gamBIT CORPORATE FINANCE

Education & Training Sector M&A Market Report February 2025

Corporate Finance International

Gambit is the exclusive UK shareholder of Corporate Finance International ("CFI"), a global partnership of middle-market investment banks and corporate finance advisory firms. With 300 professionals located in 29 offices across 20 countries, CFI specialises in cross-border acquisitions, disposals, capital raising, and related services.

75%
Sell-side transactions

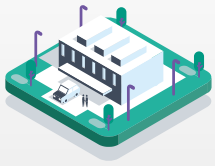
60%
Cross-border transactions

50%
PE-owned businesses

50%
Founder-led businesses

98
Transactions in 2024, with **23 in Education & Training and Human Capital**

300
Professionals worldwide



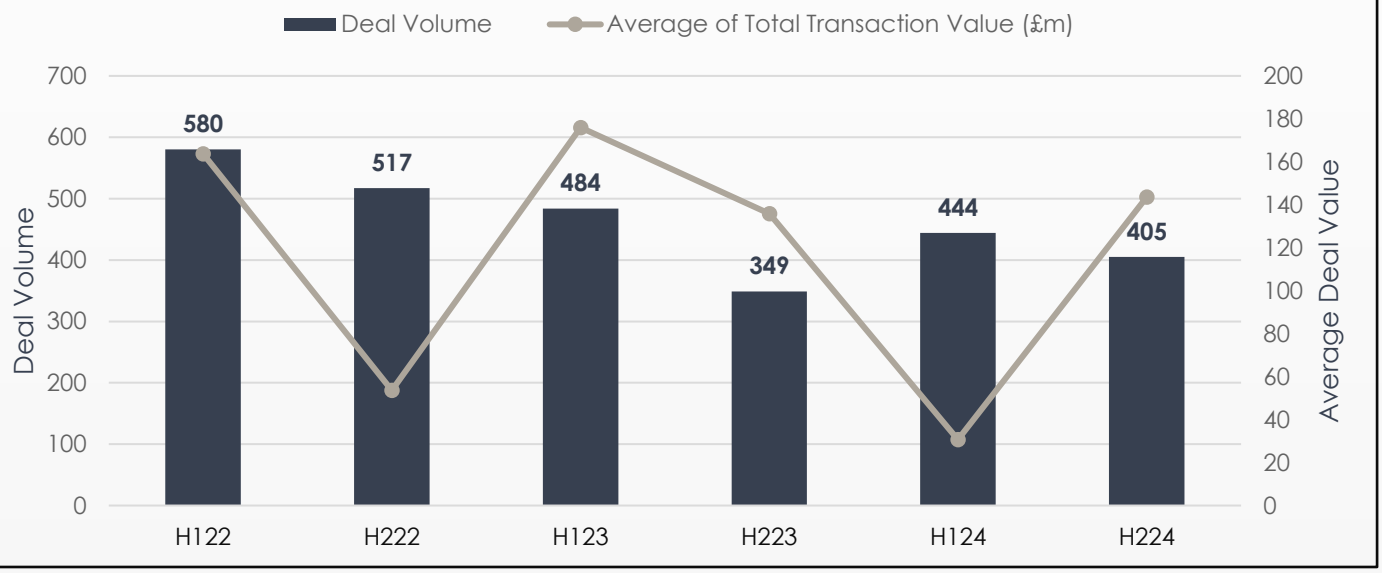
29
Offices in 20 countries

- CFI's dedicated Education & Training sector team is **led by senior professionals with significant transactional experience,** providing its clients with **access to an international skill and knowledge base** and is a source of **unique competitive advantage in the global middle-market.**
- CFI focuses exclusively on mid-market transactions, with **deal sizes ranging from approximately £5m to £250m.**
- CFI delivers a Partner led service, building trusted relationships with its clients, offering a **highly commercial and straight-talking approach always focused on achieving the key objectives of the client.**
- Each of CFI's senior team members bring **extensive domestic and cross-border transaction experience,** offering clients a **local presence with a global perspective** on both the buy-side and sell-side.
- CFI's industry sector focus provides our clients with **unparalleled access to the relevant buyers due to long-term and ongoing strategic dialogues** with market participants from ongoing and recently closed transactions.
- CFI provides **advice with impact,** offering **tailored** and effective **transaction strategies**, deal negotiation and execution for clients across our sector focus areas, with a **significant proportion of deals within the Education & Training sector.**
- CFI has an **intimate knowledge of Education & Training sector trends** and understand how **buyers will assess value** and how best to present the key drivers in the investment opportunity to **drive competitive tension.**
- CFI delivers detailed and **insight driven deal preparation,** which pre-empts buyers' key considerations, offering a **compelling and differentiated** investment proposition.

Corporate Finance International

Following a highly dynamic and lucrative year for the Education & Training sector in 2024, driven by growth in E-Learning and technological integration, changing working patterns and a further adoption of workforce upskilling, the sector enters 2025 with deal values on an upward trajectory, with the expectation of a further uplift in deal activity as well-funded strategic and financial acquirors pursue high quality Education & Training assets.

Global Education & Training Sector M&A Deal Values and Volumes



- Despite the challenging environment faced by the Education & Training M&A market in H124, driven by a lack of transparency over UK macroeconomic and fiscal policies from the new Government, the sector enters 2025 with deal values on an upward trajectory; a trend expected to continue as investor confidence and appetite to complete deals in the sector makes a resurgence.
- The UK Education & Training sector has reaffirmed its position as a secure and stable location for strategic and financial acquirors to invest, with the UK accounting for 21.2% of global M&A activity in the sector in 2024, second only to the US.
- Active and well-funded private equity investors, who have invested successfully in the sector previously, are re-entering the market as confidence increases, creating significant competitive tension in M&A processes competing against ambitious strategic buyers and driving up valuation multiples.
- As levels of competition continue to increase in the sector, Education & Training business owners should focus on maximising KPIs, particularly levels of reoccurring and recurring revenue, drive further development in technological integration and continue to deliver demonstrable ROI to their clients as acquirors make a 'flight to quality', seeking the most premium and best performing assets in the sector.
- UK Education & Training business owners looking to consider their options in 2025 are presented with a window of opportunity whilst valuations remain strong and investor appetite to acquire premium assets in the sector continues to intensify.

Key M&A Market Statistics

21.2%
Of Deals in The Sector Involving a UK Asset in 2024

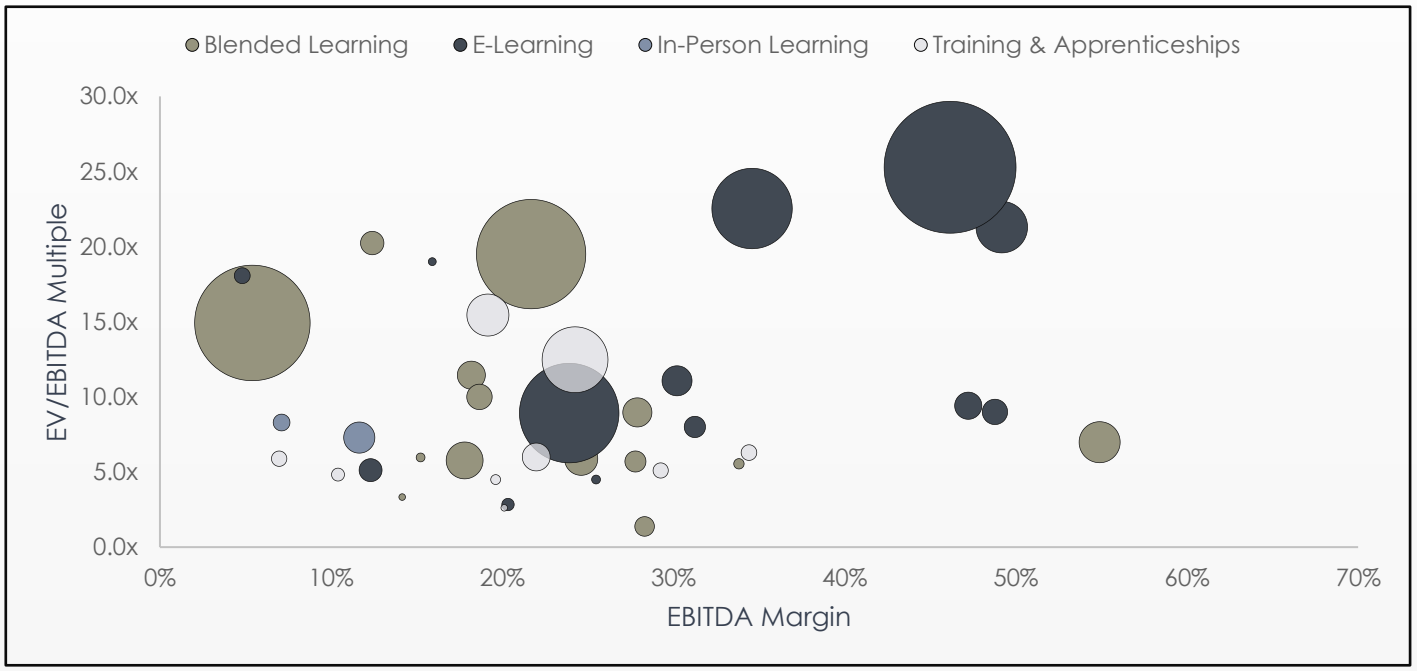
45.9%
Premium on Valuations of E-Learning Businesses

4.3%
Increase in EV/EBITDA Multiples from 2023 to 2024

33.1%
Of Deals in the sector Involving Private Equity in 2024

Education & Training Deal Metrics

Gambit and CFI's dedicated Education & Training team has deep relationships with investors, vendors and acquirers and we understand the key issues, trends competitive landscape and valuation drivers that underpin M&A activity in the sector and how our clients' businesses can benefit.



- CFI's extensive proprietary deal data indicates a positive correlation between EBITDA margin, scale and EV/EBITDA multiple, with Education & Training providers operating blended and E-Learning business models attracting significant acquiror appetite and valuations relative to in-person training models.
- E-Learning assets continue to attract significant acquiror appetite from both global private equity and large multinational consolidators, driving a 45.9% premium on valuations when compared to assets employing traditional classroom or blended learning models based on proprietary data involving deals completed by Gambit and our international colleagues.
- Technology driven market leaders in the Education & Training sector offering an integrated E-Learning course provision, particularly those utilising innovative AI and AR technology, continue to generate increased margins, higher quality of earnings and growth rates than traditional classroom models due to higher revenue acuity.
- Alongside a technology driven E-Learning model, Education & Training providers that operate subscription billing models benefit from enhanced scalability and income visibility, continuing to attract significant acquiror appetite, particularly from financial acquirors who are becoming increasingly active in the sector.
- **As levels of competition continue to intensify in the UK Education & Training sector, providers demonstrating innovative course delivery models focusing on critical training provisions, demonstrating high revenue visibility and quality of earnings and a clear return on investment for their clients will remain a priority for acquirors and capitalise on the increase in deal activity expected in 2025.**

Key Value Drivers

Integrated E-Learning Provision

Demonstrable ROI to Clients

Recurring and Reoccurring Revenue

Large Blue-Chip Client Base

Mission Critical Course Provision

Education & Training Transactions

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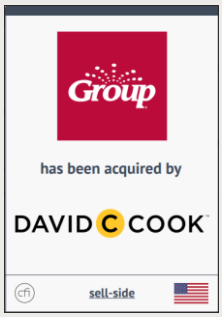
CFI's unrivalled global Education & Training sector transaction experience makes us the go-to provider for regional and multinational blue-chip corporates seeking M&A buy and sell-side services, capital raising and related services.



CFI's Key Differentiators

Partner led advice and deep understanding of the Education & Training sector

Always **prioritise the objectives and needs of the client**

Deep understanding of key sector drivers and **access to a global buyer universe**

Highly commercial, straight-talking approach

Bespoke process and **high impact positioning** to deliver a premium outcome for clients

Extensive contacts across the globe, spanning strategic and financial acquirors

Enviable deal execution track record

Education & Training Team

Each of CFI's senior team members bring extensive domestic and cross-border transaction experience, offering clients a local presence with a global perspective on both the buy-side and sell-side.

Geraint Rowe
Partner

Simon Marsden
Partner

Matt Jamison
Partner

Wim Folens
Partner

Carl Egerlundh
Partner

Alberto Franco
Partner

Roel ter Steeg
Partner

Frédéric Damiron
Director

Sergio Cerdán
Partner

Tony Brown
Partner

Raj Shroff
Partner

Pasi Vainiotalo
Partner

Daniel Jürgenschellert
Partner

Emmanuel Gros
Partner

Arleu Anhalt
Partner

Kei Otabe
Managing Director