
How Cathay Capital helped transform a local education business into a European leader



Founded in 2009 by Kevin Guenegan, AD Education is a leading international network of schools that offers a unique academic offering centered around art, design and digital. With headquarters in Paris, AD Education decided to partner with Cathay Capital in pursuit of transforming its local education business into a leading European platform.



acquisitions

average company growth
per year

turnover



Sector:	Education / Future of work
Country:	France
Fund:	Small Cap
Status:	Exited
Investment Date:	February 2017

Challenge

When Cathay invested in 2017, AD Education was primarily a French-based network of private education schools dedicated to Arts and Creation with about 5,000 students and a €37m turnover. Acting as a minority shareholder, our goal was to help the team develop its business internationally, increase the number of international students within the school's network, and enrich the educational curricula with new programs and opening new campuses.

Solution

Cathay supported AD Education by structuring a buy and build strategy across Europe, successfully acquiring and integrating 7 schools in 4 years, including 4 cross-border acquisitions in 2020 (Accademia Italiana in Italy, CESO and Barreira in Spain, HMKW in Germany). Organic growth accounted for 40% of total growth primarily driven by the AD management team's demonstrated ability to expand its brand into new verticals and geographies in existing and new campuses.

AD Education's model proved to be very resilient to the COVID-19 health crisis and subsequent economic lockdowns, continuing to attract a growing number of student registrations.

Four years later, the metrics of the group almost tripled, with 15,000 students registered and a turnover expected at €120M as of August 2021. AD Education successfully diversified its geographical presence, now realizing 40% of its turnover internationally in Italy, Spain and Germany. Today, AD Education is the only pure player of this size to address creative, art, digital and audiovisual private higher education, with a coherent and diversified portfolio of well recognized brands such as Ecole de Condé and ECV in France, or HMKW in Germany.



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