

## Seale & Associates

EDUCATION SERVICES
Q1 2023
VALUATION UPDATE

## Introduction

We are pleased to share our Education Services Multiples Valuation Update for Q1 2023.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our clients' strategic objectives in a range of transactions including Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures, among other corporate finance and strategy consulting services.

Over the course of 23+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our Education Services clients that are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms and family-owned businesses across a wide range of industries.



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SEALE & ASSOCIATES' SECTOR RELEVANT EXPERIENCE

### GRUPO EDUCATIVO IEJV

**TARGET:** Grupo Educativo IEJV

**TRANSACTION TYPE:** Divestiture advisory

**INDUSTRIES:** Education

**GEOGRAPHY:** San Luis Potosi, Mexico

#### **SITUATION**

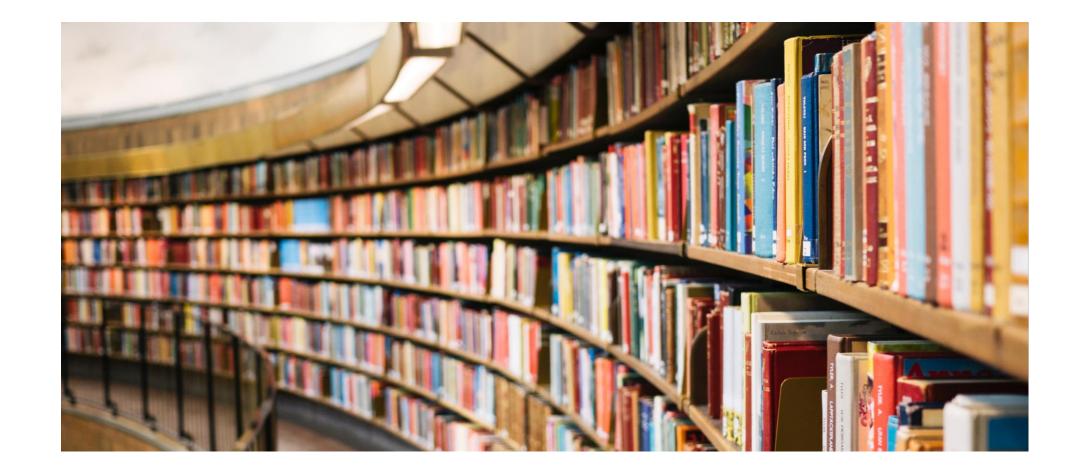
Seale & Associates acted as exclusive financial advisor to the shareholders of Grupo Educativo Instituto Educativo Jose Vasconcelos ("IEJV") in the divestiture of its business, which comprises two secondary schools and a higher education institution with more than 4,300 students.

#### **SEALE & ASSOCIATES' APPROACH**

Seale managed a competitive auction process with potential strategic and financial buyers for Grupo Educativo IEJV. Seale's disciplined approach allowed our client to maintain momentum and negotiating leverage throughout the process and ensure closing at a premium value and more favorable terms.

#### **OUTCOME**

The process resulted in the sale of Grupo Educativo IEJV's business to Nacer Global, a leading Mexican conglomerate with interests in education and the media, whose educational network is comprised by more than 250,000 students, over 7,000 teachers, 14 brands, and 82 higher education institutions.









has been acquired by



"Grupo IEJV is one of the main educational institutions in San Luis Potosi and has achieved incredible recognition in the market due to their high-quality education and their accessible tuitions."

Sergio Garcia Del Bosque, Managing Director, Seale & Associates SEALE & ASSOCIATES' SECTOR RELEVANT EXPERIENCE

### ANNE SULLIVAN

**TARGET:** Anne Sullivan

**TRANSACTION TYPE:** Divestiture advisory

**INDUSTRIES:** Education

**GEOGRAPHY:** Mexico City, Mexico

#### **SITUATION**

Seale & Associates acted as exclusive financial advisor to the shareholders of Anne Sullivan in the divestiture of its business to Discovery Americas through its educational platform Merited, which invests in schools throughout the Mexican Republic.

#### **SEALE & ASSOCIATES' APPROACH**

Seale managed a competitive auction process with potential strategic and financial buyers for Anne Sullivan. Seale's disciplined approach allowed our client to maintain momentum and negotiating leverage throughout the process and ensure closing at a premium value and more favorable terms.

#### **OUTCOME**

The process resulted in a partnership and a few years later turned out to be a successful acquisition of Anne Sullivan by Discovery Americas, which is a leading Mexican private equity fund than invests in education, health financial services, transport and logistics sectors.





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"For us, the sale of the school was a complex issue, both financially and emotionally. Thanks to the seriousness and professionalism of the team at Seale, we were able to have the required support to make reasonable decisions. This, and the overall quality of guidance throughout the process, confirmed that we had made the right decision.

Without the support and empathy that they showed along the way, the result would not have been optimal. I would not hesitate for a moment to work with them again."

Carlos Barron, Owner, Anne Sullivan

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### Educational Institutions Global Comparable Public Companies

Company		Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2023	
Company							2021	2022	EV/ EBITDA	EV/ Revenue
AcadeMedia AB (publ)	AcadeMedia	SWE	\$527	\$1,530	\$1,420	10.1%	6.0x	5.3x	5.2x	1.1x
Adtalem Global Education Inc.	ADT\LEM GLOBAL EDUCATION	USA	\$1,755	\$2,456	\$1,445	24.0%	8.8x	7.7×	6.4x	1.7x
American Public Education, Inc.		USA	\$103	\$249	\$606	7.4%	6.8x	6.7x	3.9x	0.4x
Anima Holding S.A.	ănima EDUCAÇÃO	BRA	\$187	\$1,178	\$674	22.3%	13.2x	7.8x	6.0x	1.7x
Laureate Education, Inc.	LAUREATE INTERNATIONAL UNIVERSITIES	USA	\$1,846	\$2,409	\$1,242	26.5%	9.4x	5.4x	6.0x	1.9x
Perdoceo Education Corporation	PERDOCEO EDUCATION CORPORATION	USA	\$902	\$427	\$695	21.9%	2.4x	1.9x	2.5x	0.6x
Ser Educacional S.A.	ser educacional	BRA	\$82	\$327	\$317	18.0%	5.5x	4.7x	4.3x	1.0x
Strategic Education, Inc.	SEI STRATEGIC EDUCATION, INC.	USA	\$2,170	\$2,193	\$1,065	12.6%	6.9x	7.1x	13.5x	2.1x
Yduqs Participações S.A.	YDUQS	BRA	\$404	\$1,247	\$863	24.3%	10.4x	6.8x	4.6x	1.4x
Excluded from mean and median						Mean Median	8.4x 7.9x	5.9x 6.7x	4.9x 4.9x	1.3x 1.4x

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### Tutoring and Exam Preparation Global Comparable Public Companies

Company		Country	Market	Enterprise Value	Revenue	EBITDA	Annual Average EV/EBITDA		First Quarter Mar. 31, 2023	
			Cap. US\$M	US\$M	US\$M	Margin	2021	2022	EV/ EBITDA	EV/ Revenue
Digital Daesung Co., Ltd.	DIGIT@L DESUNG	KOR	\$133	\$124	\$168	19.5%	7.4x	5.1x	4.0x	0.8x
Graham Holdings Company	GH GRAHAM HOLDINGS	USA	\$2,850	\$3,323	\$3,924	13.8%	6.0x	6.0x	5.0x	0.8x
Riso Kyoiku Co., Ltd.	♣リソ-教育グル-プ	JPN	\$382	\$331	\$231	9.0%	25.5x	14.0x	14.8x	1.4x
Vasta Platform Limited	VASTA PLATFORM	BRA	\$264	\$398	\$239	27.3%	30.7x	23.5x	6.2x	1.7x
Excluded from mean and median						Mean	6.7x	5.5x	5.0x	1.2x
						Median	6.7x	5.5x	5.0x	1.1×

### Educational Materials Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2023		
Company	Company					2021	2022	EV/ EBITDA	EV/ Revenue	
Bloomsbury Publishing Plc	BLOOMSBURY	GBR	\$448	\$411	\$294	12.2%	10.3x	9.6x	10.2x	1.3x
John Wiley & Sons, Inc.	WILEY	USA	\$2,136	\$3,094	\$2,039	14.2%	11.4x	10.2x	10.4x	1.5x
Pearson plc	Pearson	GBR	\$7,457	\$8,385	\$4,628	12.9%	13.0x	12.8x	12.3x	1.8x
						Mean	11.6x	10.9x	11.0x	1.5x
						Median	11.4x	10.2x	10.4x	1.5x

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### **Education - Q1 Global Transactions**

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Mar-23	Dorsey College	USA	Provides career training education programs	LINDENWOOD UNIVERSITY	-	100.0%	-	-	-
Mar-23	Faculdade de Medicina de Itumbiara LTDA	BRA	Offers medicinal trainings and courses	Clariens	IMEP/C CENTRO UNIVERSITÁRIO	100.0%	-	-	-
Mar-23	<b>QUOTTLY</b>	USA	Offers online educational courses	parchment parchment	e	100.0%	-	-	-
Mar-23	epigeum	GBR	Provides online courses for universities and colleges	<b>S</b> Sage	OXFORD UNIVERSITY PRESS	100.0%	-	-	-
Mar-23	Pearson Italia S.p.A	ITA	Offers online training for primary and secondary school teachers	Undisclosed	Pearson	100.0%	-	-	-
Feb-23	CODING	USA	Offers computer programming and general technology development	PERDOCEO EDUCATION CORPORATION	EASTWARD CAPITAL PARTNERS	100.0%	\$81.4	-	-
Feb-23	ENHANCED	USA	Provides tutoring and test preparation services for students	Study.com	-	100.0%	-	-	-
Feb-23	Major, Clarity	USA	Operates an online platform for career tracking and academic planning	PAPER	-	100.0%	-	-	-
Feb-23	WINSOR	USA	Provides online training and education courses	imagine learning	-	100.0%	-	-	-
Jan-23	<b>LASO</b> EDUCATION	USA	Operates an online education platform	7 M <sup>2</sup> NDSETS	-	100.0%	-	-	-
Jan-23	PENNSY EVANIA COLLEGE OF HEALTH SCIENCES	USA	Provides nursing and health sciences degrees and certifications	SJU SAINT JOSEPH'S UNIVERSITY	-	100.0%	-	-	-
Jan-23	<b>SimedCof</b>	BRA	Offers online medical courses	WISER	-	100.0%	-	-	-
Jan-23	nwea	USA	Non-profit organization that offers educational consulting services	HMH	-	100.0%	-	-	-
Jan-23	PRESIDIO GRADUATE SCHOOL	USA	Provides MBA, MPA, and Dual MBA/MPA degree programs	Redlands	-	100.0%	-	-	-
Jan-23	eventleadership	USA	Provides online education, training, and professional development programs	pcma	-	100.0%	-	-	-
Jan-23	EQUITY IIMPACTI CENTER	USA	Offers a varierty of leadership, fellowship and creative programs	SVP PITTSBURGH	-	100.0%	-	-	-

## Representative Global Engagements

























































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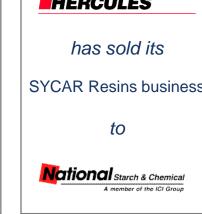
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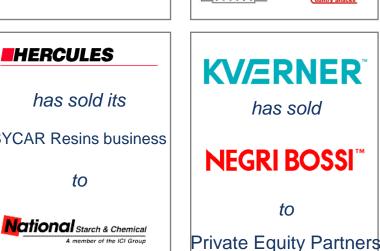
**IMCD** 

































## Advisor to Leading Companies Worldwide









































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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry

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#### Creative Solutions. Trusted Advice.

Founded in 1999, Seale & Associates is a leading global investment bank with extensive experience in mergers and acquisitions and corporate finance advisory services. Seale has an outstanding track record closing hundreds of sell-side and buy-side transactions, more than US\$50 billion in value, across a wide range of industries around the world. Our professionals are trusted advisors maintaining the highest quality and utmost integrity.

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### Trusted Advisor to Leading Companies Worldwide

We have worked repeatedly with many of the most well-known companies in the world...



















...as well as with many funds, family-offices and privately



















































# Seale & Associates

Creative Solutions. Trusted Advice.