M&A INDUSTRY REPORT

Professional Services

Q3 2025

FOCUS is a leading national M&A brand for the lower middle market. With over 40 years of experience, a global footprint, and hundreds of successful deals across myriad industries, FOCUS continues its mission to redefine the banker/client relationship.

FOCUS Investment Banking

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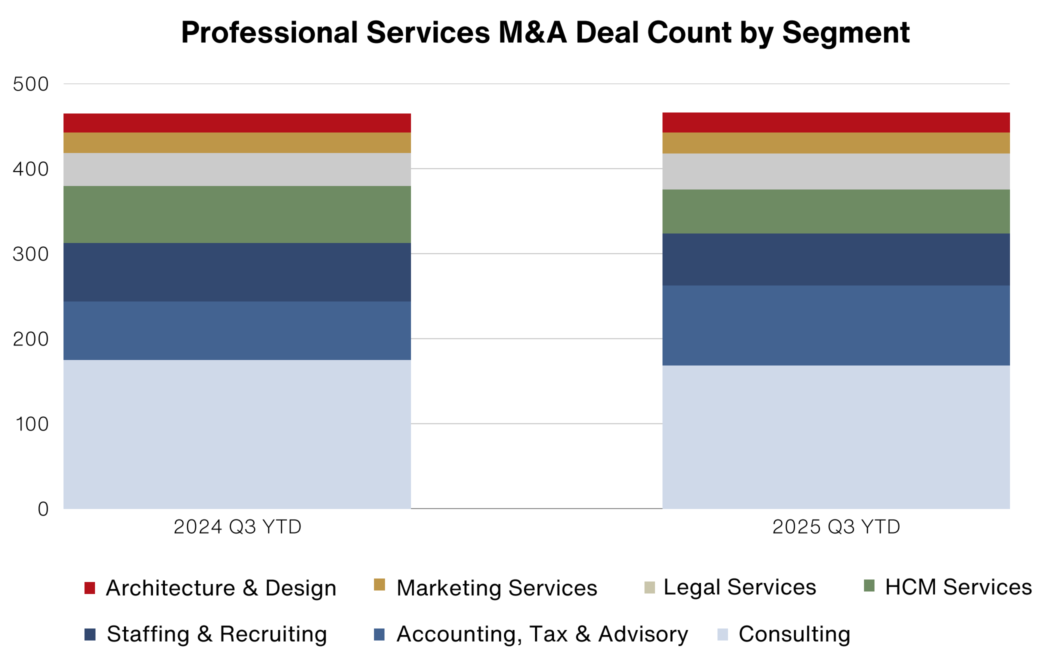
M&A IN PROFESSIONAL SERVICES

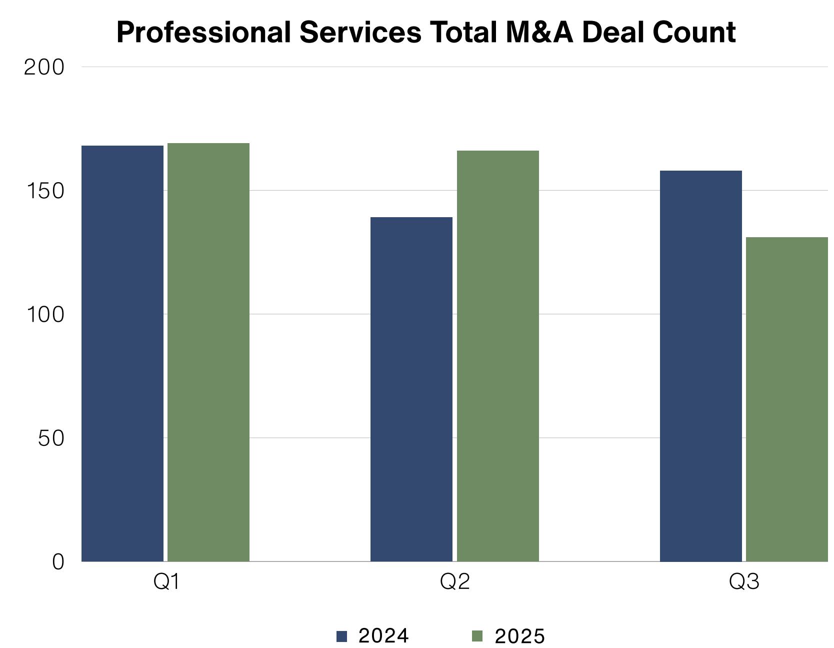
During the first nine months of 2025, 466 professional services M&A transactions were announced in the U.S.

This was roughly equivalent to the number of 2024 announcements for the same time period, though considerable quarter to quarter volatility existed with stronger Q2 2025 deal volume followed by weaker Q3 2025.

The Consulting and Accounting segments continued to represent more than 50% of professional services deal volume, followed by Staffing and Recruiting and HCM Services. Together these four segments represented more than 80% of announced M&A deals in the professional services sector.

Through the first nine months of 2025, 43 buyers announced two or more deals and 15 of the most active buyers announced three or more. The majority (12 of 15) of the most active buyers have a private equity investor and another two are publicly traded.





Sources: S&P Capital IQ. Company press releases and websites

NOTABLE Q3 2025 M&A TRANSACTIONS: ACCOUNTING, TAX & ADVISORY RELATED

Date	Buyer	Seller	Description
Sep 2025	CRI Carr Riggs & Ingram CPAs and Advisors	williams steinert mask Certified Public Accountants and Advisors	• Top 25 accounting firm, Carr, Riggs & Ingram acquired Williams Steinert Mask CPAs to expand its presence in Texas. • In 2024, CRI received an investment from Centerbridge Partners and Bessemer Venture Partners.
Aug 2025	Cherry Bekaert	Jameson & Company	• Cherry Bekaert Advisory LLC acquired Jameson & Company, a provider of outsourced accounting solutions to small Federal government contractors and grantees. • Parthenon Capital Partners is an investor in Cherry Bekaert.
Aug 2025	Prosperity Partners	pipaya	• Prosperity acquired Pipaya a provider of M&A transaction support and accounting and consulting services for CFOs in the aerospace, defense, and government services (ADG) industries. • Backed by Unity Partners, Prosperity Partners was ranked #2 on Accounting Today's 2025 fastest growing firms list.
Aug 2025	NMC New Mountain Capital LLC	WIPFLI	• Wipfli announced a minority investment from New Mountain Capital to accelerate its growth. • Wipfli has grown to more than $600 million in annual revenue and over the last decade has acquired more than 30 companies.
July 2025	CohnReznick	Piascik Certified Public Accountants	• CohnReznick acquires specialized tax firm, PIASCIK & Associates. Based in Richmond, PIASCIK has expertise in international tax and strategies for high net work individuals and athletes. • In February 2025, CohnReznick announced it had received a strategic growth investment from Apax Partners.

Sources: S&P Capital IQ. Company press releases and websites

NOTABLE Q3 2025 M&A TRANSACTIONS: CONSULTING

Date	Buyer	Seller	Description
Sep 2025	west monroe	2050 PARTNERS	• West Monroe, a Chicago-headquartered management and technology consulting firm acquired 2050 Partners, a Bay Area-based energy efficiency and decarbonization consulting firm. • 2050 Partners works with utilities on customer-focused energy efficiency programs and clean energy regulatory compliance.
Aug 2025	Grant Thornton An instinct for growth™	Stax	• New Mountain Capital backed Grant Thornton Advisors acquired Stax, a management consulting firm focused on providing strategy analysis, commercial due diligence, and exit planning services to private equity clients. Combined, the two firms will service almost 70% of the U.S.-based Private Equity International 300.
Aug 2025	E Source	Opinion Dynamics	• Align Capital Partners backed E Source acquired Opinion Dynamics, a provider of research, evaluation, and advisory services for the public utility industry. • FOCUS Investment Banking advised Opinion Dynamics on the transaction.
July 2025	HURON	Treliant	• Huron, a publicly traded consulting firm acquired Treliant, LLC, a provider of compliance, risk management, and strategic advisory services. • Treliant's clients include banks, mortgage providers, fintechs, and other financial services institutions.
July 2025	JS|HELD	MORRIS ANDERSON	• Kelso & Company backed J.S. Held acquired Morris Anderson. Morris Anderson has turnaround and restructuring, bankruptcy, transaction, and dispute advisory expertise.

Sources: S&P Capital IQ. Company press releases and websites

NOTABLE Q3 2025 M&A TRANSACTIONS: HUMAN CAPITAL MANAGEMENT

Date	Buyer	Seller	Description
Sep 2025	HR Path	NGI	• Paris based HR Path continued its expansion into the U.S. with the acquisition of Chicago based Next Generation. • Next Generation, Inc. (NGI) helps its public and commercial sector clients drive HCM and ERP digital and process transformations.
Sep 2025	512Financial	HireBetter	• 512Financial, an Austin, Texas based provider of accounting, finance, HR, and marketing fractional professional services acquired HireBetter, an executive search business located in the same market.
Aug 2025	OneDigital	HR	• Private equity backed OneDigital, an insurance brokerage, PEO, and HR consulting firm, acquired Arizona based PEO, Focus HR. Focus HR served more than 500 small and mid-sized businesses across 47 states.
Aug 2025	Ravix Group	The HR Team	• Kingsway Financial Services' Ravix Group acquired The HR Team. The transaction enhances Ravix's ability to deliver HR services as part of its Office of the CFO service offering, and expands Ravix's capabilities in HR compliance, organizational development, and outsourced HR support services.
July 2025	ARG	Verigent	• Allied Resources Group (ARG), a leading group of technical and professional services companies acquired Verigent, a nationally recognized provider of information technology staffing and telecom workforce solutions. • FOCUS Investment Banking advised Verigent on the transaction.

Sources: S&P Capital IQ. Company press releases and websites

Q3 2025: SECTOR SPOTLIGHTS

The professional services industry continues to present a compelling landscape for consolidation and investment, driven by ongoing demand for specialized expertise, scalable talent models, and technology-enabled delivery.

Accounting, Tax & Advisory: Consolidation is accelerating as thousands of firm owners approach retirement age, creating prime acquisition opportunities for those looking to sell within the next five years.

Architecture & Design: ESG and infrastructure investments are driving record demand for sustainable design firms, making green-focused practices some of the most sought after M&A targets.

Consulting: Consulting is a perennial leader in professional services M&A deal volume as growth focused buyers seek access to new markets and capabilities, client diversification, and specialized skills and expertise.

Human Capital Management: Buyers are paying more for outsourced HR services—payroll, PEO, training, and benefits—prioritizing recurring, hands-on support over one-time consulting or software fees.

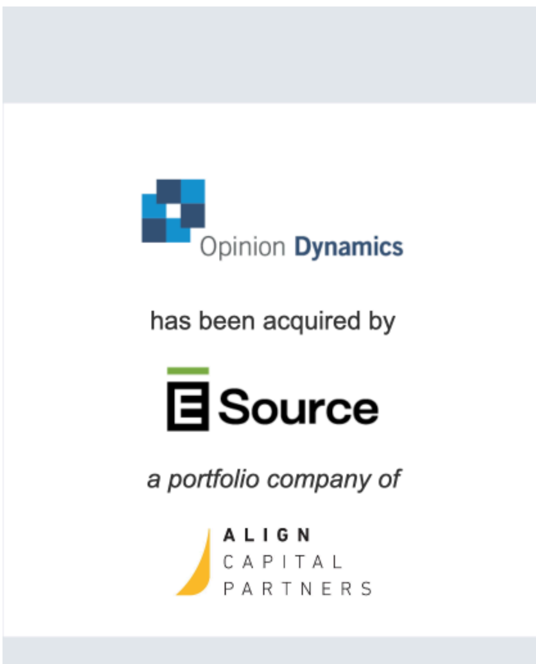
Legal Services: This niche Is undergoing rapid transformation with increasing M&A activity as private equity backed consolidators pursue scale especially in specialty practice lines across fragmented regional law firms.

Marketing Agencies: Digital agencies with proven AI or performance marketing capabilities are commanding higher multiples than creative shops, as acquirers chase measurable ROI.

Staffing & Recruiting: Specialized agencies serving healthcare, IT, and engineering continue to attract strategic and PE buyers eager to secure niche talent pipelines and recurring contract revenue.

PROFESSIONAL SERVICES SPOTLIGHT

Client Testimonial



When E Source approached us, we were not looking to sell, but we saw that a combined company could provide additional synergies that would help our clients and staff. We brought FOCUS on to ensure that the deal fit would accomplish the objectives we set out: maximizing staff opportunities and providing value to clients, while making sense financially. FOCUS helped us to stay true to our objectives amidst all the noise that happens in the negotiating stage. Their relationship-driven approach helped get us to the finish line.

Brad Kates, CEO of Opinion Dynamics

DEALS

Recent Transactions

Opinion Dynamics
has been acquired by
ESource
a portfolio company of
Align Capital Partners

Verigent Powered by ARG™
has been acquired by
ARG Powered by Our People

IO
has been acquired by
bluprint X

QUEEN Consulting Group
has been acquired by
TALENT Groups

NCG
has been acquired by
cantey Tech Consulting
a portfolio company of
LNC | PARTNERS

Stonebridge Consulting
has been acquired by
SIERRA DIGITAL

TSR Consulting Services
has been acquired by
Vienna Parent Corporation
an affiliate company of
BCforward

CYBERSHEATH Services International
received an investment from
LIGHTVIEW CAPITAL™

CubeMatch
has invested in
BGK

ankura
has acquired
c3/ consulting

aeCyberSolutions™
a division of
aE Solutions
has been acquired by
Deloitte.

McNulty & Associates
has been acquired by
CitrinCooperman® Focus on what counts

JSI Your business is our business.
has been recapitalized by
STONE GOFF

Avar Consulting, Inc.
has been acquired by
AMDEX

Security 7
has been acquired by
Integris.
a portfolio company of
Frontenac

NEWS & INSIGHTS

FOCUS Investment Banking Represents Opinion Dynamics in its Sale to E Source

FOCUS Investment Banking ("FOCUS"), a leading middle market investment bank, announced today that it served as exclusive financial advisor to Opinion Dynamics, a premier provider of research, evaluation, and advisory services for the public utility industry, in its sale to E Source (the "Company"), a utilities-focused portfolio company of Align Capital Partners ("ACP").

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Private Equity Continues Push Into Professional Services

Private equity is accelerating its push into professional services, with strong interest in accounting and advisory firms. Sticky client relationships, recurring revenue, and high margins are fueling consolidation and platform growth.

Click here to read now

FOCUS Investment Banking Represents Verigent in its Sale to Allied Resources Group

FOCUS Investment Banking ("FOCUS"), a leading middle market investment bank, is pleased to announce that it served as the exclusive financial advisor to Verigent, a premier national staffing firm specializing in Telecom and IT network infrastructure, in its acquisition by Allied Resources Group ("ARG").

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ACTIVE ENGAGEMENTS IN THE MARKET

Ernie (Sell Side)
Strategy and operations consulting firm.

Tower (Sell Side)
Architecture design firm.

Nexus (Sell Side)
Strategy consulting, brand consulting, design and transformation company.

Flair (Sell Side)
Advertising and marketing agency.

Paragon (Sell Side)
HR staffing and recruiting firm.

Sugar (Sell Side)
Multi-disciplinary project management and sustainable specialist.

ABOUT FOCUS BANKERS

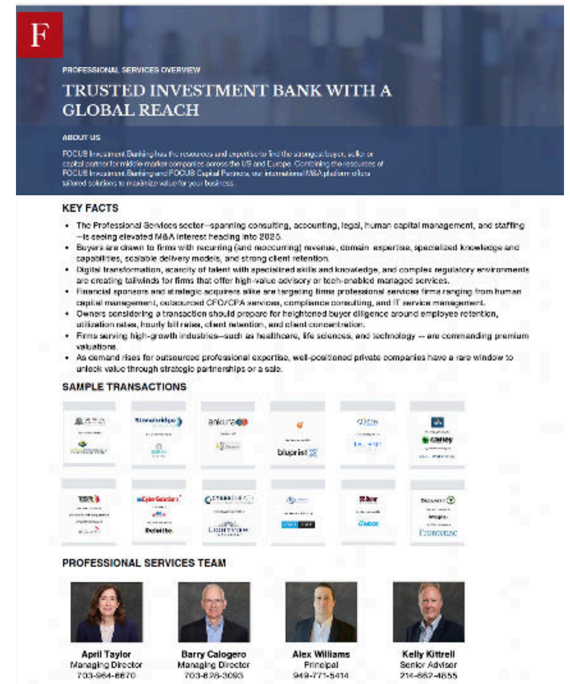
FOCUS Investment Banking is a trusted name in M&A advisory services with a nationwide footprint and a global reach.

The professional services sector is undergoing a profound transformation. From law and accounting firms to consulting, engineering, architecture, and marketing agencies, today's service providers face increasing pressure to modernize, scale, and compete in a rapidly evolving marketplace. Whether it's adapting to technology shifts, consolidating to stay competitive, or navigating succession and ownership transitions, business owners and partners are seeking more sophisticated solutions.

At FOCUS Investment Banking, our dedicated Professional Services team understands the unique dynamics of people-based businesses. With decades of experience advising firms like yours, we offer strategic insights and tailored M&A solutions to help you grow, exit, or find the right partner—on your terms.

AXIAL TOP 25 INVESTMENT BANKS Q2 2025

AXIAL TOP 50 2021 BUSINESS SERVICES



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