

# SECTOR SNAPSHOT – 2022

## RECRUITMENT M&A

- M&A deal volumes decreased by 11% in 2022, with 129 deals completed involving UK target companies compared to 145 in 2021.
- Deal volumes are relatively consistent across the five year period monitored showing the strength of M&A in the recruitment sector despite the challenges faced in the last few years.
- Trade deals have remained at a higher level following the pandemic. The level of unemployment fell throughout 2022 resulting in high demand for recruitment agencies to source skilled labour.
- Private equity deal volumes fell 21% in 2022 from 2021 to 11. Financial buyers focused on the technical areas of the market rather than broadline recruiters with specialisation bringing greater value and growth potential.
- Unsurprisingly, the broadline sector was the most active in terms of M&A however business services, industrial and technology recruiters were also at the centrepiece of M&A activity.
- Recruitment sector M&A was particularly active in the United States and the United Kingdom with over half the target companies acquired in 2022 being headquartered either country.

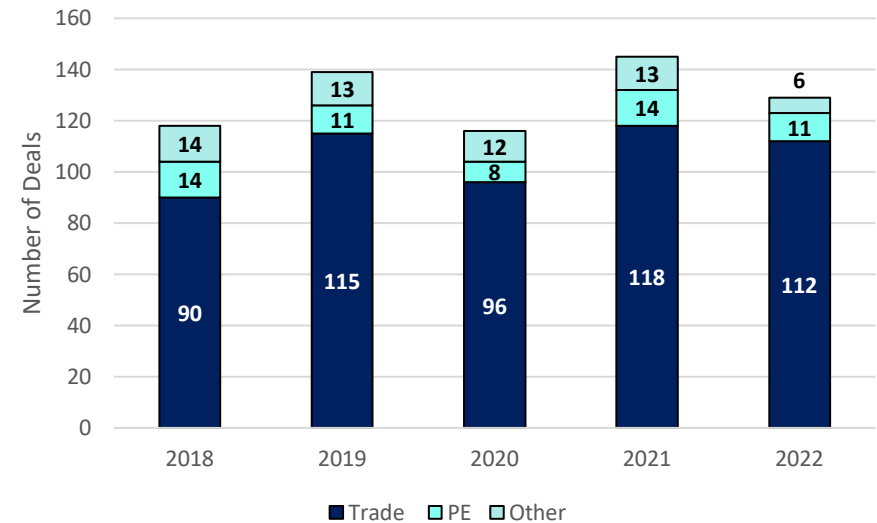


**Gary Ecob**  
Partner

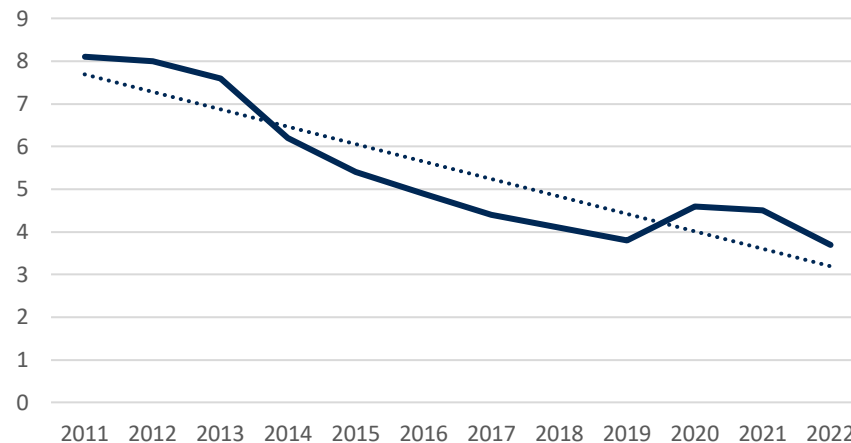


**Peter Waplington**  
Director

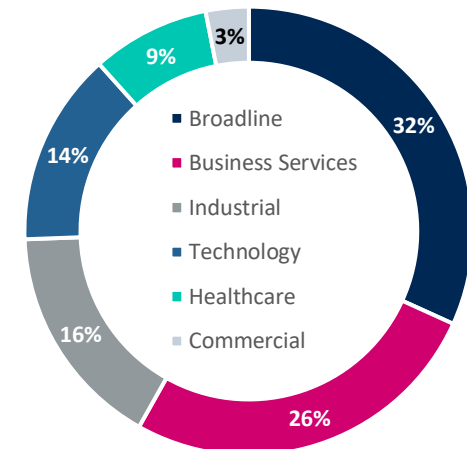
### M&A VOLUMES BY TYPE



### UNEMPLOYMENT RATE 2011-2022 (%)



### 2022 M&A BY SUBSECTOR



# KEY TRANSACTIONS – 2022

## TRADE & PE BUYERS

### TRADE

Macildowie  
Have acquired

**SIGNET**  
RESOURCES

For undisclosed value  
Sector:  
Business Services

Gi Group HOLDING  
Have acquired

**encore**  
Gi Group Holding

For undisclosed value  
Sector:  
Industrial

**DEDICARE**

Have acquired

**TEMPLARS MEDICAL**

For c.£2m  
Sector:  
Healthcare

Rowan  
Have acquired

**BERRY**  
RECRUITMENT

For undisclosed value  
Sector:  
Industrial

**BERRY**  
RECRUITMENT

Have acquired

**FIRST** Recruitment Services

For undisclosed value  
Sector:  
Broadline

Rowan  
Have acquired

**claro**  
Search & Selection

For undisclosed value  
Sector:  
Business Services

### PE

**ONE TWO**  
CAPITAL  
Have acquired

**CarriereCafe**  
Thuis op je werk

For undisclosed value  
Sector:  
Business Services

**erisbeg**  
Have acquired

**eolas**  
eolas recruitment

For undisclosed value  
Sector:  
Technology

**bencis**  
capital partners  
Have acquired

**Work For You, S.L.**

For undisclosed value  
Sector:  
Healthcare

Further Global  
Have acquired

**PHAIDON**  
INTERNATIONAL

For undisclosed value  
Sector:  
Business Services

**Trilantic**  
NORTH AMERICA  
Have acquired

Addison Group

For undisclosed value  
Sector:  
Technology

**FIELDS GROUP**  
Have acquired

**LOGISTIC FORCE**

For undisclosed value  
Sector:  
Industrial

**“Trade acquirors continued to be active in this space, despite the economic challenges faced”**

Notable trade deals in 2022 include:

- United Kingdom based healthcare recruiter, Templars Medical, were acquired by publicly listed, Dedicare AB. This deal aligns with the plans of the Swedish giant to become one of Europe’s leading recruitment and staffing companies in healthcare. This transaction also gives Dedicare a platform to build upon in the UK and Ireland.
- Warehouse and office staffing services provider, First Recruitment, were acquired by broadline recruitment agency, Berry Recruitment. This will expand the Berry Recruitment group to four recruitment agencies and further increasing their presence across the South.
- Life science recruitment specialist, Claro Search and Selection, have been acquired by The Rowan Group, a recruitment firm specialising in executive searching. This deal will increase the capacity available to The Rowan Group.

**“Private equity activity remained strong as demand for high quality recruiters with strong growth prospects remained”**

Notable Private Equity deals in 2022 include:

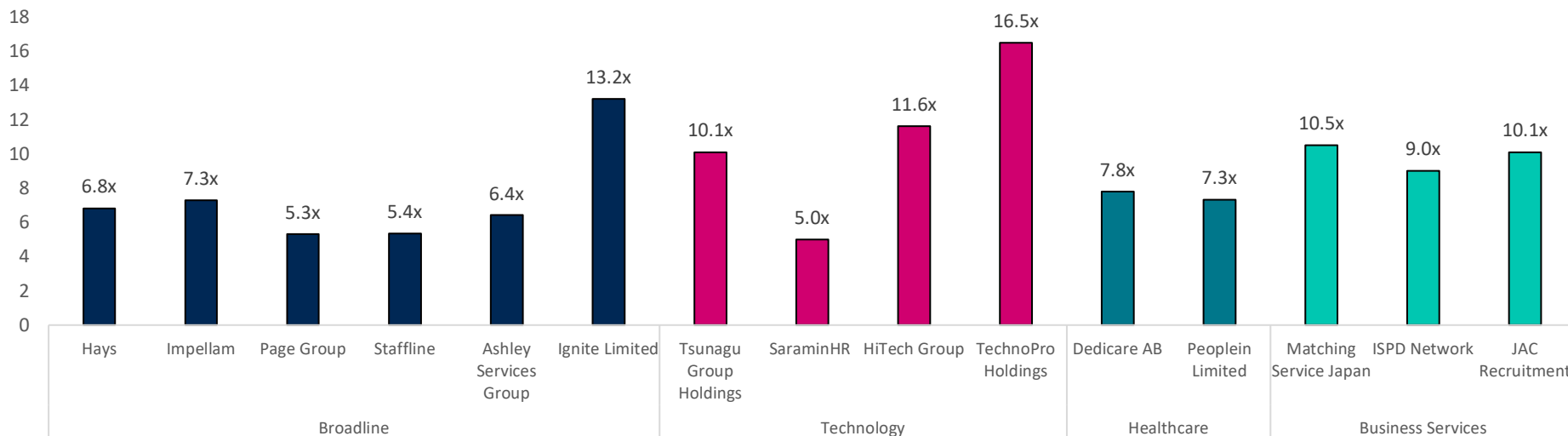
- IT and finance recruitment firm, Addison Group, has been acquired by Trilantic North America from Odyssey Investment Partners. This acquisition has taken place after Addison Group completed three acquisitions in recent years demonstrating a successful buy-and-build strategy.
- Dublin based private equity firm, Erisbeg, have acquired Eolas Recruitment. Eolas Recruitment are a leading IT recruitment specialised, based in Ireland. Erisbeg typically invest in Irish SMEs, and this continues that trend with strong growth expected.
- Professional service recruiter, Phaidon, have been acquired by Further Global. This acquisition is expected to fuel further growth for Phaidon utilising the knowledge and network of Further Global.

# VALUATION MULTIPLES - 2022

## RECRUITMENT

“Challenging macro economic factors have impacted Plc valuation metrics, but strong growth opportunities remain”

Average LTM EV / EBITDA multiples for listed businesses



### Plc Valuation Summary

- The Enterprise Value to EBITDA multiples below, shown the entire range across our index of listed business:

#### Broadline



#### Technology



#### Healthcare



#### Business Services



### Private Transaction Summary

- The Enterprise Value to EBITDA multiple ranges below are based on disclosed deal multiples:

#### Broadline



#### Technology



#### Healthcare



#### Business Services



Orbis is an independent corporate finance advisory firm, working with business owners, management teams and investors to advise them through every aspect of corporate finance.

The partners have over 100 years of deal-making experience and combine their broad network of global relationships with deep sector knowledge and investor skills to deliver a specialist M&A experience.

Orbis is the UK partner for Clairfield International, a global investment bank, offering clients access to over 400 corporate finance professionals situated in over 20 countries across the globe.

## ORBIS PARTNERS: SERVICES

A complete range of M&A services providing a wealth of experience to our clients

- Company Sales**
  - Extensive mid market M&A expertise and experience across the team.
  - International reach – over 20 countries and growing.
  - Over 90% of all sale mandates involve an overseas party.
- Acquisition Support**
  - Research and origination - internal research team and tools.
  - Strategic and financial assessment.
  - Deal management.
- Due Diligence**
  - Experienced and informed advice.
  - Extensive experience within the UK and of international transactions.
  - Partner Led.
- Management Buy Out**
  - Deal leadership and fund raising.
  - Align interests with management team.
  - Co-investors on 15 deals.
- Capital Raising**
  - Supporting existing business to fund development.
  - Supportive investor bringing focus on value creation.
  - Co-investors on 3 deals.
- Business Improvement**
  - Independent advice and planning strategy led by sector insights.
  - Turnaround and profit improvement credentials.
  - Leading the team through uncertainty whilst developing a game plan.

## ORBIS / CLAIRFIELD: RECRUITMENT CREDENTIALS

 Sold to  Sector: <b>Healthcare</b>	 Have completed a Management Buy-Out Sector: <b>Broadline</b>	 Sold to  Sector: <b>Broadline</b>	 Acquired  Sector: <b>Business Services</b>
 Acquired  Sector: <b>Business Services</b>	 Acquired  Sector: <b>Broadline</b>	 Received investment from  Sector: <b>Broadline</b>	 Acquired  Sector: <b>Broadline</b>



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