

Education Technology **Insight**

Early Childhood | K-12 | Higher Education | Corporate | B2C

RAYMOND JAMES

INVESTMENT BANKING

IN THIS ISSUE

① Market update | 2

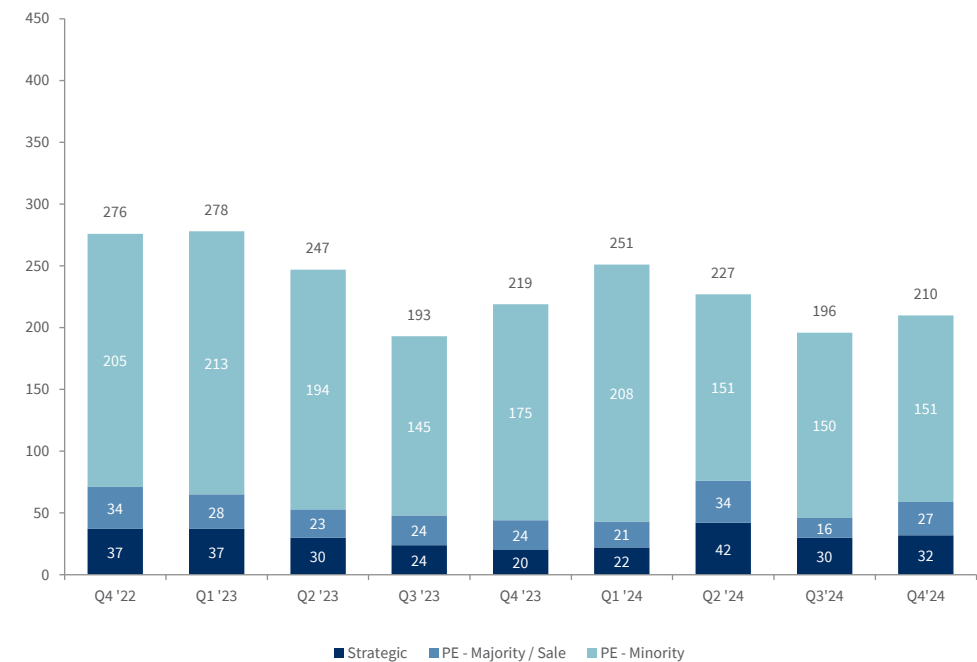
② About us | 16

Market Update

1

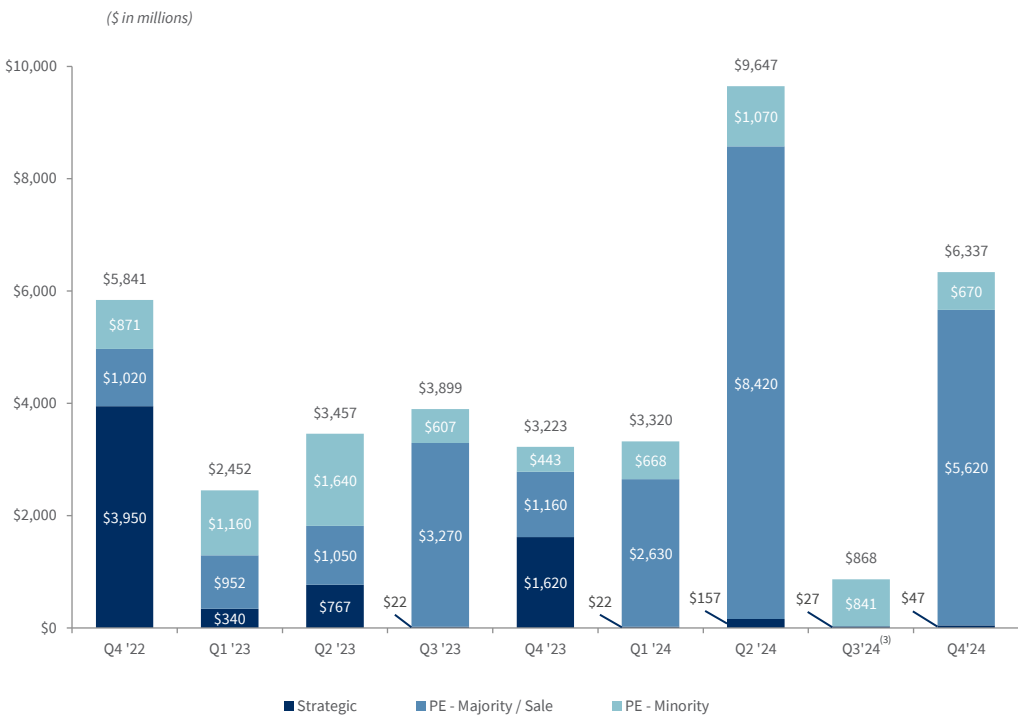
Education Technology M&A & Capital Raising Activity

Number of U.S. Deals by Quarter⁽¹⁾



210 transactions were announced in Q4 2024, 71%+ of which were minority deals

Dollar Volume of U.S. Deals by Quarter⁽¹⁾⁽²⁾

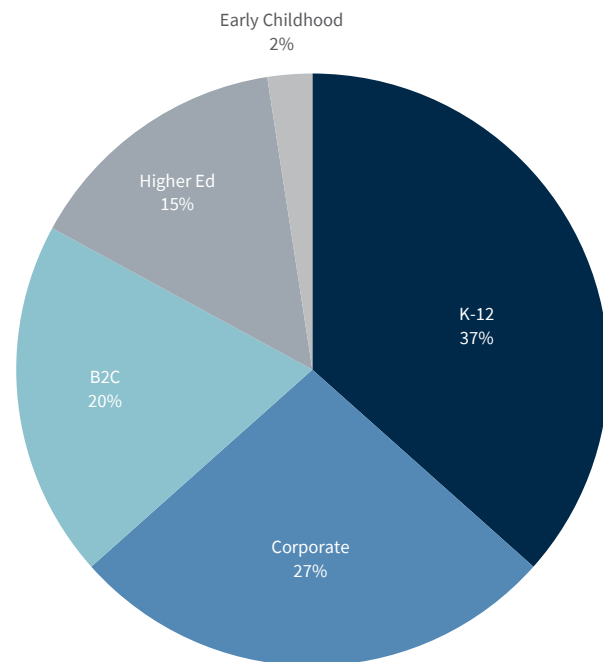


Over \$6.3 billion in Q4 2024 in announced transaction value, 88%+ of which came from majority PE deals

1. Source: PitchBook for the period Oct 1st 2024 to Dec 31st 2024
2. Comprised of deals where the \$ amount of investment was disclosed
3. Majority of the deal sizes were not captured in Pitchbook

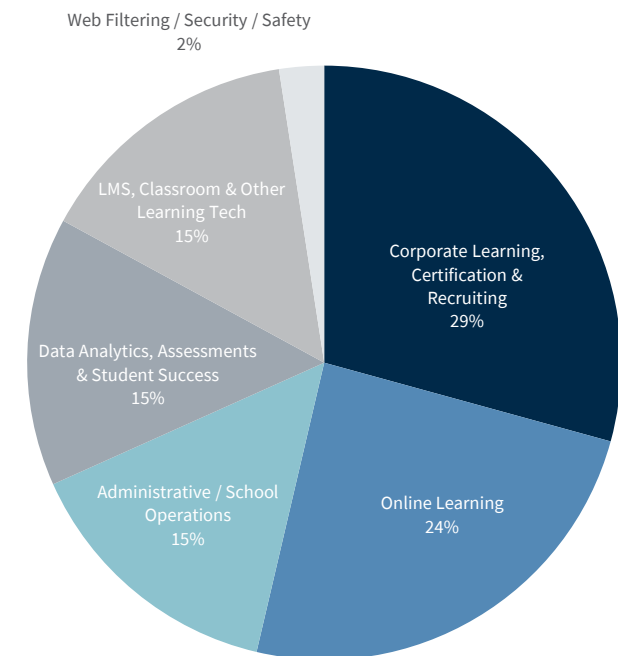
Education Technology M&A & Capital Raising Activity

Q4 2024 U.S. Deals by Sector⁽¹⁾



Companies focused on the K-12 and Corporate markets, which comprised ~64% of the transactions announced in Q4 2024

Q4 2024 U.S. Deals by Domain⁽¹⁾

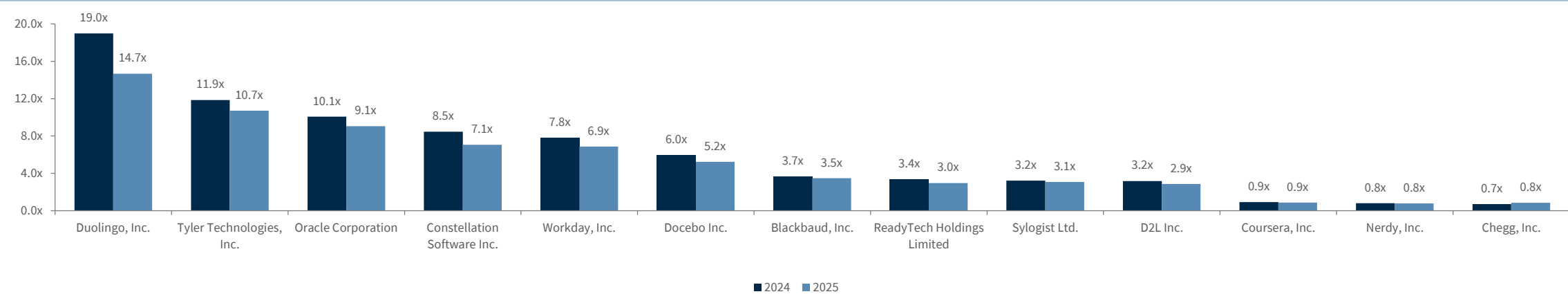


The industry witnessed a focus on Corporate Learning, Certification & Recruiting and Online Learning in Q4 2024, which comprised ~54% of transactions

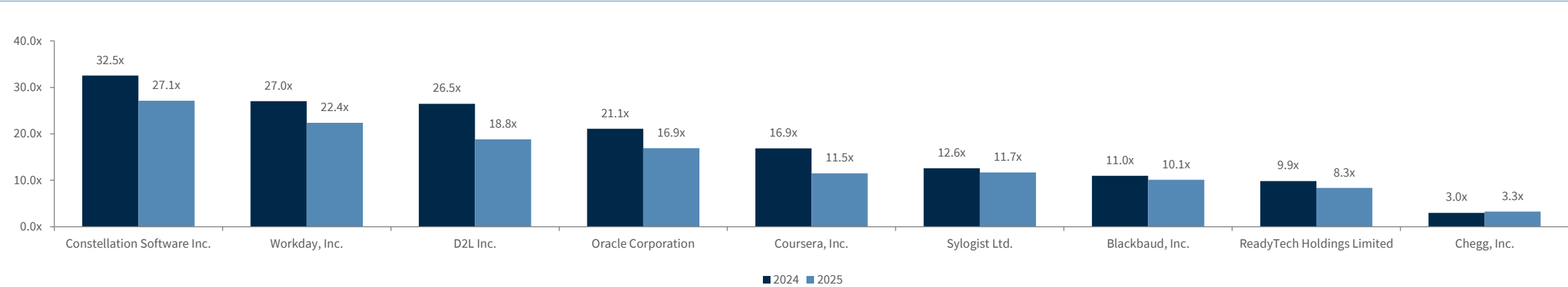
1. Source: Mergermarket; Selected Recent Strategic M&A Activity and Selected Recent Private Equity Activity from the period Oct 1st to Dec 31st 2024

Market Valuation Metrics

Education Technology TEV / Revenue⁽¹⁾⁽²⁾



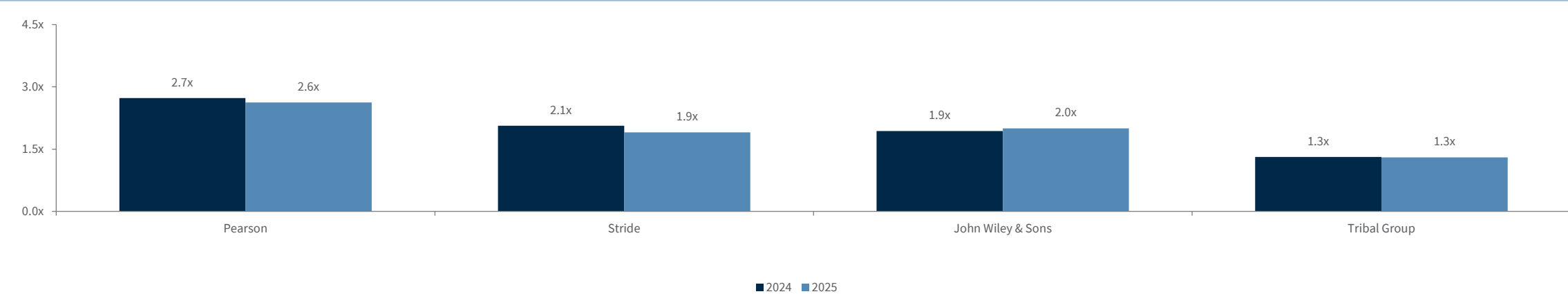
Education Technology TEV / EBITDA⁽¹⁾⁽²⁾



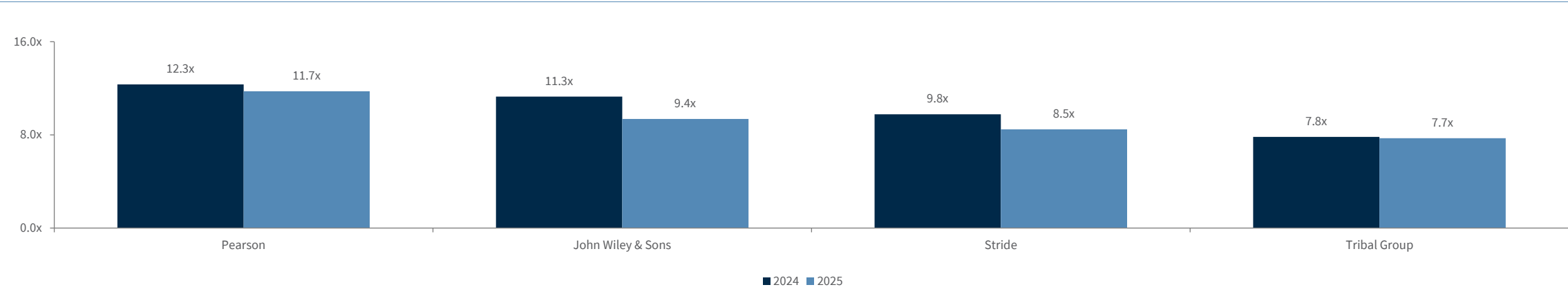
1. Source: CapIQ and Equity Research as of Dec 31st, 2024
2. Omits companies where multiples for FY2024 or FY2025 are either not available or not meaningful

Market Valuation Metrics

Education Services TEV / Revenue⁽¹⁾⁽²⁾





Education Services TEV / EBITDA⁽¹⁾⁽²⁾



1. Source: CapIQ and Equity Research as of Dec 31st, 2024
2. Omits companies where multiples for FY2024 or FY2025 are either not available or not meaningful

Public Financings

DATE ANNOUNCED	ISSUER	TRANSACTION TYPE	SECTOR	CAPITAL RAISED (\$M)
Equity Offerings				
Nov-24		Follow-on Equity Offering	Early Childhood	\$1.0
Oct-24		Follow-on Equity Offering	Higher Ed	\$0.6

Public Comparables

Education Technology				TEV							
				Revenue ⁽³⁾		EBITDA ⁽⁴⁾⁽⁵⁾					
				Company	Stock Price 12/31/2024	Market Cap (\$M)	Enterprise Value (\$M) ⁽²⁾	2024E	2025E	2024E	2025E
Oracle	\$166.64	\$471,980	\$560,703	10.1x	9.1x	21.1x	16.9x	8%	11%	48%	54%
Constellation Software	3,089.23	65,466	68,372	8.5x	7.1x	32.5x	27.1x	21%	20%	26%	26%
Workday	258.03	68,659	64,853	7.8x	6.9x	27.0x	22.4x	16%	13%	29%	31%
Tyler Technologies	576.64	25,206	25,303	11.9x	10.7x	NM	NM	9%	11%	27%	28%
Duolingo	324.23	14,933	14,109	19.0x	14.7x	NM	NM	40%	29%	26%	28%
Blackbaud	73.92	3,668	4,249	3.7x	3.5x	11.0x	10.1x	5%	6%	34%	34%
Docebo	44.80	1,372	1,292	6.0x	5.2x	NM	28.0x	20%	14%	15%	19%
D2L	13.48	742	646	3.2x	2.9x	26.5x	18.8x	12%	11%	12%	15%
Coursera	8.50	1,353	636	0.9x	0.9x	16.9x	11.5x	9%	7%	5%	7%
Chegg	1.61	168	437	0.7x	0.8x	3.0x	3.3x	(14%)	(16%)	24%	26%
ReadyTech Holdings	1.92	233	249	3.4x	3.0x	9.9x	8.3x	(2%)	14%	34%	36%
Nerdy	1.62	187	149	0.8x	0.8x	NM	NM	(3%)	3%	(13%)	(8%)
Sylogist	6.16	145	149	3.2x	3.1x	12.6x	11.7x	(7%)	5%	26%	26%
Mean				6.1x	5.3x	17.8x	15.8x	9%	10%	22%	25%
Education Technology Median				3.7x	3.5x	16.9x	14.3x	9%	11%	26%	26%














Education Services				TEV				Revenue Growth ⁽³⁾		EBITDA Margin ⁽⁴⁾⁽⁵⁾	
				Revenue ⁽³⁾		EBITDA ⁽⁴⁾⁽⁵⁾					
Company	Stock Price 12/31/2024	Market Cap (\$M)	Enterprise Value (\$M) ⁽²⁾	2024E	2025E	2024E	2025E	23A / 24E	24E / 25E	2024E	2025E
Pearson	\$16.05	\$10,648	\$12,303	2.7x	2.6x	12.3x	11.7x	(3%)	4%	22%	22%
Stride	103.93	4,455	4,493	2.1x	1.9x	9.8x	8.5x	12%	9%	21%	22%
John Wiley & Sons	43.71	2,366	3,359	1.9x	2.0x	11.3x	9.4x	(10%)	(3%)	17%	21%
Tribal Group	0.58	126	141	1.3x	1.3x	7.8x	7.7x	(2%)	1%	17%	17%
Mean				2.0x	2.0x	10.3x	9.3x	(1%)	3%	19%	21%
Education Services Median				2.0x	2.0x	10.5x	8.9x	(2%)	2%	19%	22%
Overall Median				3.2x	3.0x	12.3x	11.6x	8%	9%	24%	22%

1. Source: CapIQ and Equity Research as of Dec 31st, 2024
2. Sorted by Enterprise Value
3. Revenue multiples <0.0x or >20.0x are considered Not Meaningful (NM)

4. EBITDA multiples <0.0x or >35.0x are considered Not Meaningful (NM)
5. EBITDA excludes stock-based compensation















Education Technology

Selected Recent Strategic M&A Activity

ANNOUNCED DATE	BUYER	TARGET	SECTOR	DOMAIN	TRANSACTION SIZE (\$M)	COUNTRY	COMMENTS
Dec-24	 HOMETOWN	 schoolfundr	K-12	Administrative / School Operations	ND	USA	Schoolfundr provides a digital fundraising platform designed for teachers, coaches and parents to enhance school communities
Dec-24	 RAPTOR TECHNOLOGIES	 SmartPass	K-12	Web Filtering / Security / Safety	ND	USA	SmartPass provides a digital hall pass and student accountability system that replaces traditional hall passes
Dec-24	 absorb	 together	Corporate	LMS, Classroom & Other Learning Tech	ND	Canada	Together Software provides a mentorship platform designed to implement and administer corporate mentorship management programs for employees
Dec-24	 VERINT	 cogito	Corporate	Corporate Learning, Certification & Recruiting	ND	USA	Cogito Corp provides AI-driven emotional intelligence software that analyzes human behavior through voice and speech patterns, providing real-time coaching and insights to contact center agents
Nov-24	 SUMMIT Professional Education	 NFPT National Federation of Professional Trainers	B2C	Corporate Learning, Certification & Recruiting	ND	USA	NFPT provides a health and wellness certification platform for professionals across the US
Nov-24	 twinkl	 natterhub	K-12	LMS, Classroom & Other Learning Tech	ND	UK	Natterhub provides an online safety and digital literacy tool designed to educate children about social media
Nov-24	 CAREER CERTIFIED	 CONTRACTORS LICENSE	Corporate	Corporate Learning, Certification & Recruiting	ND	USA	My Contractors License provides an exam preparation platform that offers tailored courses for aspiring contractors to obtain licensing











Education Technology

Selected Recent Strategic M&A Activity

ANNOUNCED DATE	BUYER	TARGET	SECTOR	DOMAIN	TRANSACTION SIZE (\$M)	COUNTRY	COMMENTS
Nov-24	 texthelp	 scholarcy	Higher Ed	LMS, Classroom & Other Learning Tech	ND	UK	Scholarcy provides an AI-powered platform that turns research papers, reports and book chapters into interactive summary flashcards
Nov-24	 imagine learning empower potential	 EarlyBird	Early Childhood	Data Analytics, Assessments & Student Success	ND	USA	EarlyBird Education provides educational software offering early detection of literacy challenges and appropriate, customized instruction
Nov-24	 QUICKSTART	 PROMINEO TECH	Higher Ed	Online Learning	ND	Norway	Promineo Tech provides an educational platform intended to make education technologies affordable, accessible and low-risk
Nov-24	 ALCHEMIST	 RAIN Group	Corporate	Corporate Learning, Certification & Recruiting	ND	USA	Rain Group provides a sales training and performance improvement platform that delivers training, coaching and reinforcement
Nov-24	 LEVEL DATA information made easy	 cedarlabs solutions for education	K-12	Data Analytics, Assessments & Student Success	ND	USA	Cedar Labs provides cloud-native data interoperability and privacy solutions for education agencies and software vendors, facilitating real time data exchange, state reporting, data validation and privacy management
Nov-24	 LEVEL DATA information made easy		K-12	Data Analytics, Assessments & Student Success	ND	USA	Red Cedar Solutions provides education software designed to improve efficiency and empower educators to deliver impactful learning experiences
Nov-24	 technologyone	 courseloop	Higher Ed	Administrative / School Operations	\$38	Australia	CourseLoop provides an end-to-end curriculum management platform that streamlines curriculum data management, governance, review, mapping, publishing and marketing for higher education institutions














Education Technology

Selected Recent Strategic M&A Activity

ANNOUNCED DATE	BUYER	TARGET	SECTOR	DOMAIN	TRANSACTION SIZE (\$M)	COUNTRY	COMMENTS
Oct-24	 SILVERCHAIR	 SCHOLARONE™	Corporate	LMS, Classroom & Other Learning Tech	ND	USA	ScholarOne provides a web-based workflow management platform for scholarly journals
Oct-24	 TRAINOCATE	 ENTERONE <small>a TRAINOCATE company</small>	B2C	Online Learning	ND	USA	EnterOne provides comprehensive IT training, consulting and professional services, specializing in Cisco and VMware technologies
Oct-24	 Guild	 NOMADIC	Corporate	Corporate Learning, Certification & Recruiting	ND	USA	Nomadic Learning provides online learning services intended to help organizations accelerate growth, drive transformation and better serve their employees
Oct-24	 wgu labs	 doowii	K-12	Data Analytics, Assessments & Student Success	ND	USA	Doowii provides data analytics software that aggregates data from student records, attendance and test scores, enabling educators to identify trends, track progress and make informed decisions
Oct-24	 METEOR EDUCATION	 advanced technologies	K-12	Data Analytics, Assessments & Student Success	ND	USA	Advanced Technologies Consultants offers industry-standard training solutions for educational institutions and corporations





Education Technology

Selected Recent Private Equity Activity

ANNOUNCED DATE	BUYER	TARGET	SECTOR	DOMAIN	TRANSACTION SIZE (\$M)	COUNTRY	COMMENTS
Dec-24	Undisclosed Investor	 EVERFI®	K-12	Online Learning	ND	USA	EVERFI provides a cloud-based software that delivers interactive educational courses on critical life skills & social issues, such as financial literacy, mental wellness and workplace safety
Dec-24		 grok academy	K-12	Online Learning	ND	Australia	Grok Academy provides an online platform for teaching digital technologies, featuring coding language training, challenging problems, interactive notes and intelligent auto-marking
Dec-24	 Base10	 tenor	Corporate	Corporate Learning, Certification & Recruiting	\$5	USA	Tenor provides an AI-driven leadership development platform that helps managers refine their communication skills through realistic voice AI simulations
Dec-24	 Lightspeed	 seekho	B2C	Online Learning	\$8	India	Seekho provides a discovery and learning platform offering an online learning solution with videos, quizzes and other educational content
Dec-24	 Accel	 Speak	B2C	Online Learning	\$78	USA	Speak provides a language learning platform designed to assist English language learning through speech recognition and real-world conversational scenarios
Dec-24	 Long Journey	 nectir	Higher Ed	LMS, Classroom & Other Learning Tech	\$6	USA	Nectir provides a social platform that fosters collaborative learning for students
Dec-24	 PSG	 element451	Higher Ed	Administrative / School Operations	\$175	USA	Element451 provides a CRM and student engagement platform designed to simplify college enrollment by optimizing admission procedures and enrollment management















Education Technology

Selected Recent Private Equity Activity

ANNOUNCED DATE	BUYER	TARGET	SECTOR	DOMAIN	TRANSACTION SIZE (\$M)	COUNTRY	COMMENTS
Dec-24	 GENERAL ATLANTIC	 ltg learning technologies group	Corporate	Corporate Learning, Certification & Recruiting	\$1,000	UK	Learning Technologies Group provides digital learning and talent management software for corporate clients
Nov-24	 Five Elms Capital	 magma	K-12	Online Learning	\$40	USA	Magma Math provides an e-learning math platform for K-12 classrooms intended to help improve teaching practices and learning for students
Nov-24	 VALHALLA FOUNDATION	 Leading Educators Potential, ignited.	K-12	LMS, Classroom & Other Learning Tech	ND	USA	Leading Educators provides a nonprofit platform that helps school systems and states surround educators with intentional collaboration and support systems
Nov-24	 khosla ventures	Outsmart Education	Higher Ed	Administrative / School Operations	\$13	USA	Outsmart Education provides an education platform offering accessible and affordable pathways to higher education
Nov-24	 EQIC CAPITAL	 bhanzu	K-12	Online Learning	\$17	India	Bhanzu provides a math learning platform that encourages careers in math and STEM fields among learners
Nov-24	FORERUNNER	 Leland	B2C	Online Learning	\$12	USA	Leland provides a coaching platform that connects individuals with mentors, content and courses to help them achieve career and educational goals
Nov-24	 OAK HC FT	 Stepful	B2C	Corporate Learning, Certification & Recruiting	\$32	USA	Stepful provides a training platform designed to help individuals without college degrees train for and find entry-level healthcare jobs



Education Technology

Selected Recent Private Equity Activity

ANNOUNCED DATE	BUYER	TARGET	SECTOR	DOMAIN	TRANSACTION SIZE (\$M)	COUNTRY	COMMENTS
Nov-24	 THOMABRAVO H L G CAPITAL	 CompTIA	Corporate	Corporate Learning, Certification & Recruiting	ND	USA	CompTIA provides a platform for IT certifications and training designed to industry growth and enhancing skills development across the global IT ecosystem
Nov-24	 RED IRON GROUP	 CHARTER IMPACT	K-12	Administrative / School Operations	ND	USA	Charter Impact provides administrative solutions including payroll processing, back-office, student data and IT support and consulting services
Oct-24	 RAC	 Cyber Guru	Corporate	Corporate Learning, Certification & Recruiting	\$25	Italy	Cyber Guru provides a cyber security and awareness training platform across the entire workforce
Oct-24	 RESURGENS TECHNOLOGY PARTNERS	 RELAY	K-12	Administrative / School Operations	ND	USA	Relay provides special education and Medicaid workflow solutions for K-12 school districts
Oct-24	 SUSQUEHANNA GROWTH EQUITY	 SchoolLinks	K-12	Data Analytics, Assessments & Student Success	\$80	USA	SchoolLinks provides a modern college and career readiness platform designed to support districts and students through all aspects of post-secondary planning
Oct-24	 TEMASEK	 upGrad	B2C	Corporate Learning, Certification & Recruiting	\$60	India	upGrad provides an online learning platform that offers educational programs and certifications for students and working professionals
Oct-24	 NEXUS VENTURE PARTNERS	 ZINC	B2C	Online Learning	\$26	India	Zinc provides a financial platform designed to help families manage tuition and living expenses overseas

Education Technology

Selected Recent Private Equity Activity

ANNOUNCED DATE	BUYER	TARGET	SECTOR	DOMAIN	TRANSACTION SIZE (\$M)	COUNTRY	COMMENTS
Oct-24	LEEDS 	 OffSec	Corporate	Corporate Learning, Certification & Recruiting	ND	USA	OffSec provides cybersecurity training and certification software for continuous professional and workforce development

About Us

2

Representative Raymond James Education Technology Transactions

[View our full transaction history here](#)

Sale / Recapitalizations / Private Capital Raises

<div> LEEDS Equity Partners</div> <div>January 2024</div>	<div> RED IRON GROUP</div> <div>November 2024</div>	<div> INSTRUCTURE</div> <div>July 2024</div>	<div> PSG</div> <div>March 2024</div>
<div> Roper TECHNOLOGIES</div> <div>January 2024</div>	<div> ACHIEVE PARTNERS</div> <div>November 2022</div>	<div> TA ASSOCIATES</div> <div>October 2022</div>	<div> Inspira</div> <div>September 2021</div>
<div> family zone</div> <div>August 2021</div>	<div> Edulastic</div> <div>June 2021</div>	<div> barbri</div> <div>March 2021</div>	<div> Softdocs</div> <div>January 2021</div>
<div> texthelp®</div> <div>December 2020</div>	<div> GRYPHON INVESTORS</div> <div>December 2020</div>	<div> turnitin®</div> <div>October 2020</div>	<div> BainCapital Double Impact</div> <div>May 2020</div>

Public Capital Raises

<div> \$150 Million Initial Public Offering</div> <div>November 2021</div>
<div> \$599 Million Initial Public Offering</div> <div>July 2021</div>
<div> \$711 Million Initial Public Offering</div> <div>July 2021</div>
<div> \$250 Million Initial Public Offering</div> <div>July 2021</div>

Technology & Services Investment Banking

As the leading⁽¹⁾ Technology & Services Investment Banking practice in the market with over 330 transactions since 2010, our team is committed to delivering innovative solutions and optimal results for our clients across

Vertical software				Horizontal software			
Education	Non-profit / associations	Banktech		CFO	Infrastructure	Cybersecurity	
Capital markets / financial services	Real estate / construction	Professional services		IOT / mobility / telematics	CX / sales / martech / ecommerce	Knowledge & training	
Media & communications	Retail / hospitality / events	Transportation & logistics		Data & info services	Marketing services & analytics	Enterprise networking	
Sports	Insurtech	Field services	Auto	Payments	GRC	Supply chain	HR / HCM

By the Numbers

75+	10	200+	30+	20+	295+
Investment Banking Professionals (U.S.)	Global Offices (North America, Europe, Asia)	Public Equity and Debt Offerings Raising over \$100 BILLION in Proceeds Since September 2010	Senior Bankers (U.S.)	Year Track Record	M&A Advisory and Private Placement Services Transactions Representing a Total Value of Over \$85 BILLION Since January 2017

Investment Banking Capabilities



ADVISORY

- Sales / Recaps
- Acquisitions
- Divestitures
- Strategic Advisory
- Fairness Opinions



CAPITAL RAISING

- Private Placements
- Initial Public Offerings
- Follow-On Offerings
- Debt Capital
- Restructuring

With any questions about the data in this newsletter, please contact

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1. According to MergerMarket based on number and value of transactions

Raymond James Overview



Raymond James

- **Full-service financial services firm** with investment banking, equity research, institutional sales and trading and asset management operations

Founded in 1962

public since
1983 (NYSE: RJF)

\$12.8 billion

in FY 2024 net revenue;
equity market capitalization
of \$32.3 billion

Stable

and well-
capitalized
platform

- **Industry-focused, knowledge-driven approach**, backed by highly-ranked equity research team
- **33 domestic and international** investment banking and institutional sales offices
- **International operations** in Brussels, Chiasso, Frankfurt, Geneva, Lausanne, London, Munich, Paris, Toronto, Vancouver and Warsaw



Equity Capital Markets⁽¹⁾

- Over **675 Investment Bankers**; over 515 in the U.S.
- **Global sales force** with over 100 professionals
- **Bulge-bracket** distribution capability
- Over **8,800 financial advisors**; offices in all 50 states

Notes & Disclosures

Sources of data include Capital IQ, FactSet and other news organizations. Information obtained from third-party sources is considered reliable, but we do not guarantee that the information herein is accurate or complete. This report was prepared within Raymond James & Associates’ Investment Banking Department and is for information purposes only. This report is not a product of Raymond James & Associates’ Research Department; recipients of this report should not interpret the information herein as sufficient grounds for an investment decision or any other decision. The report shall not constitute an offer to sell or the solicitation of an offer to buy any of the securities mentioned herein; past performance does not guarantee future results. Any performance mentioned does not include transaction fees and costs which would reduce an investor’s return. An investment cannot be made directly in a market index.

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Additional information is available upon request.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization
EPS: Earnings per Share
LTM: Last Twelve Months
NA: Not Applicable
NM: Not Meaningful
PE: Price Earnings Ratio
TEV: Total Enterprise Value

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