EdTech M&A SNAPSHOT 2021

MARKET TRENDS

End-to-end software offering

Investors are looking to create groups of companies and roll up platforms which provide schools with a full suite offering including administration, finance, HR, teaching, property, location data management and distance education.

Technology adoption through acquisition

Innovative start-ups are flooding the market with technology such as AI, VR and data analytics. Traditional players in the market, who are perhaps behind the tech trend curve are seeking to acquire these disruptive, high growth assets.

The explosion of Microlearning

With the rise of handheld devices, a wealth of apps and increasingly fast internet speeds, people are deciding to learn on-the-go rather than in an office environment. The effectiveness of this way of learning is backed up by evidence, with smartphone users being on average 45% faster at completing courses.

KEY ACQUIRERS

Juniper

Revenue: £20m
Ownership Structure: PE Backed
Category: Education Software

M&A Perspective
- Juniper is a UK based provider of education software and services.
- They are highly acquisitive, making 7 acquisitions in the past 3 years - 4 of these completing despite the COVID pandemic.

Relevant Acquisitions

FS4S · Primarysite
pupilasset

IRIS

Revenue: £220m
Ownership Structure: PE Backed
Category: Wider SaaS

M&A Perspective
- They have been highly acquisitive with 12 deals done in the last 3 years.
- Of these acquisitions are a number of education software businesses with annual turnover between £2m - £8m.

Relevant Acquisitions

isams
ContactGroup

access

Revenue: £315m
Ownership Structure: PE Backed
Category: Wider SaaS

M&A Perspective
- They are extremely acquisitive, buying 29 new businesses in the last 3 years.
- The group is backed by private equity firms HG Capital and TA associates and is looking to expand its UK service offering.

Relevant Acquisitions

eLEARNING FOR YOU
microLEARN
ab integro

SELECTED M&A TRANSACTIONS

Investcorp portfolio company **Impero,** a provider of online student safety and classroom and network management software, has acquired **Netop,** an international software solutions provider to the education sector and corporates.

January 2021 (Impero)

Omniplex, a market leading eLearning solutions provider, has secured investment from leading mid market private equity investor **LDC** to support its growth strategy.

January 2021 (LDC)

American private equity firms, **Serent Capital** and **LoneTree Capital** invested in US-based K-12 EdTech SaaS company that provides operational tools for educators, **Education Advanced.**

April 2021 (EDUCATION ADVANCED)

American private equity firm, **Providence Equity,** invested in Canadian cloud-based software company, **DigitalEd,** that provides online education solutions.

August 2021 (DigitalEd)

UK-based eLearning and compliance software company, **VinciWorks,** was acquired by Marlowe Plc for **£54m** at a revenue multiple of **10.2x.**

August 2021 (VinciWorks)

January 2021

Horizon Capital-backed, **Juniper Education,** acquired the education software and services provider, **Jane Systems,** further enhancing their portfolio of assets in the sector.

(Juniper)

February 2021

A division of Capita Plc, **Education Software Solutions,** UK-based provider of MIS software for the education sector, was acquired by **Montagu Private Equity** for a consideration of £355m.

(CAPITA Education software solutions)

May 2021

Highly-acquisitive education software player, **Juniper Education,** acquired **PrimarySite,** a UK-based company engaged in designing school and trust websites and providing communication tools.

(Primarysite)

August 2021

ParentPay, the UK-based provider of school payment services, secured investment from **Montagu Private Equity.** Pursuant to the transaction, Education Software Solutions will become a part of ParentPay.

(Montagu private equity)

November 2021

Dreambox Learning, a US-based provider of K-8 mathematics educational software that utilizes adaptive technology to instruct and assess students, has been acquired by US private equity firm, **Evergreen Coast Capital.**

(dreambox LEARNING)

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