



Seale & Associates

EDUCATIONAL SERVICES
Q4 2024
VALUATION UPDATE

25 years

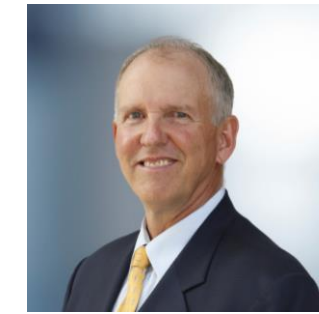
Introduction

We are pleased to share our Educational Services Industry Multiples Valuation Update for Q4 2024.

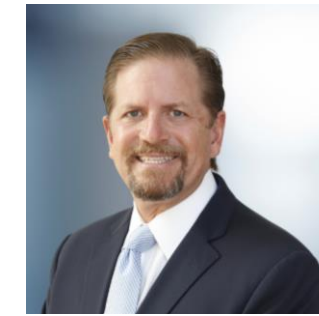
At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's strategic objectives in a range of transactions, including **Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures**, among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

Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who 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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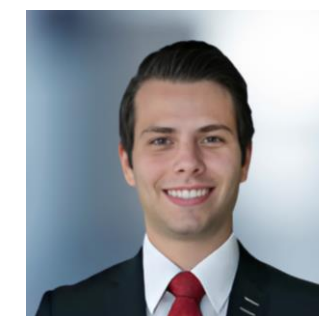
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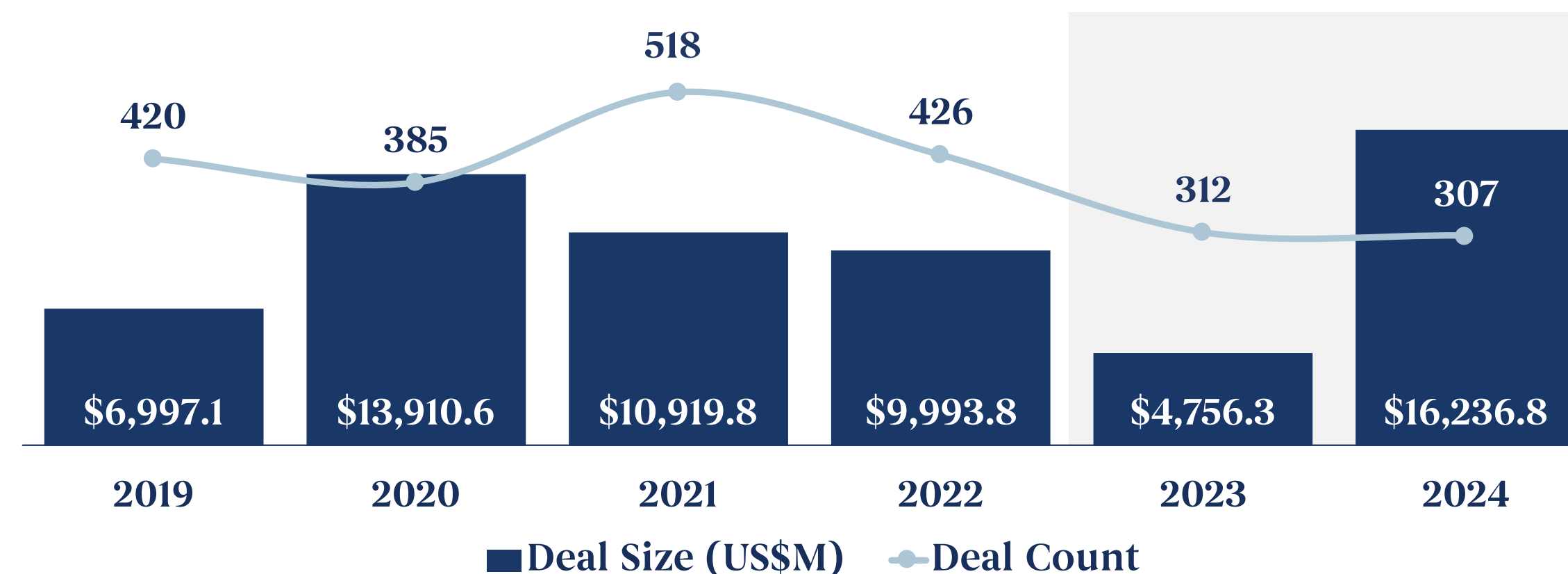


Educational Services Industry Overview, M&A Trends and Market Intelligence

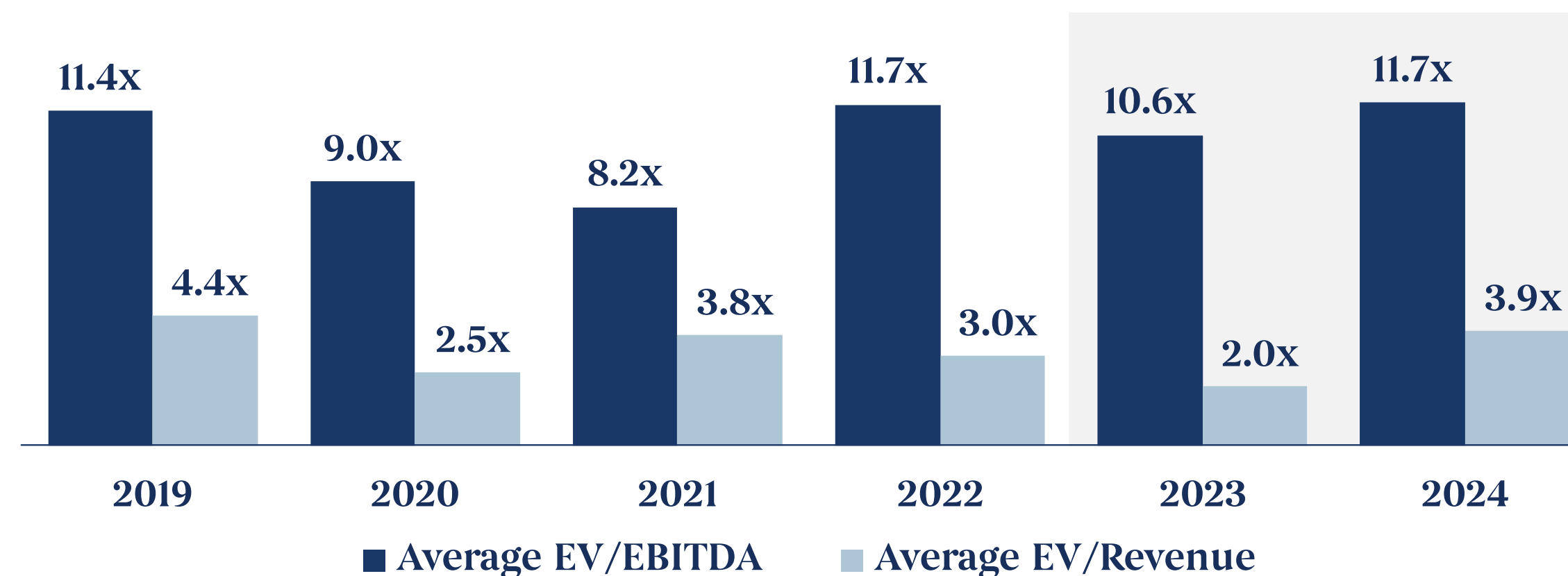
Educational Services Overview

- The global educational services market was **US\$1,441.9 billion** in 2023 and market is projected to touch **US\$2,395.1 billion** by 2032, at a **CAGR of 5.8%** during the forecast period
- Online education** is witnessing a surge in demand, driven by factors such as **convenience, changing skills requirements, and talent shortages**. The integration of **AI** promises to revolutionize the education landscape with personalized and efficient learning experiences, set to propel the global education market to new heights, with estimates predicting a global increase of approximately **US\$21.0 billion** by 2028.
- Despite a slow start **valuations** for small, mid and large online education companies are back to their **pre-COVID** levels, with the average small and medium companies being valued at **2.0x to 3.0x** TTM revenue.
- Amidst unpredictable economic forecasts, investors **avored midsize transactions**. This pivot toward midsize deals **reflects the industry's cautious optimism**, opting for safer, more distributed capital deployment, and signals future **consolidation opportunities** as smaller companies prove their mettle post-integration.
- As the global economy becomes more **knowledge-based**, there is a growing demand for workers with **higher levels of education and training**.

Education Services Industry M&A Deal Size and Volume



Education Services Industry M&A Average EV/EBITDA and EV/Revenue









Source: Business Research Company, World Economic Forum, Statista, LEK Consulting, Other industry reports




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 | | Fourth Quarter Dec. 31, 2024 | | |
|---------------------------------|---|-------------------|------------------------|---------------|---------------|--------------------------|-------|------------------------------|------------|------|
| | | | | | | 2022 | 2023 | EV/EBITDA | EV/Revenue | |
| AcadeMedia AB (publ) |  SWE | \$619 | \$1,760 | \$1,657 | 20.6% | 5.3x | 5.0x | 5.2x | 1.1x | |
| Adtalem Global Education Inc. |  USA | \$3,406 | \$3,985 | \$1,688 | 23.4% | 7.7x | 6.8x | 10.1x | 2.4x | |
| American Public Education, Inc. |  USA | \$382 | \$490 | \$613 | 11.8% | 6.7x | 4.4x | 6.8x | 0.8x | |
| Ânima Holding S.A. |  BRA | \$96 | \$816 | \$616 | 33.6% | 7.8x | 6.3x | 3.9x | 1.3x | |
| Grand Canyon Education, Inc. |  USA | \$4,708 | \$4,551 | \$1,019 | 31.9% | 9.2x | 12.1x | 14.0x | 4.5x | |
| Laureate Education, Inc. |  USA | \$2,756 | \$3,121 | \$1,553 | 33.0% | 5.4x | 5.9x | 6.1x | 2.0x | |
| Perdoceo Education Corporation |  USA | \$1,740 | \$1,040 | \$653 | 27.8% | 1.9x | 2.7x | 5.7x | 1.6x | |
| Ser Educacional S.A. |  BRA | \$92 | \$319 | \$314 | 22.2% | 4.7x | 5.3x | 4.6x | 1.0x | |
| Strategic Education, Inc. |  USA | \$2,272 | \$2,189 | \$1,211 | 20.0% | 7.1x | 13.1x | 9.0x | 1.8x | |
| Yduqs Participações S.A. |  BRA | \$394 | \$1,095 | \$859 | 28.2% | 6.8x | 6.3x | 4.5x | 1.3x | |
| ■ Excluded from mean and median | | | | | | Mean | 6.5x | 5.7x | 6.5x | 1.5x |
| | | | | | | Median | 6.8x | 6.1x | 5.9x | 1.5x |

Tutoring and Exam Preparation Global Comparable Public Companies

| Company | Country | Market Cap. US\$M | Enterprise Value US\$M | Revenue US\$M | EBITDA Margin | Annual Average EV/EBITDA | | Fourth Quarter Dec. 31, 2024 EV/ | | |
|---------------------------------|---|-------------------|------------------------|---------------|---------------|--------------------------|-------|----------------------------------|---------|------|
| | | | | | | 2022 | 2023 | EBITDA | Revenue | |
| Digital Daesung Co., Ltd. |  KOR | \$122 | \$199 | \$145 | 17.7% | 5.1x | 4.0x | 7.8x | 1.4x | |
| Graham Holdings Company |  USA | \$3,779 | \$4,271 | \$4,712 | 13.5% | 6.0x | 5.2x | 6.7x | 0.9x | |
| Pearson plc |  GBR | \$10,648 | \$12,330 | \$4,443 | 18.7% | 12.8x | 12.7x | 14.8x | 2.8x | |
| Riso Kyoiku Co., Ltd. |  JPN | \$328 | \$263 | \$211 | 10.7% | 14.0x | 13.1x | 11.6x | 1.2x | |
| Stride, Inc. |  USA | \$4,455 | \$4,475 | \$2,193 | 16.0% | 8.6x | 8.4x | 12.8x | 2.0x | |
| Vasta Platform Limited |  BRA | \$160 | \$307 | \$247 | 23.7% | 24.7x | 8.7x | 5.2x | 1.2x | |
| ■ Excluded from mean and median | | | | | | Mean | 9.3x | 7.4x | 8.8x | 1.5x |
| | | | | | | Median | 10.7x | 8.5x | 9.7x | 1.3x |

Online Courses Global Comparable Public Companies

| Company | Country | Market Cap. US\$M | Enterprise Value US\$M | Revenue US\$M | EBITDA Margin | Annual Average EV/EBITDA | | Fourth Quarter Dec. 31, 2024 EV/ | | |
|---------------------------------|---|-------------------|------------------------|---------------|---------------|--------------------------|------|----------------------------------|---------|------|
| | | | | | | 2022 | 2023 | EBITDA | Revenue | |
| Coursera, Inc. |  USA | \$1,346 | \$631 | \$695 | NM | NM | NM | NM | 0.9x | |
| Duolingo, Inc. |  USA | \$14,261 | \$13,438 | \$689 | 10.7% | NM | NM | 182.3x | 19.5x | |
| Udemy, Inc. |  USA | \$1,201 | \$856 | \$776 | NM | NM | NM | NM | 1.1x | |
| ■ Excluded from mean and median | | | | | | Mean | NM | NM | NM | 1.0x |
| | | | | | | Median | NM | NM | NM | 1.1x |

Educational Services- Global Transactions

| Date | Target | Country | Description | Buyer | Seller | % Acquired | Size US\$M | EV/ EBITDA | EV/ Revenue |
|---------|---|---------|---|---|--|------------|------------|------------|-------------|
| Dec-24 |  | USA | Endeavor Schools , a leading operator of private schools across the U.S., acquired Bergamo Montessori Schools , a group of Montessori-based early childhood education centers |  | - | 100.0% | - | - | - |
| Dec-24* |  | USA | Seattle University , a private Jesuit university in Washington, acquired Cornish College of the Arts , a institution specializing in visual and performing arts education, to expand its academic offerings and strengthen its presence in arts education |  | - | 100.0% | - | - | - |
| Dec-24 |  | GBR | Livingbridge , a private equity firm focused on growth investments, acquired Kindred Education , a UK-based provider of early childhood education, to support its expansion and enhance its portfolio in the education sector |  |  | <50.0% | - | - | - |
| Nov-24* | Business of the Computing Technology Industry Association | USA | H.I.G. Capital , and Thoma Bravo , private equity firms, acquired the training business and products of the Computing Technology Industry Association to expand their presence in IT certification and professional training solutions |  |  | 100.0% | - | - | - |
| Nov-24 |  | USA | Five Star Technology Solutions , a provider of educational technology solutions, acquired Empower Learning , a developer of learning management and instructional software, to enhance its digital learning offerings and expand its edtech capabilities |  | - | Merger | - | - | - |
| Oct-24* |  | GBR | Canada Pension Plan Investment Board , EQT Private Capital Asia , Neuberger Berman Group , and Baring Private Equity Asia Fund VIII , private equity investors, acquired Nord Anglia Education , a leading provider of premium international schools |  | - | 100.0% | \$14,500.0 | - | - |
| Oct-24 |  | ESP | International Schools Partnership , a global network of private schools, acquired St. George ISOM Barcelona , a prestigious international school, to strengthen its presence in Spain |  | - | 100.0% | - | - | - |

*Announced transactions pending approval and other customary closing conditions

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.

“I wouldn't hesitate for a moment to work with them again (Seale)”



“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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SUBSCRIBE

Global M&A Representative Engagements

| | | | | | | |
|--|--|--|---|--|--|---|
| <p>BEIJER REF</p> <p>has been acquired by</p>  <p>HERITAGE DISTRIBUTION HOLDINGS</p> | <p>avangardinnovative MOVING THE CIRCULAR ECONOMY FORWARD</p> <p>has sold a controlling interest to</p>  <p>WASTE MANAGEMENT</p> | <p>ZN ZINC NACIONAL</p> <p>has sold</p> <p>GSDKO</p> <p>Zinc Oxide Corporation a subsidiary of</p>  <p>Korea Zinc</p> | <p>Electrolux PROFESSIONAL</p> <p>has acquired</p> <p>unified brands a DOVER company</p> <p>from</p>  <p>DOVER</p> | <p>Port Contractors STEVEDORES - TERMINAL OPERATORS</p> <p>has been acquired by</p>  <p>ENSTRUCTURE</p> | <p>Oxbow</p> <p>Oxbow's Senior Subordinated debt issued by</p>  <p>H.J. BAKER ESTABLISHED 1888</p> <p>was refinanced by</p>  <p>BMO</p> | <p>Hertz</p> <p>has acquired</p>  <p>DONLEN</p> |
| <p>Standex</p> <p>has sold</p> <p>Enginetics</p> <p>to</p>  <p>Enjet AERO</p> | <p>ITT</p> <p>has sold</p> <p>BURNY KALIBURN IMPROVEMENTS IN SHAPE CUTTING PLASMA CUTTING INNOVATION</p> <p>and</p> <p>CNC Cleveland Motion Controls</p> <p>to</p>  <p>LINCOLN ELECTRIC</p> | <p>Honeywell</p> <p>has sold</p> <p>TENSOR</p> <p>to</p>  <p>GE Power Systems</p> | <p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Processing - Embee Division</p> <p>to</p>  <p>AMP ALL METALS PROCESSING</p> | <p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services - Asia, and Triumph Engines businesses</p> <p>to</p>  <p>TGG THE GORES GROUP</p> | <p>Rheem</p> <p>has acquired</p>  <p>HTPG</p> | <p>GRACE</p> <p>has sold its GRACE Membranes business</p> <p>Uop a subsidiary of</p> <p>Honeywell</p> |
| <p>convatec - forever caring -</p> <p>has sold</p> <p>SENSI CARE</p> <p>and</p> <p>ALOE VESTA™</p> <p>to</p>  <p>MEDLINE</p> | <p>United Technologies</p> <p>has sold</p> <p>MobileView</p> <p>to</p> <p>SAFE FLEET Driving Safety Forward™</p> | <p>United Technologies</p> <p>has sold</p> <p>HTPG A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p>MONOMOY and Starboard Capital Partners CAPITAL PARTNERS</p> | <p>LOCKHEED MARTIN</p> <p>has sold</p> <p>Commercial Flight Training Business</p> <p>to</p> <p>ALTEON A BOEING COMPANY</p> | <p>FLOWSERVE</p> <p>has sold</p> <p>D&B</p> <p>to</p> <p>DB DaviesBaird</p> | <p>KBR</p> <p>has acquired</p> <p>Wabi Wabi Development Corporation</p> | <p>H I G HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p>H. I. G. PRIVATE EQUITY</p> |



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University of Florida - BA in Political Science with High Honors

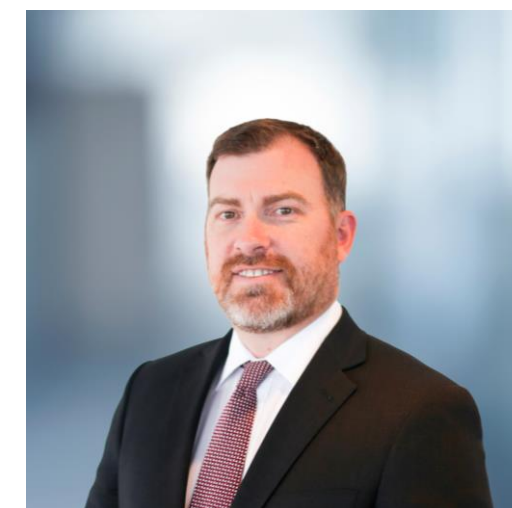


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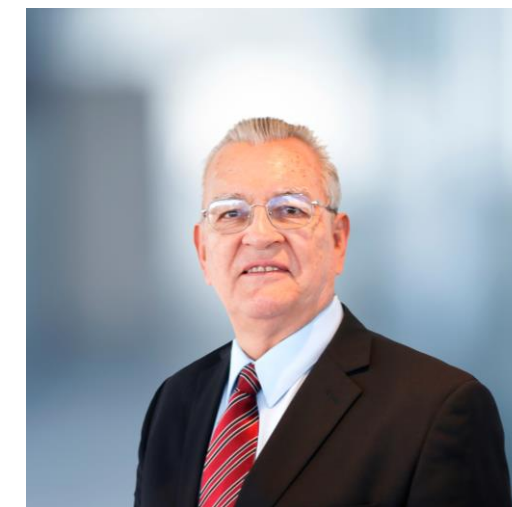


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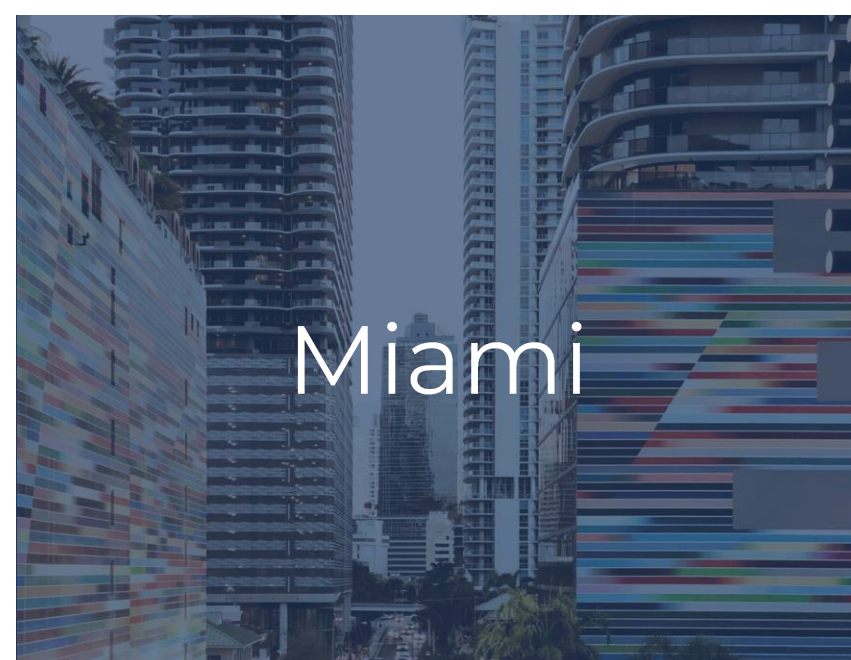
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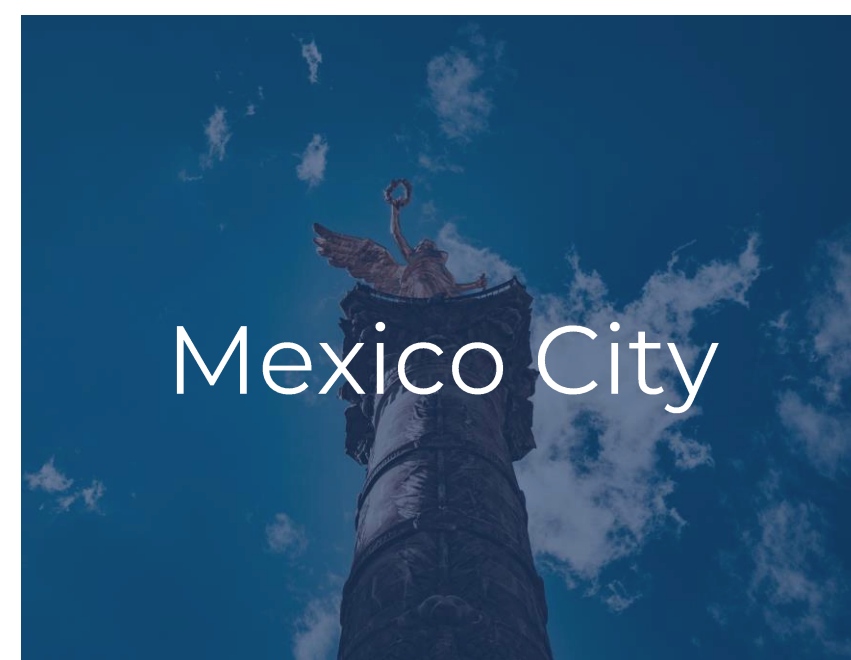
32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience
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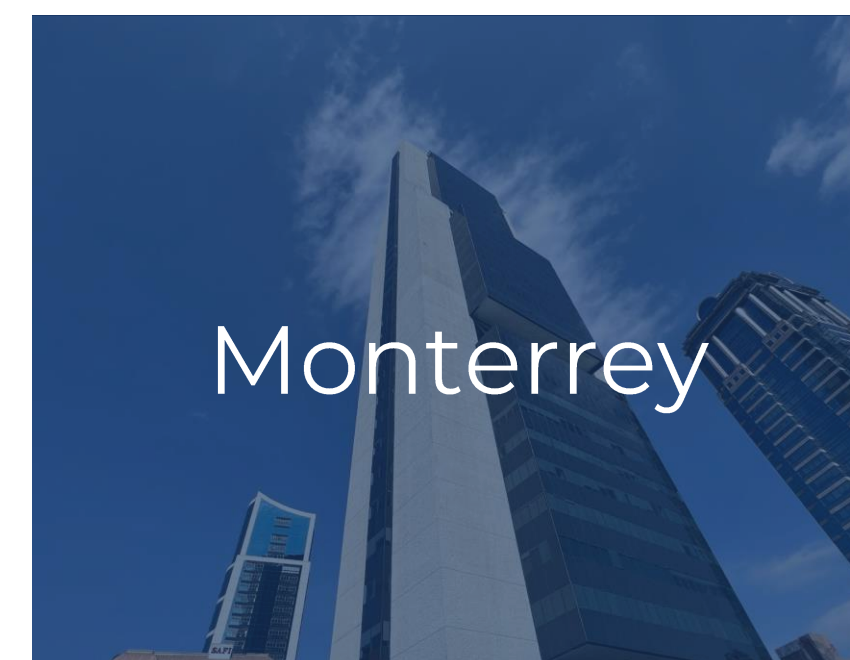
Washington D.C.



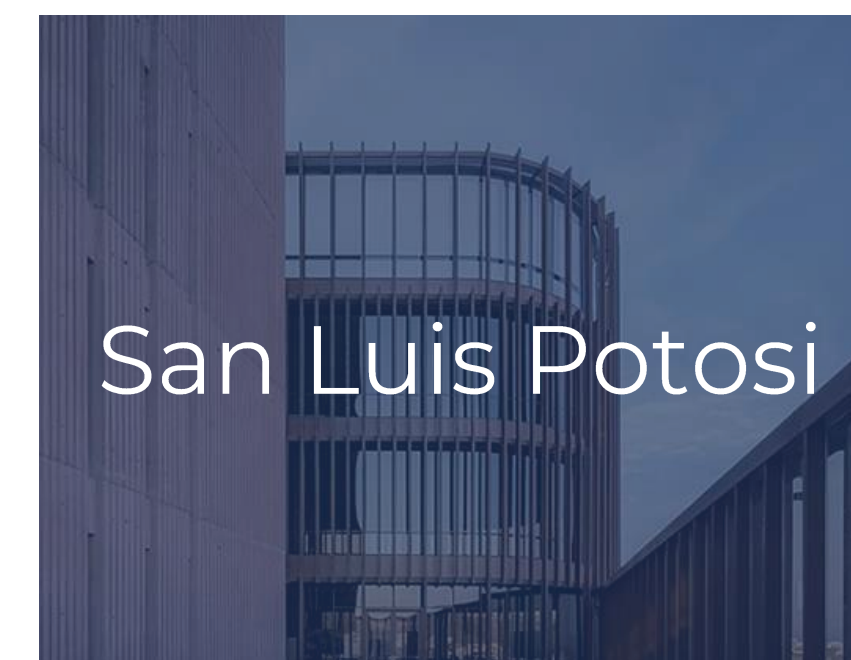
Miami



Mexico City



Monterrey



San Luis Potosi

Creative Solutions. Trusted Advice.

For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings.

25

YEARS OF
EXPERIENCE

\$50B+

TRANSACTIONS
GLOBALLY

SERVICES AND SOLUTIONS

Mergers & Acquisitions

Divestitures

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Recapitalizations

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...as well as with reputable funds, family-offices and privately held companies.



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