

Q4: Quarterly Industry Update

AS OF December 31, 2023

cogent valuation
FINANCIAL OPINIONS

Management Consulting Industry Summary

COGENT VALUATION identified **Management Consulting** publicly traded companies, IPOs, and recent M&A transactions within the Management Consulting industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since December 31, 2022, the median 52-week share price return of the Management Consulting industry increased from 15.6% to 9.8%, and the median YTD increased from 15.2% to 13.6%. Between December 31, 2022 and December 31, 2023, the median EV/Revenue multiple decreased from 14.8 to 11.8 and the median EV/EBITDA multiple decreased from 18.2 to 19.9. The median Price/Earnings multiple increased from 22.5 to 19.8 and the median EV/Gross CF multiple decreased from 20.1 to 17.4 over the same period. The median MVIC/Earnings decreased from 3.2 to 2.0. The median Price/Revenue decreased from 12.4 to 10 over the same period.

Public Company Key Statistics

Median 52-Week Return	Median YTD Return	Median EV/Revenue Multiple	Median EV/EBITDA Multiple
9.8%	13.6%	1.2x	11.8x
Median Price/Earnings Multiple	Median EV/Gross Profit Multiple	Median MVIC/Earnings Multiple	Median Price/Revenue Multiple
19.8x	17.4x	2.0x	10.0x

Public Company Median Multiples by Quarter

	12/31/23	9/30/23	6/30/23	3/31/23	12/31/22	9/30/22	6/30/22	3/31/22
Median EV/Revenue Multiple	1.2x	3.2x	3.4x	2.7x	3.1x	3.2x	2.9x	3.0x
Median EV/EBITDA Multiple	11.8x	28.0x	14.6x	13.4x	14.6x	14.6x	19.4x	10.7x
Median Price/Earnings Multiple	19/8x	30.9x	22.3x	21.2x	20.8x	19.7x	17.9x	17.7x
Median EV/Gross Profit Multiple	17.4x	22.2x	21.3x	23.6x	24.4x	23.3x	20.4x	25.0x
Median MVIC/Earnings Multiple	2x	11.6x	2.7x	13.7x	15.4x	15.5x	12.2x	13.2x
Median Price/ Revenue Multiple	10x	3.2x	3.4x	2.7x	10.6x	2.5x	3.2x	3.2x

■ Highest Multiple
 ■ Median Multiple
 ■ Lowest Multiple

Comparable Public Company Market Price Returns as of December 31, 2023

Company Name	Q4 2023	12-months 2023	Two Year ¹	Three Year ¹	2022	2021	2020
Booz Allen Hamilton Holding Corporation	30.2%	9.8%	13.5%	5.7%	16.9%	16.3%	38.5%
Cebu Air, Inc.	-35.2%	-6.7%	1.4%	6.6%	7.0%	-8.4%	81.7%
CRA International, Inc.	11.7%	44.0%	14.2%	22.8%	96.2%	-38.5%	53.1%
Forrester Research, Inc.	3.8%	6.2%	4.3%	2.9%	50.8%	-27.6%	2.9%
Franklin Covey Co.	14.0%	25.9%	-2.5%	3.0%	20.4%	-13.5%	-2.6%
FTI Consulting, Inc.	70.4%	-14.1%	-7.9%	-4.7%	30.1%	-10.3%	-6.1%
Heidrick & Struggles International	37.9%	28.9%	-8.7%	1.7%	-11.3%	18.1%	14.4%
Huron Consulting Group Inc.	22.1%	-28.5%	-21.5%	-20.1%	-14.7%	-13.1%	9.1%
ICF International, Inc.	43.7%	15.2%	16.2%	-4.9%	55.2%	-13.2%	18.1%
MDC Partners Inc.	-57.4%	-45.9%	-29.1%	48.9%	-69.8%	-4.4%	-10.9%
Navigant Consulting, Inc.	18.8%	22.4%	15.3%	-25.9%	63.0%	4.5%	-19.9%
PFSweb, Inc.	-0.4%	-13.1%	-22.8%	-12.6%	-34.0%	1.7%	39.6%
Median of Industry Public Companies	13.6%	9.8%	-2.5%	2.3%	16.9%	-8.4%	9.1%

[1] Calculated as the average annual return.

■ Highest Return
 ■ Lowest Return
 ■ Median Return

Industry Initial Public Offerings—Management Consulting (dollars in millions, except share prices)

Effective Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets ¹	Debt ¹	LTM Revenue ¹	LTM EBITDA	LTM Net Income	LTM Cash Flows
12/7/23	Frontier Management Inc.	\$19.95	0.2	\$7.0	\$2,136.0	\$588.0	\$34.4	\$0.0	\$179.0	\$0.0
11/22/23	Management Solutions Co.,Ltd.	\$18.78	14.0	\$238.0	\$3,082.1	\$1,474.9	\$22.2	\$0.0	\$49.2	\$388.7
9/21/23	Lex Nimble Solutions Limited	\$0.88	4.2	\$54.2	\$101.5	\$0.0	\$0.3	\$336.6	\$10.0	(\$2.3)
12/29/22	G-Factory Co.,Ltd.	\$31.91	7.8	\$74.2	\$187.8	\$19.7	\$17.5	(\$4.1)	\$21.3	\$24.6
11/16/22	Booz Allen Hamilton Holding Corporation	\$17.00	2.9	\$29.0	\$37.8	\$1.0	\$5,323.1	\$24.3	\$0.8	\$6.3
9/19/22	ReachLocal, Inc.	\$13.00	4.7	\$56.0	\$171.2	\$64.9	\$224.0	\$4.7	(\$0.1)	\$10.8
9/4/22	Charm Communications Inc.	\$9.50	5.0	\$77.5	\$55.5	\$10.1	\$123.7	\$8.0	\$7.6	\$26.3
9/27/18	Median of all IPOs	nm	nm	\$65.1	\$179.5	\$42.3	\$123.7	\$15.3	\$15.7	\$17.7

[1] As of the effective date of the IPO

Multiple year periods are calculated as the average annual return.

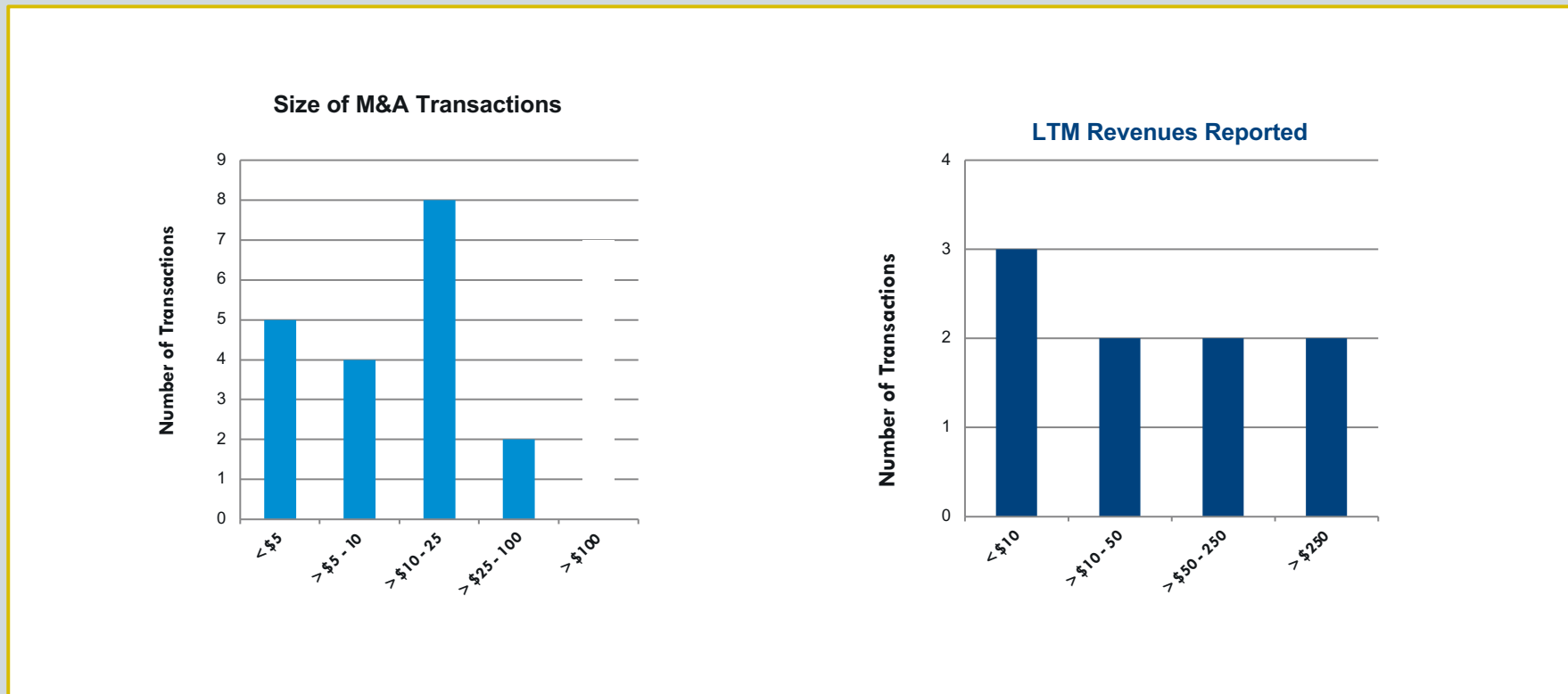
■ Highest Return ■ Lowest Return ■ Median Return

Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues ¹	EV/ Revenues ¹
12/2/23	Projects Assured Pty Ltd	DWS Limited	\$31.8	100%	\$34.5	1.3x
11/28/23	Cartesian, Inc.	Blackstreet Capital Management, LLC	\$11.5	100%	\$50.8	1.3x
9/5/23	Airlie Funds Management	Magellan Financial Group	\$114.8	100%	\$34.3	4.5x
12/19/22	SQS Software Quality Systems	Assystem Technologies	\$436.2	100%	\$378.0	1.5x
11/3/22	R.A.S. Associates, Inc.	Perficient, Inc.	\$13.5		\$9.0	1.5x
10/3/22	Kurt Salmon US Inc.	Accenture plc	\$166.4		\$93.6	1.8x
6/3/22	Bluetube, LLC	Perficient, Inc.	\$10.1		\$7.0	1.4x
3/25/22	nexum AG	N/A	\$24.0		\$15.6	1.5x
12/4/21	Epsilon AB	ÅF AB	\$14.0		N/A	N/A
5/23/21	Elsys Consulting Services	itelligence AG	\$24.2		N/A	N/A
2/2/21	Orchard Marketing Pty. Ltd.	Enero Group Limited	\$21.4	100%	N/A	N/A
11/15/20	Eons Global Holdings Pte. Ltd.	N/A	\$1.4	100%	\$3,505	1.0x
9/12/20	Vynamic, LLC	UDG Healthcare plc	\$32.0	100%	\$25.7	1.1x
9/6/20	Sentensia Q AB	B3IT Management AB	\$3.0	100%	\$523.6	2.9x
Median of the M&A Transaction Targets			\$32.0	100.0%	\$378.0	1.3x

■ USA ■ International

Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

Market Value of Invested Capital (MVIC): Market Value of Equity + Market Value of Debt

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