



# Education Services Industry Update | Fall 2021

KPMG Corporate Finance LLC



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2021



# Education Services Industry Update | Fall 2021

**KPMG Corporate Finance<sup>1</sup> combines the focus of a boutique investment bank with the resources of a global investment banking platform**

## Select Education, Training and Certification Services Transactions<sup>1</sup>

 <b>Active sell-side mandate</b>  <b>Project Mustang</b>  Corporate Finance	  <b>Project Management Institute</b>  Corporate Finance acted as financial advisor to PMI on its acquisition of FLEX from Net Objectives	  <b>Project Management Institute</b>  Corporate Finance acted as financial advisor to PMI on its acquisition of Disciplined Agile	  <b>Universal Technical Institute</b>  Corporate Finance provided strategic and transaction advisory services to UTI's senior management and Broad of Directors	  <b>LearnDirect</b>  Corporate Finance advisor to LDC on the sale of learnDirect apprenticeships division
  <b>RWD</b>  Corporate Finance acted as financial advisor to RWD Technologies, LLC on the carve out of its e-learning software suite to ANCILE Solutions, Inc.	  <b>RWD</b>  Corporate Finance acted as financial advisor to RWD Technologies, LLC on its sale to General Physics Corporation	  <b>Essential Learning</b>  Corporate Finance acted as financial advisor to Essential Learning, LLC on the sale to Vista Equity Partners	  <b>IPS Learning, LLC</b>  Corporate Finance acted as exclusive financial advisor to IPS Learning, LLC, a portfolio company of Mainsail Partners, on its sale to Providence Equity	  <b>Kaplan</b>  Corporate Finance acted as financial advisor to Kaplan, Inc. on the divestiture of Kaplan EduNeering to U.L.

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## Financial Advisor Rankings<sup>(2)</sup>

Last 5 Years Global Advisor Rankings <sup>(2)</sup>		
2016-2020		No. of deals
1	<b>KPMG<sup>1</sup></b>	<b>2,567</b>
2	PwC	2,232
3	Deloitte	1,844
4	Rothschild & Co.	1,514
5	Ernst & Young	1,392
6	Houlihan Lokey	1,348
7	Industrial & Comm Bank China	1,075
8	BDO	1,004
9	Lazard	927
10	Goldman Sachs & Co.	850

**197,000+** Global KPMG Professionals

**2,200+** Global KPMG Investment Bankers

**2,000+** Transactions Closed in Last 5 Years

**200+** Global Technology Investment Bankers

## KPMG Corporate Finance LLC Education Services Coverage Team

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(1) Refers to the global Corporate Finance practices of KPMG International's network of independent member firms

(2) Refinitiv - Transactions less than \$500m



# Education services valuation performance update

## Fall 2021 Observations

- Global aggregate deal value for the education services sector totaled \$5.5bn in Q3-2021, down from \$12.9bn<sup>(2)</sup> in Q2-21
- Aggregate global M&A deal volume for the sector declined by 6.7% in Q3-21 compared to Q2-21
- U.S. aggregate deal value for the education services sector totaled \$1.8bn, down from \$8.3bn<sup>(2)</sup> in Q2-21. During the same period, M&A deal activity increased by 17.0%
- The U.S. accounted for 40.8% of global educational services M&A activity in Q3-21, up from 32.5% in Q2-21

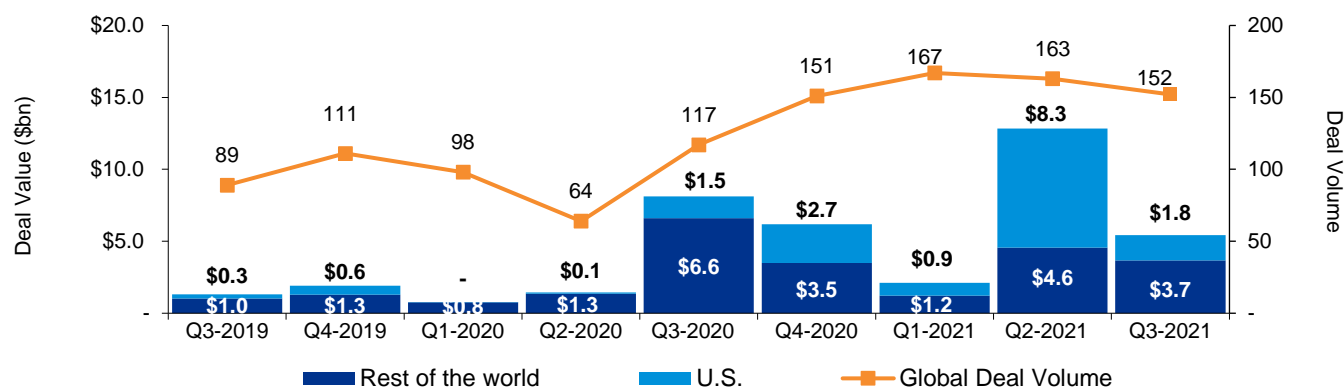
## Education Services Public Company Sector Overview

Sector	Operating Statistics		Valuation Multiples		
	Revenue Growth	EBITDA Margin	LTM Trading Multiples		TEV/NTM EBITDA
			TEV/Revenue	TEV/EBITDA	
Education Services	14.1%	12.3%	1.86x	16.3x	10.2x
Education Technology	24.6%	6.8%	9.37x	44.0x	24.7x
Secondary & Post-Secondary Education	7.2%	16.1%	2.27x	8.9x	11.3x
Corporate Training Services	(0.2%)	13.6%	3.52x	26.1x	17.2x

## Fall 2021 Observations

Target	Acquiror	Implied Tx Value	Multiple / EBITDA
Sylvan Learning	Franchise Group	\$81.0	6.8x
Rasmussen College	American Public Education	\$329.0	7.7x
Walden e-Learning	Adtalem Global Education	\$1,480.0	8.4x
McGraw-Hill Education	Platinum Equity	\$6,387.8	16.6x
GP Strategies Corp.	Learning Technologies Group	\$406.4	9.5x
Cornerstone OnDemand	Clearlake Capital	\$4,962.0	27.0x
edX	2U	\$800.0	NA
Michigan Institute of Aeronautics	Universal Technical Institute	\$26.0	7.4x
eThink Education	Learning Technologies Group	\$36.0	12.9x
Tech Elevator	Stride	\$23.8	11.9x
MedCerts	Stride	\$80.6	20.1x

## M&A Activity & Aggregate Deal Value: Q2-2019 – YTD 09.2021

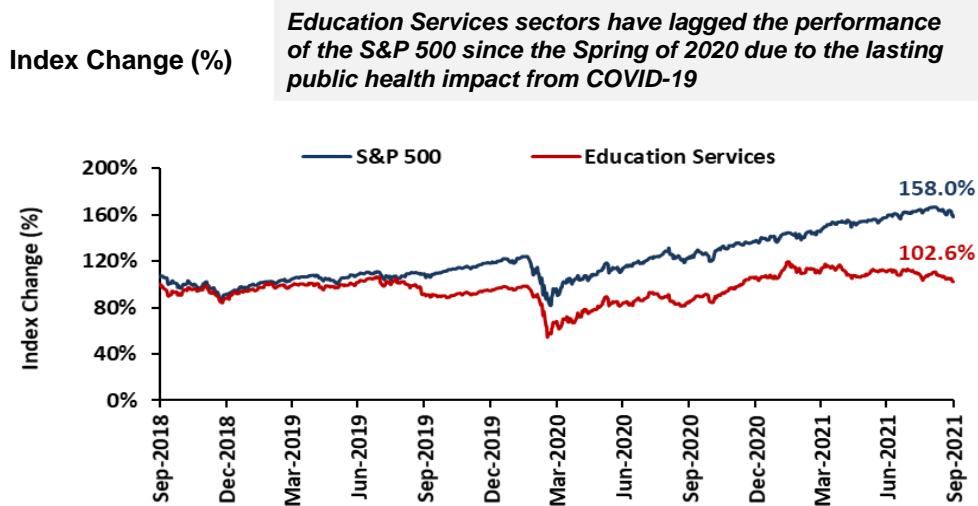


1: In Q3-2020, ADGS Advisory, Inc. acquired Quality Online Education Group Inc., for ~\$3.5bn, representing 43.2% of global aggregate deal value for the Education services sector during the quarter.

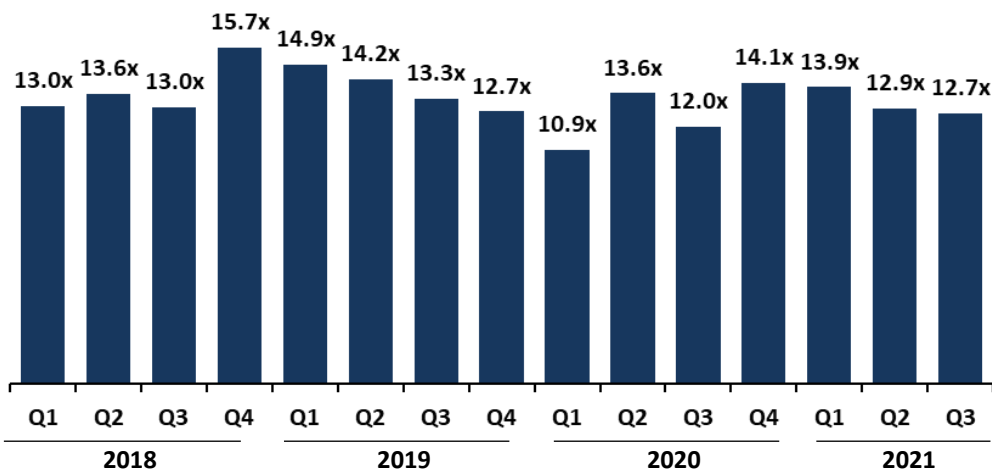
2: In Q2-2021, Platinum Equity, LLC acquired McGraw-Hill Education, Inc., for ~\$6.7bn, representing 80.7% of U.S. and 51.9% of global aggregate deal value for the Education services sector during the quarter.

# Education services public markets update

## Indexed Price Performance: S&P 500 vs Education Services Index

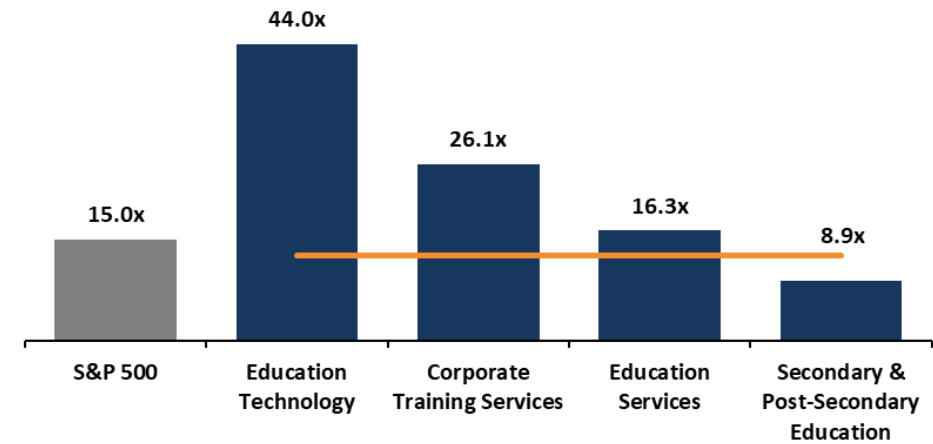


## Historical Median TEV / EBITDA Multiples for Education Services

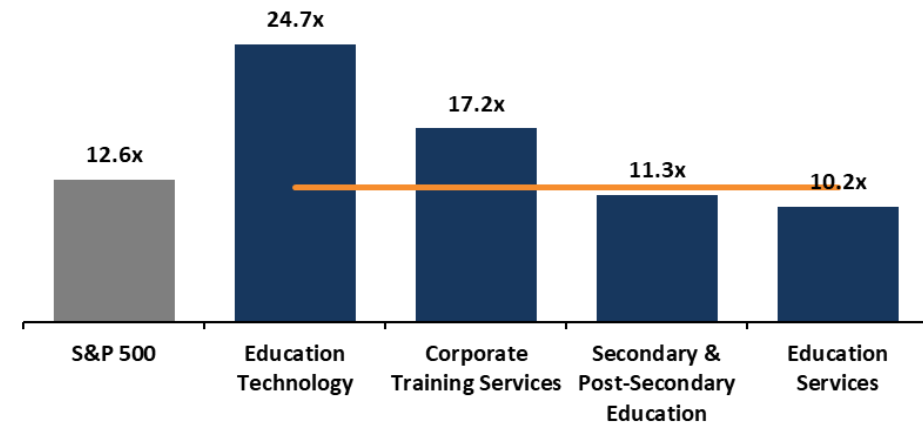


## Market Based Valuation

TEV/LTM EBITDA  
Median: 12.7x



TEV/NYM EBITDA  
Median: 11.9x



Source: S&P Capital IQ. Education Services is defined by an internally originated list of subsectors viewed as best representing the industry.



# Debt capital markets update

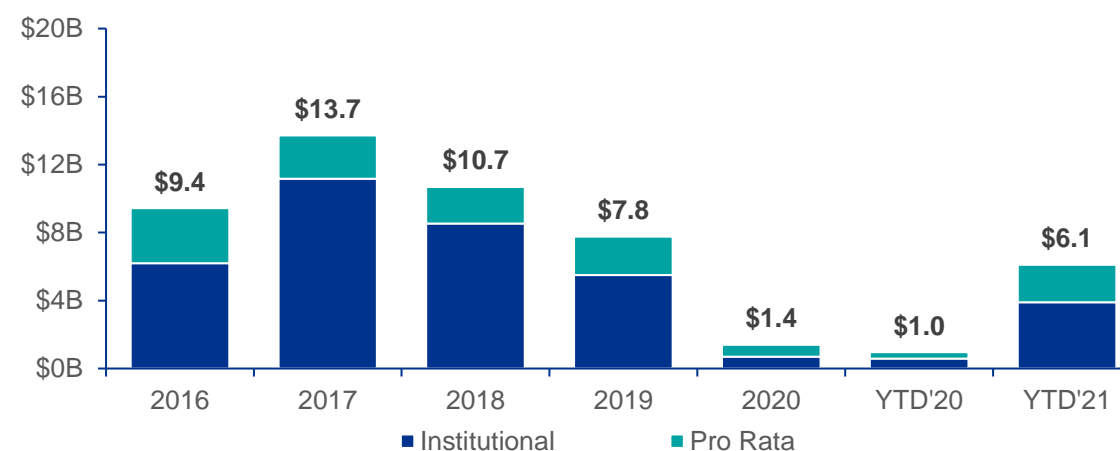
## Market Commentary

- Deal volume in the credit markets continued at a robust pace through the end of the third quarter of 2021 as markets continue to experience aggressive liquidity conditions
- Middle market leveraged loan volume has gained strong momentum in 2021, and has rebounded to reach \$6.1bn YTD compared to \$1.0bn YTD in 2020
- Driving market activity is strong M&A volume and sponsored dividend recapitalizations

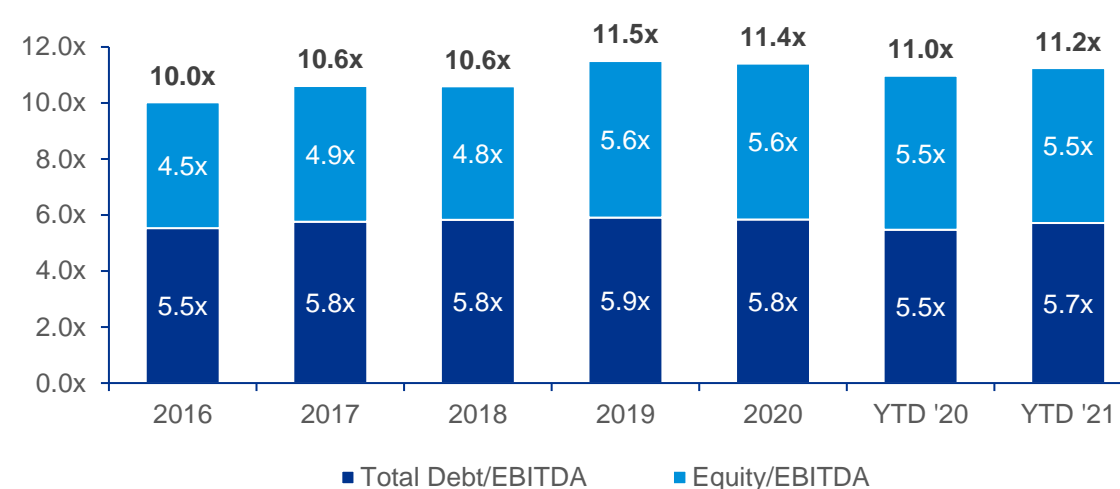
## Libor Transition Update

- Libor is expected to phase out and be replaced by SOFR (“Secured Overnight Financing Rate”) by the end of 2021. SOFR is based on overnight “repo” funding rates on transactions collateralized by Treasury securities, one of the deepest and most liquid markets in the world
- One-month and three-month Libor benchmark rates will continue to be published solely for use with legacy contracts
- Banks can face supervisory actions if they delay replacing the Libor benchmark in pricing new loans and financial contracts in 2022

## Middle Market Leveraged Loan Volume (\$bn)(1)



## Average Purchase Price & Debt Multiples - LBO



Source: Standard & Poor | Leveraged Commentary & Data.

(1) Middle market refers to companies with EBITDA of \$50 million or less.

# Transaction spotlight..



- Expected to generate annual marketing cost efficiencies of 10 – 15% within 24 months
- Expected to be accretive to adjusted EBITDA in FY'23 (low single-digit dilution in FY'22)
- On a nonprofit reporting basis, FYE 6/30/20, edX generated revenue of \$84.7M and operating loss of \$17.4M

## Transaction Summary

- 2U is acquiring assets from nonprofit edX for \$800m
- Founded as joint venture between MIT and Harvard
- Assets include edX brand, website, and marketplace
- The transaction combines 2U's marketing engine with edX's consumer brand and marketplace
- Adds 3,000+ offerings to meet the needs of lifelong learners, from MOOCs through advanced degrees
- Adds 124 top-tier global universities, extending leadership position as digital transformation partner of choice
- Expected to close within ~120 days

## A Shared Vision (universal access to the world's best digital education)

- 2U and edX have each built industry leading, mission-driven organizations by focusing on two shared beliefs
  - First, that great nonprofit universities are the most powerful engines of social and economic mobility
  - Second, that online learning has the potential to change lives and, in doing so, change the world

## A Shared Transaction Statistics/Deal Multiples

	Metric	PP Multiple
Purchase Price (cash)	\$800m	-
Senior Leverage	\$475m	-
Revenue (LTM 06.20)	\$84.7m	9.47x
Operating Income (LTM 06.20)	\$17.4m	n/a

## Overview of edX

- Founded in 2012, edX operates as a joint venture between Massachusetts Institute of Technology and Harvard University
- The company operates as a non-profit, open-source enterprise providing free online courses from universities around the world. It hosts online university-level courses in a wide range of disciplines to a worldwide student body, including some courses at no charge. It also conducts research into learning based on how people use its platform

## Overview of 2U (NASDAQ:TWOU)

- 2U is a leading digital transformation partner for nonprofit colleges and universities
- The Company builds, delivers, and supports more than 550 digital and in-person educational offerings, including graduate degrees, undergraduate degrees, professional certificates, boot camps, and short courses, across the Career Curriculum Continuum
- 2U has two reportable segments: the Degree Program Segment and the Alternative Credential Segment

## Pro Forma Compelling Combination



## Q&A with industry thought leader and Strategy manager Liam Schwartz



### Liam Schwartz

- KPMG: Infrastructure Advisory
- Prior: Assistant Vice President for Institutional Analysis, The University of Chicago
- Prior: Assistant Provost, Institutional Research, Harvard University

Having previously served within the President's Office at Harvard University, Liam provided early analytic and related support for leadership-level strategic conversations resulting in Harvard's edX partnership with MIT.

### What were some of the early considerations driving edX?

*Online education initiatives like edX were very much rooted in challenges institutions were facing at the time. During the financial crisis, there were real questions about the viability of traditional educational models. People saw YouTube, Twitter, and other new (at the time!) platforms for developing and sharing content as potentially very serious challenges to campus-based education. Reach was key, and like the newspaper business, the future was uncertain for labor-intensive content development. Universities were wondering what their place was in an "unbundled" world.*

### What excites you about the future for edX in its partnership with 2U and where do you see the company going over the next five years?

*It is so interesting to see the trends of the past decade come full circle in this transaction. A technology company purchases the assets of a university-based consortium, which include course content developed by faculty. These assets will help extend the development of college and university courses delivered through private edtech platform. This nexus a powerful market position, and gives 2U a leg up in a very competitive space.*

### What does the success of edX tell us about the higher education market?

*For me, that online education became hugely successful as a complement – rather than a rival – to traditional models highlights a couple things about higher education. First, given the development of the skills-based economy, demand for the kinds of courses edX and others provide especially well – computer science, data science, and the like – is almost limitless. Colleges and universities did not see their markets cannibalized; the pie grew. Second, the emergence of alternatives underscored the special value of what traditional education, at its best, can provide. The experience of students during the pandemic shows the real possibilities for hybrid approaches.*

### What would you say are some of the most disruptive things you're seeing in education/edtech today?

*Edtech has opened new vistas for learners and teachers. Ten years ago, using big data to drive student success through "nudges" was revolutionary; now we see sophisticated analytic approaches across the sector. I will be interested to see where the trends toward personalized educational experiences using AI, embedded learning throughout students' "onscreen" life, and the blending of physical and digital learning (not least AR/VR) take us.*



# Notable Q3-21 U.S. education services transactions

<p>Sylvan Learning</p> <p>+</p> <p>Franchise Group</p>	<p><b>Oct. 15<sup>th</sup>: Franchise Group acquired Sylvan Learning for \$81m, 2.70 LTM Revenue, 6.8x LTM EBITDA</b></p> <ul style="list-style-type: none"> <li>— Sylvan Learning is a tutoring franchisor for Pre-K-12</li> <li>— Franchise Group is an owner and operator of franchised and franchisable businesses that continually looks to grow its portfolio of brands</li> <li>— Deal Rationale: in commenting on the transaction, Brian Kahn, President &amp; CEO of Franchise Group said: <i>“The addition of Sylvan provides Franchise Group another growing franchise concept and further diversification into consumer services...We look forward to partnering with Sylvan’s outstanding management team to accelerate their expansion plans while leveraging Franchise Group’s best practices to drive incremental efficiencies.”</i></li> </ul>
<p>Rasmussen College</p> <p>+</p> <p>American Public Education</p>	<p><b>Oct. 14<sup>th</sup>: American Public Education acquired Rasmussen College for \$329m, 1.29x Revenue, 7.7x LTM EBITDA</b></p> <ul style="list-style-type: none"> <li>— Rasmussen College is an educational institution offering diploma, bachelor, and associate degrees</li> <li>— American Public Education is a leading provider of career-focused higher education and training that provides pathways to employment and career advancement</li> <li>— Deal Rationale: in commenting on the transaction, Angela Selden, President &amp; CEO, American Public Education said: <i>“This acquisition is a very meaningful step forward in APEI’s ongoing transformation. We are focused on delivering high-quality education that leads to strong employment and career opportunities for our students...”</i></li> </ul>
<p>Walden e-Learning</p> <p>+</p> <p>Adtalem Global Education</p>	<p><b>Oct. 14<sup>th</sup>: Adtalem Global Education acquired Walden e-Learning for \$1,480m, 2.50x Revenue, 8.4x LTM EBITDA</b></p> <ul style="list-style-type: none"> <li>— Walden e-Learning is an online education provider, with a focus on healthcare and behavioral sciences</li> <li>— Adtalem Global Education is an education and workforce solutions provider</li> <li>— Deal Rationale: in commenting on the transaction, Lisa Wardell, Chairman and CEO of Adtalem said: <i>“The acquisition of Walden is a pivotal step in expanding our scale as a leading workforce solutions provider. By expanding access to education — through complementary programs and offerings, and enhanced capabilities — we are better positioned to address critical workforce shortages...”</i></li> </ul>
<p>McGraw-Hill Education</p> <p>+</p> <p>Platinum Equity</p>	<p><b>Sept. 27<sup>th</sup> : Platinum Equity acquired McGraw-Hill Education for \$6,388m, 4.14x Revenue, 16.6x LTM EBITDA</b></p> <ul style="list-style-type: none"> <li>— McGraw-Hill Education provides educational materials and learning solutions</li> <li>— Platinum Equity is private equity firm based in Beverly Hills, CA with \$23bn of assets under management</li> <li>— Deal Rationale: in commenting on the transaction, Platinum Equity Partner Jacob Kotzubei said: <i>“The company is well positioned to help shape and facilitate the continued shift to digital taking place across the education landscape, to the benefit of students, educators and administrators around the world. We are excited to work with Simon Allen and all of McGraw Hill’s talented employees to continue investing in growth and innovation.”</i></li> </ul>

Source: S&P Capital IQ. Professional Services is defined by an internally originated list of subsectors viewed as best representing the industry.

# Notable Q3-21 U.S. education services transactions

Sylvan  
Learning



Franchise  
Group

**Aug. 12th: Learning Technologies Corp. acquired GP Strategies Corp. for \$406m, 0.84x LTM Revenue, 9.5x LTM EBITDA**

- GP Strategies Corp. provides customized training solutions focused on performance improvement initiatives
- Learning Technologies Group provides a range of learning and talent software and services to corporate customers
- Deal Rationale, per Adam Stedham, CEO at GP Strategies: *"This combination not only accelerates our growth strategy, but it will also bolster GP Strategies' best-in-class platform with complementary products and specialist services to drive successful and meaningful workforce transformation for our clients."*

Rasmussen  
College



American Public  
Education

**Aug. 5th: Clearlake Capital announced the acquisitions of Cornerstone OnDemand for \$4.9bn, 6.28x LTM Revenue, 27.0x LTM EBITDA**

- Cornerstone OnDemand offers a talent management software that helps organizations in recruit, train, and manage their employees
- Clearlake Capital is private equity firm based in Santa Monica, CA with \$43bn of assets under management
- Deal Rationale, per Behdad Eghbali, Co-Founder & Managing Partner, Clearlake: *"...We believe there is a significant opportunity to strategically position Cornerstone in the market as a leading platform and industry consolidator, and we look forward to partnering with the management team to drive value through both organic growth acceleration and inorganic transformation."*

Source: S&P Capital IQ. Professional Services is defined by an internally originated list of subsectors viewed as best representing the industry.





# Publicly traded valuation metrics

# Education services public markets update

## Education Services

	Country	Market Cap <sup>(1), (2)</sup>	Relative 52-Wk	Total Enterprise Value <sup>(3)</sup>	LTM					NTM	
					Revenue	EBITDA <sup>(4)</sup>	EBITDA Margin	Revenue Growth	TEV / Revenue	TEV / EBITDA	TEV / EBITDA
Pearson plc	United Kingdom	\$7,240	53.6%	\$8,342	\$4,837	\$659	13.6%	10.6%	1.72x	12.7x	9.6x
John Wiley & Sons, Inc.	United States	2,934	61.6%	3,982	1,999	344	17.2%	8.7%	1.99x	11.6x	9.3x
Houghton Mifflin Harcourt Company	United States	1,715	92.0%	2,029	1,118	74	6.6%	(4.9%)	1.82x	27.6x	12.8x
Stride, Inc.	United States	1,444	92.4%	1,484	1,537	161	10.4%	47.7%	0.97x	9.2x	6.2x
Tribal Group plc	United Kingdom	288	82.4%	286	102	14	13.6%	8.7%	2.80x	20.5x	13.3x
<b>Mean</b>			<b>76.4%</b>				<b>12.3%</b>	<b>14.1%</b>	<b>1.86x</b>	<b>16.3x</b>	<b>10.2x</b>
<b>Median</b>			<b>82.4%</b>				<b>13.6%</b>	<b>8.7%</b>	<b>1.82x</b>	<b>12.7x</b>	<b>9.6x</b>

## Education Technology <sup>(5)</sup>

	Country	Market Cap <sup>(1), (2)</sup>	Relative 52-Wk	Total Enterprise Value <sup>(3)</sup>	LTM					NTM	
					Revenue	EBITDA <sup>(4)</sup>	EBITDA Margin	Revenue Growth	TEV / Revenue	TEV / EBITDA	TEV / EBITDA
Chegg, Inc.	United States	\$9,841	6.4%	\$9,470	\$757	\$158	20.9%	50.0%	12.52x	NM	28.6x
Coursera, Inc.	United States	4,273	4.0%	3,495	356	(99)	(27.9%)	21.4%	9.81x	NM	NM
Blackbaud, Inc.	United States	3,349	70.9%	3,891	906	83	9.2%	(0.9%)	4.29x	NM	17.1x
Learning Technologies Group plc	United Kingdom	2,286	81.2%	2,267	208	52	24.7%	27.9%	10.88x	44.0x	28.5x
<b>Mean</b>			<b>40.6%</b>				<b>6.8%</b>	<b>24.6%</b>	<b>9.37x</b>	<b>44.0x</b>	<b>24.7x</b>
<b>Median</b>			<b>38.6%</b>				<b>15.1%</b>	<b>24.6%</b>	<b>10.34x</b>	<b>44.0x</b>	<b>28.5x</b>

Notes:

1. Market Capitalization amounts are in millions, based on closing share prices as of September 30, 2021.
2. Market Capitalization is based on foreign exchange listed securities and converted to \$USD.
3. Total Enterprise Value (TEV) is defined as Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents.
4. EBITDA is defined as Earnings before Interest, Taxes, Depreciation, and Amortization.
5. Excluded Cornerstone OnDemand, Inc., considering Clearlake Capital Group, L.P. entered into a definitive agreement to acquire remaining 91.63% stake in Cornerstone OnDemand, Inc. (NasdaqGS:CSOD) on August 5, 2021. The transaction is expected to be completed in the second half of 2021

Source: S&P Capital IQ. Education Services is defined by an internally originated list of subsectors viewed as best representing the industry.



# Education services public markets update (continued)

## Secondary & Post-Secondary Education

	Country	Market Cap <sup>(1), (2)</sup>	Relative 52-Wk	Total Enterprise Value <sup>(3)</sup>	LTM						NTM
					Revenue	EBITDA <sup>(4)</sup>	EBITDA Margin	Revenue Growth	TEV / Revenue	TEV / EBITDA	TEV / EBITDA
Bright Horizons Family Solutions Inc.	United States	\$8,443	16.3%	\$9,853	\$1,547	\$110	7.1%	(15.6%)	6.37x	NM	27.6x
Grand Canyon Education, Inc.	United States	3,935	30.6%	4,010	875	313	35.8%	7.5%	4.58x	12.8x	11.9x
Laureate Education, Inc.	United States	3,200	81.8%	3,415	1,051	249	23.7%	(6.6%)	3.25x	13.7x	13.6x
2U, Inc.	United States	2,505	16.4%	2,394	886	(41)	(4.6%)	31.2%	2.70x	NM	33.1x
Adtalem Global Education Inc.	United States	1,876	70.7%	2,686	1,112	251	22.5%	5.7%	2.41x	10.7x	5.9x
Strategic Education, Inc.	United States	1,718	5.9%	1,744	1,096	222	20.2%	6.8%	1.59x	7.9x	7.1x
Perdoceo Education Corporation	United States	740	8.2%	314	699	161	23.0%	5.9%	0.45x	2.0x	1.9x
AcadeMedia AB (publ)	Sweden	724	10.3%	1,710	1,559	323	20.7%	18.2%	1.10x	5.3x	5.1x
American Public Education, Inc.	United States	479	6.0%	172	332	40	11.9%	10.9%	0.52x	4.4x	2.1x
Universal Technical Institute, Inc.	United States	222	79.5%	378	314	26	8.3%	0.6%	1.20x	14.5x	7.1x
Lincoln Educational Services Corporation	United States	180	60.1%	237	319	26	8.1%	14.3%	0.74x	9.1x	8.4x
<b>Mean</b>			<b>35.1%</b>				<b>16.1%</b>	<b>7.2%</b>	<b>2.27x</b>	<b>8.9x</b>	<b>11.3x</b>
<b>Median</b>			<b>16.4%</b>				<b>20.2%</b>	<b>6.8%</b>	<b>1.59x</b>	<b>9.1x</b>	<b>7.1x</b>

## Training Services

	Country	Market Cap <sup>(1), (2)</sup>	Relative 52-Wk	Total Enterprise Value <sup>(3)</sup>	LTM						NTM
					Revenue	EBITDA <sup>(4)</sup>	EBITDA Margin	Revenue Growth	TEV / Revenue	TEV / EBITDA	TEV / EBITDA
CAE Inc.	Canada	\$9,480	90.4%	\$10,856	\$2,570	\$434	16.9%	4.4%	4.22x	25.0x	15.8x
Franklin Covey Co.	United States	577	89.5%	576	204	21	10.4%	(4.9%)	2.82x	27.2x	18.5x
<b>Mean</b>			<b>89.9%</b>				<b>13.6%</b>	<b>(0.2%)</b>	<b>3.52x</b>	<b>26.1x</b>	<b>17.2x</b>
<b>Median</b>			<b>89.9%</b>				<b>13.6%</b>	<b>(0.2%)</b>	<b>3.52x</b>	<b>26.1x</b>	<b>17.2x</b>
<b>Total Mean</b>			<b>50.5%</b>				<b>13.3%</b>	<b>11.3%</b>	<b>3.58x</b>	<b>15.2x</b>	<b>13.5x</b>
<b>Total Median</b>			<b>60.8%</b>				<b>13.6%</b>	<b>8.1%</b>	<b>2.56x</b>	<b>12.7x</b>	<b>11.9x</b>

Notes:

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3. Total Enterprise Value (TEV) is defined as Market Capitalization plus Debt, Preferred Equity, and Minority Interest, minus Cash and Cash Equivalents.
4. EBITDA is defined as Earnings before Interest, Taxes, Depreciation, and Amortization.

Source: S&P Capital IQ. Education Services is defined by an internally originated list of subsectors viewed as best representing the industry.



# Select recent M&A transaction detail

# Education services sector M&A activity with disclosed transaction detail

Date	Target	Target Sector	Business Description	Buyer / Investors	TEV	Unadjusted LTM Multiples	
						TEV / Revenue	TEV / EBITDA
15-Oct-21	Sylvan Learning	Education Services	Tutoring franchisor for Pre-K-12	Franchise Group	\$81.0	2.70x	6.8x
14-Oct-21	Rasmussen College	Secondary & Post-Secondary Education	Educational institution offering diploma, bachelor, and associate degrees	American Public Education	\$329.0	1.29x	7.7x
14-Oct-21	Walden e-Learning	Education Technology	Online education provider, with a focus on healthcare and behavioral sciences	Adtalem Global Education	\$1,480.0	2.50x	8.4x
27-Sep-21	McGraw-Hill Education	Education Services	Educational materials and learning solutions	Platinum Equity	\$6,387.8	4.14x	16.6x
12-Aug-21	GP Strategies Corp.	Corporate Training Services	Provides customized training solutions focused on performance improvement initiatives	Learning Technologies Group	\$406.4	0.84x	9.5x
05-Aug-21	Cornerstone OnDemand	Corporate Training Services	Offers a talent management software that helps organizations in recruit, train, and manage their employees	Clearlake Capital Group	\$5,216.6	6.28x	27.0x
29-Jun-21	edX	Education Technology	Online learning platform and education marketplace	2U	\$800.0	9.45x	NA
30-Mar-21	Michigan Institute of Aeronautics	Secondary & Post-Secondary Education	Educational institution offering vocational and technical certificates and associates degrees	Universal Technical Institute	\$26.0	1.04x	7.4x
04-Dec-20	eThink Education	Education Technology	Learning management solutions provider	Learning Technologies Group	\$36.0	3.79x	12.9x
30-Nov-20	Tech Elevator	Education Services	Coding bootcamp and career prep program services	K12	\$23.8	2.17x	11.9x
30-Nov-20	MedCerts	Corporate Training Services	Online training and learning services for healthcare and IT sectors	K12	\$80.6	4.24x	20.1x
25-Nov-20	Simon & Schuster	Education Services	Education publishing business	Bertelsmann SE & Co.	\$2,175.0	2.67x	15.2x
<b>Mean</b>						<b>3.43x</b>	<b>13.1x</b>
<b>Median</b>						<b>2.69x</b>	<b>11.9x</b>

Source: S&P Capital IQ and Mergermarket.

# Select education services M&A activity

Date	Target	Target Sector / Core End Markets	Business Description	Buyer / Investors	TEV
30-Sep-21	AEFIS	Secondary & Post-Secondary Education	Offers a cloud-based integrated assessment management platform for evaluation, curriculum review and campus-wide accreditation processes	HelioCampus	NA
21-Sep-21	Frank	Secondary & Post-Secondary Education	Provides a financial platform that helps collage students manage their financial aid and student debt	JPMorgan Chase & Co.	NA
16-Sep-21	Neuron Fuel	Education Technology	Offers a creative online learning platform that teaches kids programming skills in an engaging way	Think and Learn	NA
15-Sep-21	Going Merry	Secondary & Post-Secondary Education	Provides an education management platform to help students finance their education and apply for scholarships	Earnest Operations	NA
15-Sep-21	Elemeno	Education Technology	Offers a research-based educational technology platform that helps students learn to read	MetaMetrics	NA
14-Sep-21	At Your Pace Online	Corporate Training Services	Offers online learning and professional licensure platform for construction, real estate and other end markets	American Safety Council / Ridgemont Equity Partners	NA
14-Sep-21	Blackboard	Secondary & Post-Secondary Education	Provides enterprise technology and innovative solutions that enhance teaching and learning methods	Anthology	NA
08-Sep-21	Service Scout	Education Technology	Provides an educational tutorial platform for students to connect with individual tutors for hobbies, academic subjects and professional training	Microsoft Corp.	NA
31-Aug-21	UpStryve	Education Technology	Offers a platform for online exam and licensing prep for state or national exams	ProBility Media Corp.	\$4.6
30-Aug-21	Achieve3000	Education Services	Offers reading comprehension, vocabulary and writing proficiency solutions to K-12 schools	McGraw-Hill Education	NA
30-Aug-21	CUX	Education Technology	Offers virtual leaning communities that connect employees by integrating social media, cloud computing and mobile technologies	Udemy,	NA
23-Aug-21	Coursetune	Education Technology	Offers a learner-centered intruactional design tool to plan, map and design curriculums	Academic Partnerships	NA

Source: S&P Capital IQ and Mergermarket.



# Select education services M&A activity (continued)

Date	Target	Target Sector / Core End Markets	Business Description	Buyer / Investors	TEV
23-Aug-21	Pathways Training & eLearning	Education Technology	Offers training, learning technologies and change management solutions	Pluribus Technologies	NA
12-Aug-21	Awato	Education Services	Provides a personalized career pathfinding platform for students and educational institutions	Xello	NA
06-Aug-21	Smoothwall	Education Services	Provides schools content awareness analysis tools that filter incoming web traffic from illegal and harmful websites	Family Zone Cyber Safety	\$104.0
06-Aug-21	KidPass	Education Services	Offers an online subscription service that helps parents book activities for their kids	Conscious Content Media	NA
05-Aug-21	Freedom Learning Group	Secondary & Post-Secondary Education	Provides solutions for large curriculum development projects within K-12 and Higher Education	Achieve Partners	NA
26-Aug-21	Cybint International	Corporate Training Services	Provides online cybersecurity training for students and enterprises	HackerU Global	\$50.0
04-Aug-21	Fast Forward Academy	Education Services	Provides education and coaching for tax and accounting professionals	Cerifi	NA
03-Aug-21	Ellevation	Education Technology	Provides a web-based software platform for ELL educators and English teachers	Curriculum Associates	NA
20-Jul-21	EverFi	Corporate Training Services	Offers a digital learning platform designed to help organizations to instill knowledge around critical topics such as financial literacy	Vector-Solutions.com	\$100.0
18-Aug-21	Reading Plus	Education Technology	Provides an adaptive literacy program that helps students develop fluency, reading comprehension and vocabulary skills while measuring their performance	DreamBox Learning	NA
08-Jul-21	Twig Education	Education Technology	Provides multimedia products based on science curriculum for teachers and students of K-12	Weld North Education	NA
13-Jul-21	WayUp	Corporate Training Services	An online job marketplace that connects students to job and internship opportunities	RECSOLU	NA

Source: S&P Capital IQ and Mergermarket.



# Select education services M&A activity (continued)

Date	Target	Target Sector / Core End Markets	Business Description	Buyer / Investors	TEV
13-Jul-21	SchoolPointe	Education Technology	Offers content management services to manage public school websites and mobile apps for K-12 students	Active Internet Technologies	NA
08-Jul-21	A Cloud Guru	Corporate Training Services	Offers an online courses that help prepare engineers to take certification exams for the three major cloud providers	Pluralsight	\$2,000.0
29-Sep-21	Heggerty	Education Technology	Provides a comprehensive suite of phonemic and phonological awareness tools to K-12 educators	L Squared Capital Partners	NA
28-Sep-21	Fiveable	Secondary & Post-Secondary Education	Offers live-streamed discussions, on-demand video lectures, study guides and academic support for AP courses	Union Square Ventures	\$10.0
22-Sep-21	GrowthSpace	Corporate Training Services	Offers an online coaching platform focused on mentorship, lectures and workshops for corporate employees	Vertex Ventures	\$15.0
09-Sep-21	Teaching Strategies	Education Services	Provides curriculum, assessment and family engagement tools catered towards the early childhood education market	A-Street Ventures	NA
13-Oct-21	Texas Teachers of Tomorrow	Education Services	Provides an alternate certification program that offers online and in-person training to individuals pursuing a career in teaching	TPG Growth	NA
02-Sep-21	Panorama Education	Education Services	Offers a platform to easily conduct surveys of students, parents and teachers, helping administrators collect and analyze valuable data	General Atlantic	NA
01-Sep-21	Follett School Solutions	Secondary & Post-Secondary Education	Provides educational materials as well as a library management system to schools and universities	Francisco Partners	NA
30-Aug-21	Stukent	Education Technology	Offers a cloud-based platform that delivers digital courseware and simulations to schools, colleges and universities	Tritium Partners	NA
26-Aug-21	Incident IQ	Education Technology	Offers service management platform for K-12 school districts to manage workflows across IT, facilities and operations	JMI Management	NA
24-Aug-21	NoRedInk Corp.	Education Technology	Offers an online learning platform for young students to improve their grammar and writing skills	Susquehanna Growth Equity	\$50.0

Source: S&P Capital IQ and Mergermarket.

# Select education services M&A activity (continued)

Date	Target	Target Sector / Core End Markets	Business Description	Buyer / Investors	TEV
13-Aug-21	Kiddom	Education Technology	Provides a platform that delivers digital curriculum focused on engaging students	Altos Ventures	\$35.0
10-Aug-21	Product School	Corporate Training Services	Offers corporate training and product management courses for business professionals	Leeds Equity Partners	\$25.0
05-Aug-21	ReUp Education	Secondary & Post-Secondary Education	Provides a tech-driven solution that helps universities and community colleges motivate and re-enroll students after they have dropped out	Sterling Partners	NA
05-Aug-21	Liminex	Education Technology	Offers software that helps protect students online while giving educators better control over how classroom technology is used	Tiger Global	\$200.0
16-Aug-21	ParentSquare	Education Technology	Offers a communication platform that helps parents, teachers and students better connect with each other	Serent Capital	NA
28-Jul-21	Class Technologies	Education Technology	Provides an integrated virtual classroom software for proctoring assignments and exams	SoftBank	\$105.0
22-Jul-21	OpenSesame	Corporate Training Services	Offers a comprehensive set of training courses for businesses and employees	Altos Ventures	NA
21-Jul-21	SoloLearn	Education Technology	Offers a digital learning platform for programming courses like C++, Java and other coding languages	Drive Capital	NA
31-Aug-21	Teaching Strategies	Education Services	Offers solutions like curriculum building and distance learning for public schools, family and private child care	KKR & Co.	NA
19-Jul-21	Numerade Labs	Education Services	Offers interactive educational content as well as a tech-enabled tutor	IDG Ventures	NA
20-Jul-21	eLuma	Education Technology	Offers an online learning platform to connect with K-12 students to support mental health, speech therapy, physical therapy and other needs	Leeds Equity Partners	NA
19-Jul-21	Simplilearn	Corporate Training Services	Offers online training and professional certification courses a variety of different verticals	Blackstone	\$250.0

Source: S&P Capital IQ and Mergermarket.

# Select education services M&A activity (continued)

Date	Target	Target Sector / Core End Markets	Business Description	Buyer / Investors	TEV
13-Jul-21	SchoolStatus	Education Technology	Offers a web-based data analytics platform that helps K-12 educators integrate disjointed data sets from multiple sources onto one platform	Providence Strategic Growth Capital Partners	NA
09-Jul-21	CodeBoxx	Education Technology	Offers a 16-week business-oriented coding boot camp that helps students develop the skills required as a software developer	MLG Ventures	\$2.0
07-Jul-21	Osso VR	Corporate Training Services	Offers a virtual training and assessment platform focused on surgical procedures and medical devices	Kaiser Permanente Ventures	\$27.0
22-Sep-21	Code Ninjas	Education Services	Network of youth coding learning franchise	Eagle Merchant Partners	NA
15-Sep-21	Ellucian Co.	Education Technology	Enterprise resource planning software to higher-education institutions	Blackstone / Vista Equity Partners	NA
08-Sep-21	Education Revolution	Education Technology	Online learning platform that adjusts to individuals learning needs across any educational content	Pushfor Investments	\$3.2
08-Sep-21	Service Scout	Education Technology	Online education platform connecting students with tutors in various subjects	Microsoft Corp.	NA
02-Sep-21	Clever	Education Technology	A digital learning platform for U.S. K-12 schools	Kahoot! ASA	\$500.0
01-Sep-21	Tutorfly	Education Technology	Operates as an online peer tutoring platform	Kip McGrath Education Centres	\$1.2
01-Sep-21	Sherpa Coaching	Corporate Training Services	Executive coaching and leadership development training services	MLink Technologies / Sweetview Partners	NA
31-Aug-21	Teaching Strategies	Education Services	Curriculum, assessment, and family engagement tools for early education	KKR & Co.	NA
11-Aug-21	Graduate School USA	Corporate Training Services	Expert training and workforce development for federal, state and local government	American Public Education	\$1.0

Source: S&P Capital IQ and Mergermarket.

# Select education services M&A activity (continued)

Date	Target	Target Sector / Core End Markets	Business Description	Buyer / Investors	TEV
02-Aug-21	DigitalCrafts	Corporate Training Services	Bootcamp training in web development and design and cybersecurity areas	Perdoceo Education Corp.	\$18.8
29-Jul-21	Bricks4Schoolz	Education Technology	Interactive online student platform for mathematic applications	Creative Learning Corp.	\$0.2
26-Jul-21	Apex Learning	Education Technology	Digital curriculum and virtual learning solutions for secondary education	Edmentum / The Vistria Group	NA
21-Jul-21	Epic! Creations	Education Technology	E-books for kids	Think and Learn	\$500.0
20-Jul-21	EverFi (Higher Education Business)	Education Technology	Online training catalog for colleges	Vector-Solutions / Genstar Capital	\$100.0
30-Jun-21	PLUMA	Corporate Training Services	Web / mobile SaaS solution for professional development and executive coaching	Skillsoft Corp.	\$22.0
28-Jun-21	Edulastic	Education Technology	Online assessment tools for K-12 teachers and administrators	Liminex / Tiger Global Management	NA
24-Jun-21	Schoolrunner	Education Technology	Student data system for teachers and schools	Hero K12 / BV Investment Partners	NA
16-Jun-21	Questionmark Corporation	Education Technology	Enterprise-grade assessment platform and professional services	Learnosity / Battery Ventures	NA
15-Jun-21	Hayes Software	Education Technology	Edtech platform to empower K-12 school administrators	Frontline Technologies Group / Thoma Bravo	NA
11-Jun-21	Global Knowledge Training	Corporate Training Services	IT and technology training and learning solutions	Skillsoft Corp.	\$233.0
10-Jun-21	Digital Architecture Group	Education Technology	Develops catalog and curriculum management software solutions	Modern Campus / The Riverside Company	NA

Source: S&P Capital IQ and Mergermarket.

# Select education services M&A activity (continued)

Date	Target	Target Sector / Core End Markets	Business Description	Buyer / Investors	TEV
09-Jun-21	Kanopy	Education Technology	Online video streaming platform for the education sector	OverDrive / KKR & Co.	NA
07-Jun-21	Affinaquest	Education Technology	Higher education advancement software provider	SSB Consulting Group / Strattam Capital	NA
02-Jun-21	eDriving	Education Technology	Offers online driving courses	Solera / Vista Equity Partners	NA
01-Jun-21	Vital Source Technologies	Education Technology	Provider of online textbooks and course materials	Francisco Partners Management	NA
25-May-21	Creative Educational Concepts	Education Technology	Medical education company offering live and web-based solutions	Knowfully Learning Group / NexPhase Capital	NA
25-May-21	codeSpark	Education Technology	Learn-to-code application for children	Conscious Content Media	NA
25-May-21	Knowledge Matters	Education Technology	Educational simulations for business, marketing, and personal finance	eDynamic Learning / Gauge Capital	NA
19-May-21	internalDrive	Education Services	STEM education online programs	Eruditus Executive Education	\$200.0
10-May-21	Educational Media Group	Education Services	Provider of online education lectures	CuriosityStream	\$4.5
10-May-21	EAB Global	Education Services	Education research, technology, and marketing and enrollment solutions	BC Partners	NA
07-May-21	eScholar	Education Technology	Educational data management and data warehousing solutions	Constellation Software	NA
04-May-21	ScholarChip Card	Education Technology	Web-based school safety and behavior management systems for education institutions	Valsef Capital	NA

Source: S&P Capital IQ and Mergermarket.

# Select education services M&A activity (continued)

Date	Target	Target Sector / Core End Markets	Business Description	Buyer / Investors	TEV
04-May-21	Triad Interactive	Education Technology	Developer of SIMnet product used for undergraduate computer and information technology courses	McGraw-Hill Education / Platinum Equity	NA
03-May-21	Underscore	Education Technology	Slate development and optimization company catering colleges and universities	Carnegie Dartlet / New Heritage Capital	NA
26-Apr-21	Entrefuse	Education Technology	Online training and placement services	Franklin Covey Co.	\$19.8
21-Apr-21	Othot	Education Technology	Advanced analytics software for higher education enrollment and retention solutions	Liaison International. / Polaris Venture Partners	NA
15-Apr-21	eChalk	Education Technology	K-12 accessible website and communication	Edlio / LLR Partners	NA
31-Mar-21	Script	Education Technology	Digital administration platform	LINQ / Banneker Partners	NA
31-Mar-21	Certified Training Institute	Corporate Training Services	Online professional licensure and state-mandated continuing education	American Safety Council / Ridgemont Equity Partners	NA
12-Mar-21	Nearpod	Education Technology	Teacher-facilitated instructional delivery provider	Renaissance Learning / Francisco Partners	\$650.0
01-Mar-21	MediaPro	Education Technology	Security and privacy training solutions company	KnowBe4	\$36.0
08-Jan-21	Apolloversity	Education Technology	Online coding and computer programming lessons	Pluralsight / Vista Equity Partners	\$25.0
31-Dec-20	HigherSchool Publishing Company	Education Services	Tutoring, supplemental instruction, and learning services for students	Nelnet	\$24.7
09-Oct-20	DevelopIntelligence	Education Technology	Software developer training solutions	Pluralsight / Vista Equity Partners	\$49.0

Source: S&P Capital IQ and Mergermarket.



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