			
1/11/2022	Bullhorn	Able	Talent Acquisition Technology
1/24/2022	Vista Credit Partners, a subsidiary of Vista Equity Partners	Globalization Partners	Other Workforce Solutions
2/1/2022	Cross Country Education (Division of Cross Country Healthcare Inc. (NASDAQ: CCRN))	Selected	Talent Acquisition Technology
2/8/2022	Equifax Inc.	Efficient Hire	Talent Acquisition Technology
2/24/2022	Aquent	Workgroups DaVinci	Process Outsourcing (MSP-RPO-BPO)
2/28/2022	LinkedIn	Oribi	Talent Acquisition Technology
3/7/2022	Jobcase	Recruitology	Talent Acquisition Technology
3/9/2022	Kelly (NASDAQ: KELYA, KELYB)	RocketPower	Process Outsourcing (MSP-RPO-BPO)
3/16/2022	WilsonHCG	Claro Analytics	Talent Acquisition Technology


DATE	ACQUIRER	TARGET	SIA SEGMENT
3/18/2022	Talent Inc.	Careerminds Group Inc.	Other Workforce Solutions
3/28/2022	Papaya Global	Azimo	Other Workforce Solutions
3/29/2022	iCims	Candidate.ID	Talent Acquisition Technology
3/29/2022	Pro Unlimited	Geometric Results Inc.	Process Outsourcing (MSP-RPO-BPO)

Sources: Staffing Industry Analysts, PRNewswire, Capital IQ, PEHUB and De Bellas & Co.


De Bellas & Co. Certain Recent Transactions



Division of


Has been acquired by




We represented the seller.






Has been acquired by



We represented the seller.





Has been acquired by



We represented the seller.






Has been acquired by




We represented the seller.






"Providing Great People to Great Companies"

Has been recapitalized by




We represented the seller.






Has been acquired by



We represented the seller.





has been acquired by



We advised Lighthouse Management Group





has been acquired by



We represented the seller.






Has been acquired by



We represented the seller.



About De Bellas & Co.

Serving the Staffing industry since 1985, De Bellas & Co. is the leading M&A Advisory firm focused exclusively on the Staffing and Workforce Solutions industry. We have advised in over 250 completed transactions and have performed hundreds of valuations, and other corporate financial advisory assignments. De Bellas monitors nationwide consolidation activity to support its Investment Banking specialty. For more information about De Bellas & Co. please visit our website at: www.debellas.com

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