



Business Consulting Market Monitor

Market Overview

Sector Spotlight

Public Market Performance

M&A Activity

Talent Placement Capabilities Remain Attractive

Specialized Executive Search Firms Command Market Interest

Demand for experienced talent, especially in finance, accounting, and HR departments, remains high as firms meeting those needs continue to perform well

- **Boathouse Capital invests in Re-Sourcing Group**, a leader in strategic staffing, consulting, and direct hire solutions. The investment brings together Re-Sourcing with Conexus Search, another Boathouse portfolio company and a leading provider of executive search services specializing in finance and accounting
- **Korn Ferry acquires Salo**, a leading provider of finance, accounting, and interim HR talent. Through the acquisition, Korn Ferry can now offer broader services and placement options for experienced professionals on an impact or project basis
- **Diversified Search Group (Shoreview Industries) acquires Yardstick Management**, a consultancy providing data-driven solutions around strategy, DEI, and executive search expertise. With the addition of Yardstick, Diversified Search Group expands its ability to offer scalable, actionable solutions to clients and place diverse, experienced talent

Sector Leadership



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Sponsor-Backed Pharma Services Firms are Highly Acquisitive in Today's Market

PE-Backed Life Sciences Firms Have Not Slowed Down

The Healthcare and Life Sciences industries remain active as mid-size consultancies and their investors look to scale size and expand offerings through M&A

- **ProPharma (Odyssey) acquires Digital Lab Group**, an advisory company specializing in digital transformation and innovative solutions for life sciences organizations. Digital Lab Group adds to ProPharma's foundation of R&D technology services
- **Sequoia Consulting (Riverside Company) acquires 42 North Solutions**, a provider of technical operations and facilities management consulting services to the biotech industry. The acquisition of 42 North expands Sequoia's geographic presence to the East Coast and brings additional depth to Sequoia's process, automation, and project engineering offerings
- **Open Health (Astorg) acquires Ascel Health**, a consultancy advising pharma and biotech companies on commercial strategy, market access, and business development. The addition of Ascel will allow Open Health to expand its HEOR offerings and add to Open Health's physical presence in New York
- **The Chartis Group (Audax) acquires Chi-Matic**, a boutique consultancy focused on the optimization of revenue cycle management in the healthcare industry. Together, Chartis and Chi-Matic will bring technology capabilities and strategy & operations skills to maximize revenue cycle effectiveness for clients

Source: Wall Street Journal, Pitchbook, Capital IQ, Company Websites, KPMG

Sector Spotlight

Strategic Communications Capabilities Remain in High Demand

Investors and strategic acquirers alike are hyper-focused on strategic communications businesses with a spotlight on healthcare and financial-focused firms. Businesses are refining their communications strategies as they navigate changes in interest rates, inflation, and increased regulatory oversight. Strategic players have been quick to add-on strategic communications capabilities as firms look to outside support. Notably, Teneo and APCO added financial communications capabilities with their respective acquisitions of Tulchan Communications and Camarco. Medical communications is also in high demand, seen through NMS Capital's investment in Health & Wellness Partners. Private equity-backed life sciences firms Danforth Advisors and Herspiegel Consulting also correspondingly acquired strategic communications firms Argot Partners and Sixsense Strategy Group.

Argot Partners

January 4, 2023

Argot Partners is a strategic communications firm focused exclusively on the life sciences industry. Danforth Advisors' acquisition of Argot will advance the Company's position as the single-source strategic back-office business partner to life sciences and biotech companies

Danforth Advisors (Avesi Partners)

Tulchan Communications

January 10, 2023

Tulchan Communications is a London- and Singapore-based strategic financial and corporate communications advisory firm. The acquisition of Tulchan Communications will expand the breadth of Teneo's international C-suite advisory and communications capabilities

Teneo (CVC Partners)

Health & Wellness Partners

February 28, 2023

Health & Wellness Partners (HWP) provides medical communications services, seeded in expert strategy and scientific content, to life sciences companies. HWP's partnership with NMS will allow the Company to accelerate growth through therapeutic expertise and service line expansion

NMS Capital

Sixsense Strategy Group

March 13, 2023

Sixsense Strategy Group is a boutique consultancy focused on insights, strategy, and scientific communications for the life sciences industry. The acquisition of Sixsense will help Herspiegel address the increasingly complex commercialization challenges facing pharmaceutical and life sciences companies

Herspiegel Consulting (DFW Capital)

Copperfield Advisory

February 21, 2023

Copperfield Advisory is a boutique communications, brand, and strategy consultancy serving institutions in the private, public, and non-profit sectors. The acquisition will enhance Penta's position as a leading stakeholder solutions firm, further enhancing communications and strategy capabilities

Penta Group (Falfurrias Capital)

Camarco

March 28, 2023

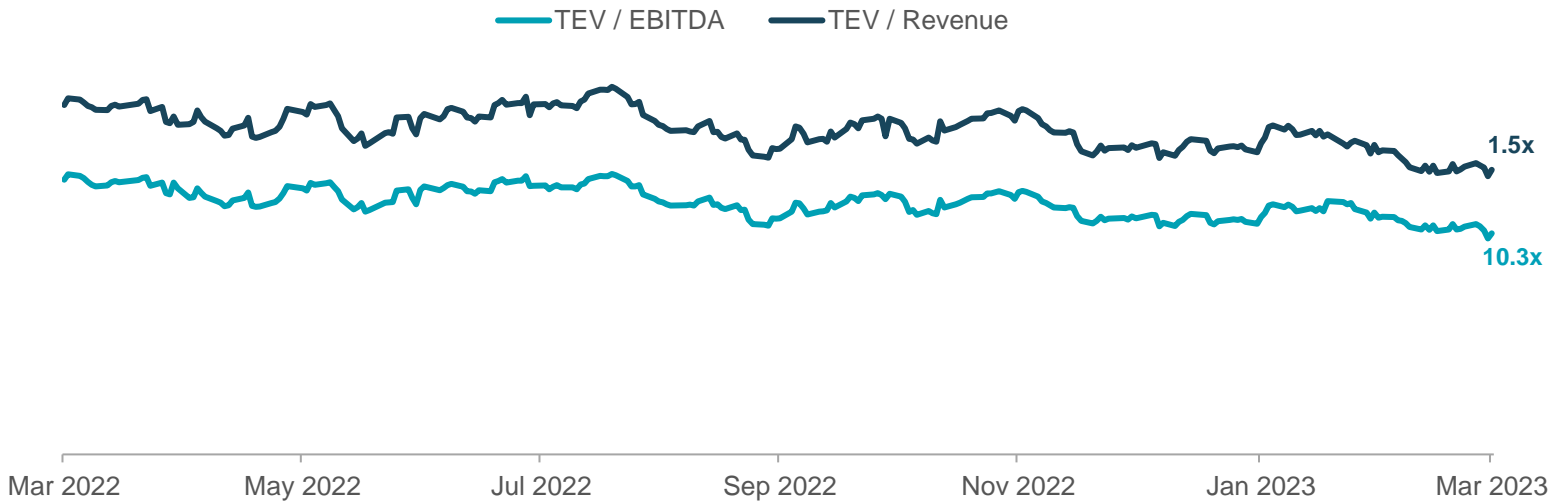
Camarco is a London-based communications and investor relations firm focused exclusively on financial clients. APCO's acquisition expands the Company's corporate advisory and advocacy capabilities into capital markets

APCO Worldwide (Erie Street)



Public Market Performance

The Business Consulting Index industry multiples declined slightly throughout Q1 2023



The Business Consulting Index followed general market trends, growing slightly alongside the S&P500 in late Q1 2023



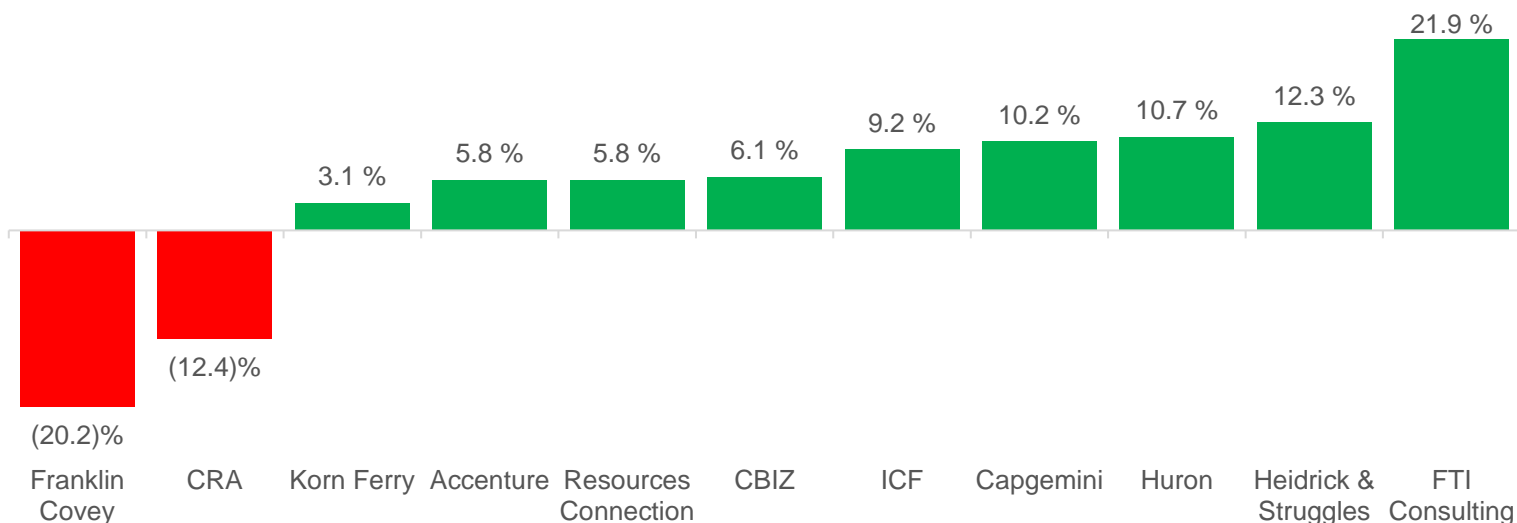
Source: Public market data as of 31-March-2023, Capital IQ

Note: Revenue and EBITDA multiples represent the average multiples of the Business Consulting Index.



Public Market Performance

This quarter was characterized by growth, as most firms in the Business Consulting Index saw an increase in share prices



Throughout Q1 2023, Business Consulting Revenue and EBITDA multiples remained relatively consistent

	Closing Price 31-Mar-2023	% of 52 Week High	Equity Market Cap	Enterprise Value	EV / Revenue Multiples			EV / EBITDA Multiples			LTM EBITDA Margin
					LTM	2023	2024	LTM	2023	2024	
Professional Services											
Accenture	\$285.81	82.8%	\$193,642	\$191,303	3.0x	2.9x	2.7x	17.9x	16.3x	14.5x	16.9%
Capgemini	185.52	82.7	32,746	36,129	1.5	1.4	1.3	11.4	10.0	9.1	13.5
CBIZ	49.49	95.4	2,547	3,016	2.1	2.0	1.9	15.0	14.3	13.1	14.3
CRA International	107.82	84.2	800	891	1.5	1.4	1.3	12.4	12.9	11.8	12.1
Franklin Covey	38.47	70.3	533	499	1.8	1.7	1.5	15.0	10.5	N/A	12.0
FTI Consulting	197.35	97.9	7,006	7,051	2.3	2.1	2.0	19.6	17.4	15.4	11.9
Heidrick & Struggles	30.36	73.5	633	94	0.1	0.1	0.1	0.8	0.9	0.8	11.4
Huron Consulting	80.37	97.0	1,676	2,010	1.8	1.6	1.5	15.3	13.3	11.6	11.6
ICF International	109.70	90.5	2,088	2,834	1.6	1.4	1.3	17.0	13.3	12.1	9.4
Korn Ferry	51.74	76.0	2,818	2,562	0.9	0.9	0.9	5.4	6.7	5.9	16.7
Resources Connection	17.06	73.6	596	511	0.6	0.7	0.7	5.4	7.0	5.2	11.8
High		97.9%	\$193,642	\$191,303	3.0x	2.9x	2.7x	19.6x	17.4x	15.4x	16.9%
Median		82.8	2,088	2,562	1.6	1.4	1.3	15.0	12.9	11.7	12.0
Mean		84.0	22,280	22,445	1.6	1.5	1.4	12.3	11.1	10.0	12.9
Low		70.3	533	94	0.1	0.1	0.1	0.8	0.9	0.8	9.4


Source: Public market data as of 31-March-2023, Capital IQ

Note: Multiples charts may differ from Comparable Company Analysis figures due to detailed adjustments made to the Comparable Company Analysis.



M&A Activity

Date	Target	Buyer	Summary
1/5/2023	The Arnold Group	KPMG	<ul style="list-style-type: none"> The Arnold Group provides strategic consultancy services helping technology companies accelerate growth, drive commercial transitions, and simplify the customer experience The acquisition creates a unique capability of strategy, design, and implementation, allowing KPMG to provide end-to-end commercialization and performance transformation
2/2/2023	Bionest Partners	Accenture	<ul style="list-style-type: none"> Bionest is a global consulting firm focused on commercialization, go-to-market strategy, and launch execution services across the pharma, biotech, medical device, and diagnostics industries The acquisition expands Accenture's strategy capabilities in life sciences
2/13/2023	Acsel Health	Open Health Group	<ul style="list-style-type: none"> Acsel Health is a consulting firm partnering with life sciences companies to guide innovations through their critical stages, from early development through market maturity The acquisition will complement Open Health's existing offering, broadening the services it offers to pharma and biotech companies
2/21/2023	Connors Group	Riordan, Lewis & Haden (RLH)	<ul style="list-style-type: none"> Connors Group provides is an industrial engineering management consultancy specializing in operational improvement and productivity enhancement The investment is intended to accelerate Connors Group's continued expansion as the premier productivity consulting firm
2/28/2023	MarksNelson	Trinity Hunt Partners	<ul style="list-style-type: none"> MarksNelson provides accounting and business advisory services, transforming business relationships into trusted partnerships Trinity Hunt's investment will support the platform's service capabilities expansion and accelerate growth
3/7/2023	Health And Wellness Partners	NMS Capital	<ul style="list-style-type: none"> Health and Wellness Partners (HWP) provides medical and scientific communication services intended for the advancement of patient care The partnership enables HWP to accelerate growth by expanding the Company's therapeutic expertise and delivering new services
3/16/2023	Gagen MacDonald	APCO Worldwide	<ul style="list-style-type: none"> Gagen MacDonald is a strategy execution consulting firm, offering employee engagement, leadership, and culture change services The acquisition expands APCO's expertise in organizational transformation and employee engagement
3/21/2023	businessfourzero	Heidrick & Struggles International	<ul style="list-style-type: none"> businessfourzero is a consultancy leveraging expertise across strategy, leadership, engagement, and culture, thereby implementing purse-driven change for organizations The acquisition will deepen Heidrick & Struggles' existing set of leadership advisory, culture, and organization solutions
3/27/2023	Inspirant Group	10Pearls	<ul style="list-style-type: none"> Inspirant Group is a boutique healthcare consulting firm bridging the gap between business and IT with strategy, technology, and change management services The strategic opportunity will enable 10Pearls to expand its healthcare expertise and contribute to improving the quality and accessibility of healthcare

 = ClearSight acted as advisor to Bionest and NMS Capital



About ClearSight

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PARTNERS

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bionest

has been acquired by

Accenture

ClearSight Advisors
Sellside Advisor

heхacta

has been acquired by

GlobalLogic
A Hitachi Group Company

ClearSight Advisors
Sellside Advisor

T&Co
Treacy & Company

has been acquired by

Cherry Bekaert
a portfolio company of

PARTHENON CAPITAL

ClearSight Advisors
Financial Advisor

RLH
Equity Partners

has sold a majority stake in

CROSSCOUNTRY CONSULTING

to

INVESTCORP

ClearSight Advisors
Financial Advisor

ADVI

has received a strategic investment from

SHERIDAN CAPITAL PARTNERS

ClearSight Advisors
Sellside Advisor

austincsi

has been acquired by

cognizant

ClearSight Advisors
Financial Advisor

AnswerLab

has received a strategic investment from

SHAMROCK CAPITAL ADVISORS

ClearSight Advisors
Buyside Advisor

CIVC PARTNERS

has made an investment in

ALLATA

ClearSight Advisors
Sellside Advisor

HARMONY HEALTH CARE
a portfolio company of

SCP & CO

has been acquired by

Addison Group

a portfolio company of

Trilantic
NORTH AMERICA

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