

Q2 2022 EDUCATION SECTOR OVERVIEW



PARCHMAN, VAUGHAN & COMPANY

Private Investment Bankers

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Overview

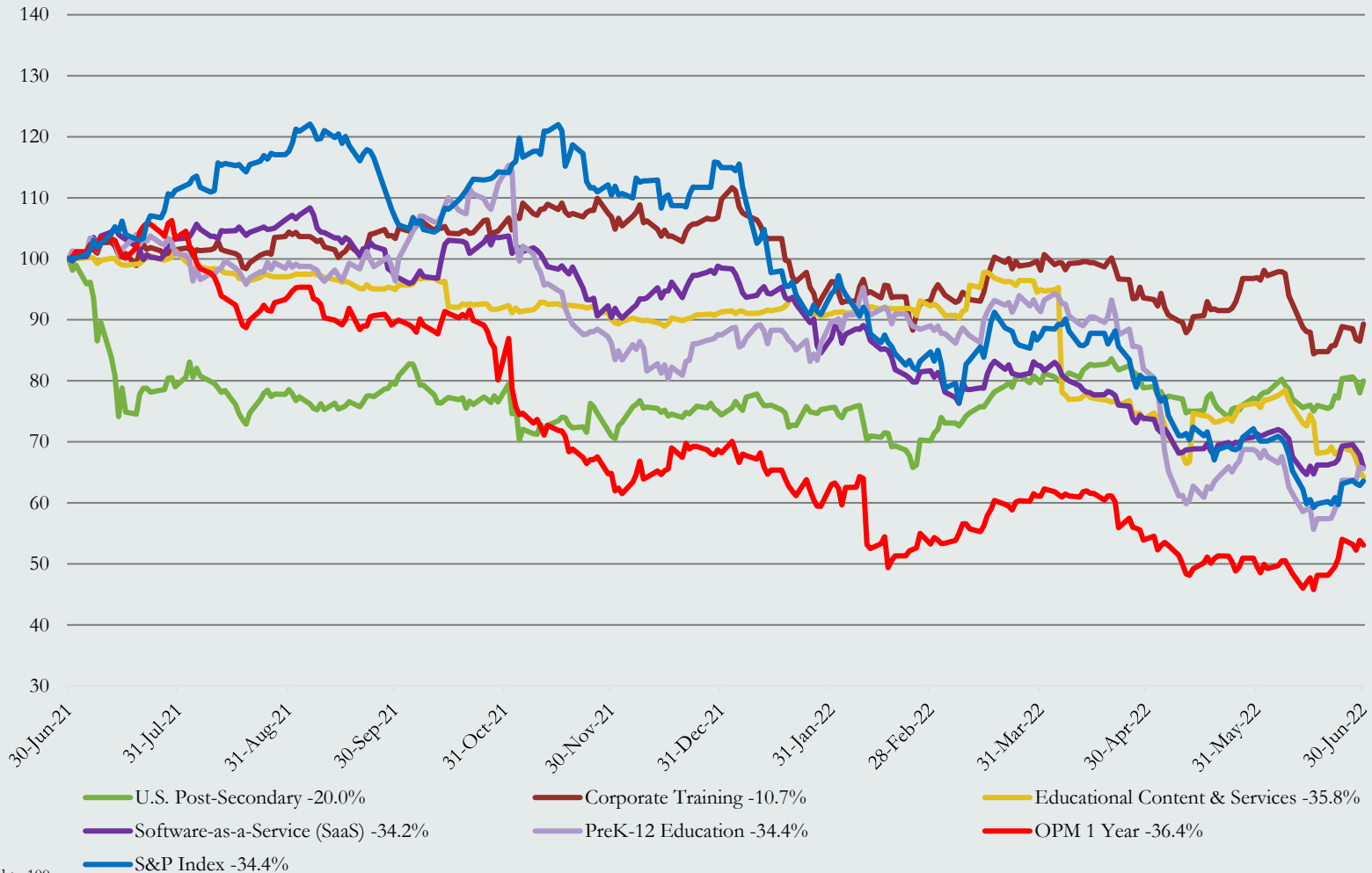
Parchman, Vaughan & Company, L.L.C. (“PVC”) is pleased to share with you our summary of the earnings and other multiples of publicly-traded education firms.

We caution that many factors affect the valuation of firms and these multiples are, at best, a guidepost for how the equity markets view the industry, specifically publicly traded participants. Growth rates, return on capital invested, visibility of earnings, and a host of other elements influence valuation.



One Year Education Stock Price Performance by Sector

One Year Performance

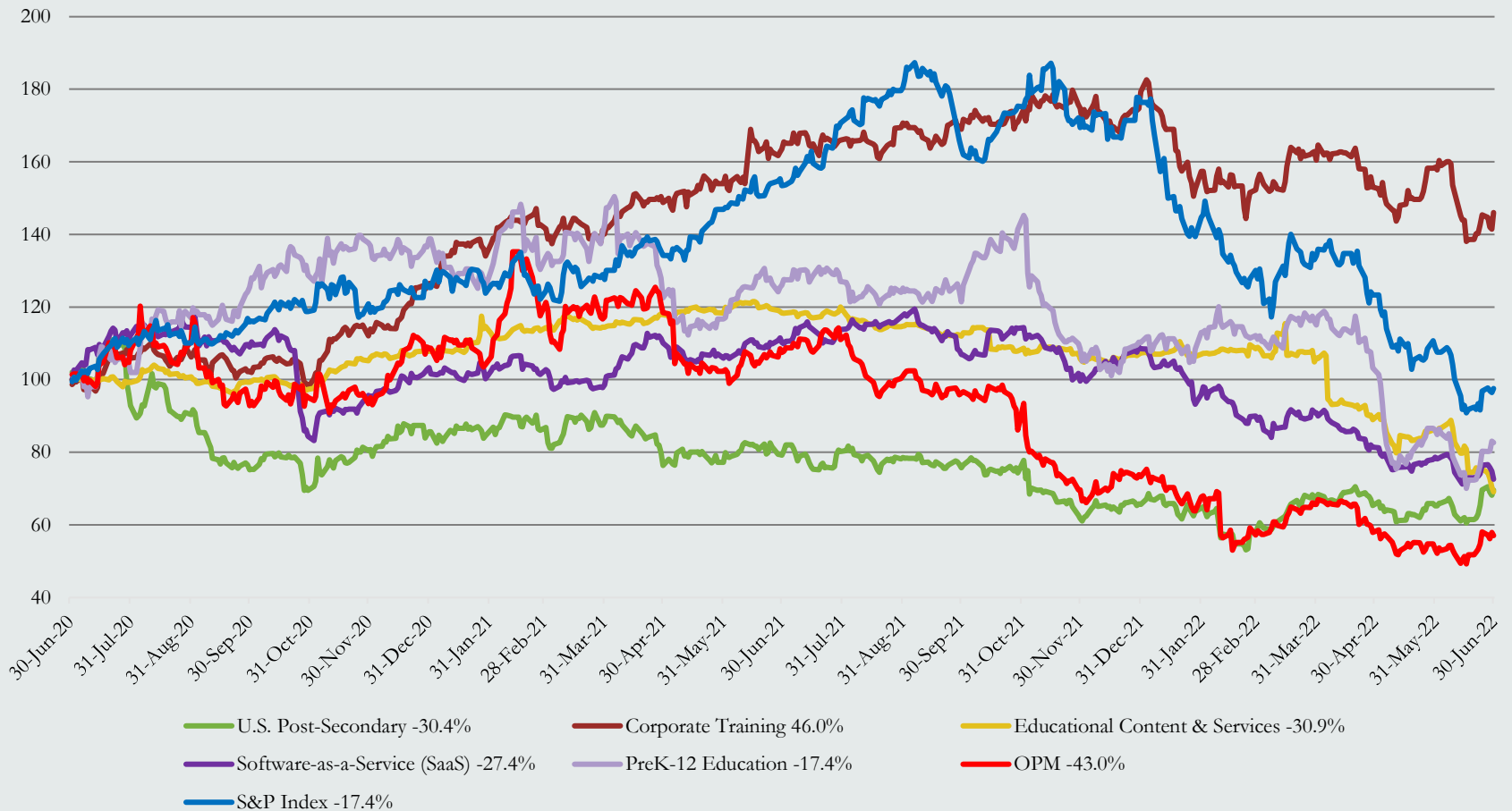


Prices indexed to 100
 Weighted by market capitalization
 Sources: PitchBook and PVC



Two Year Education Stock Price Performance by Sector

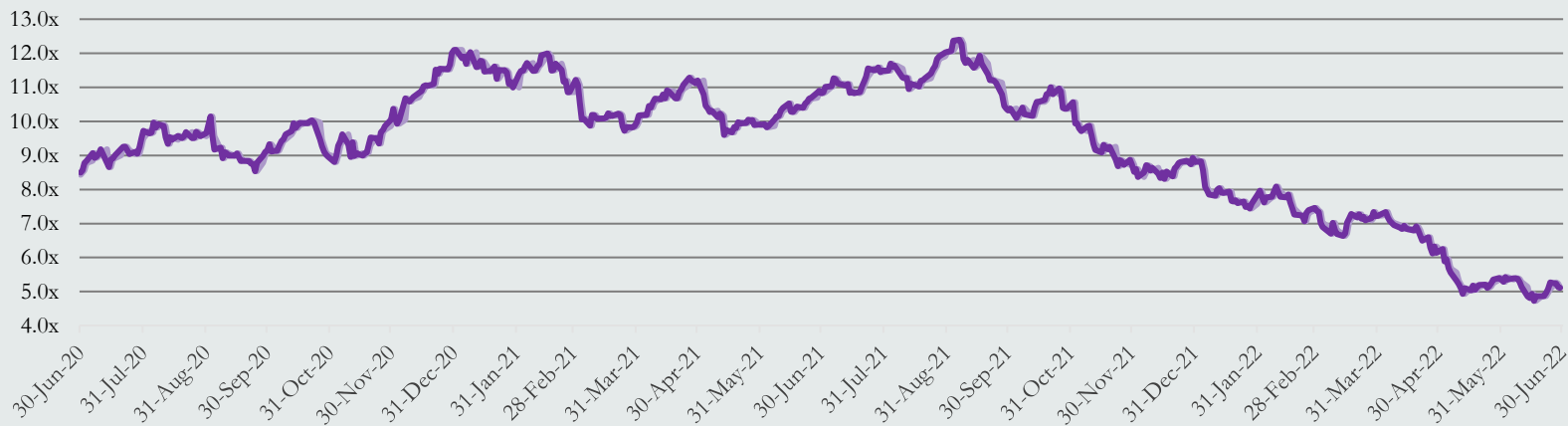
Two Year Performance



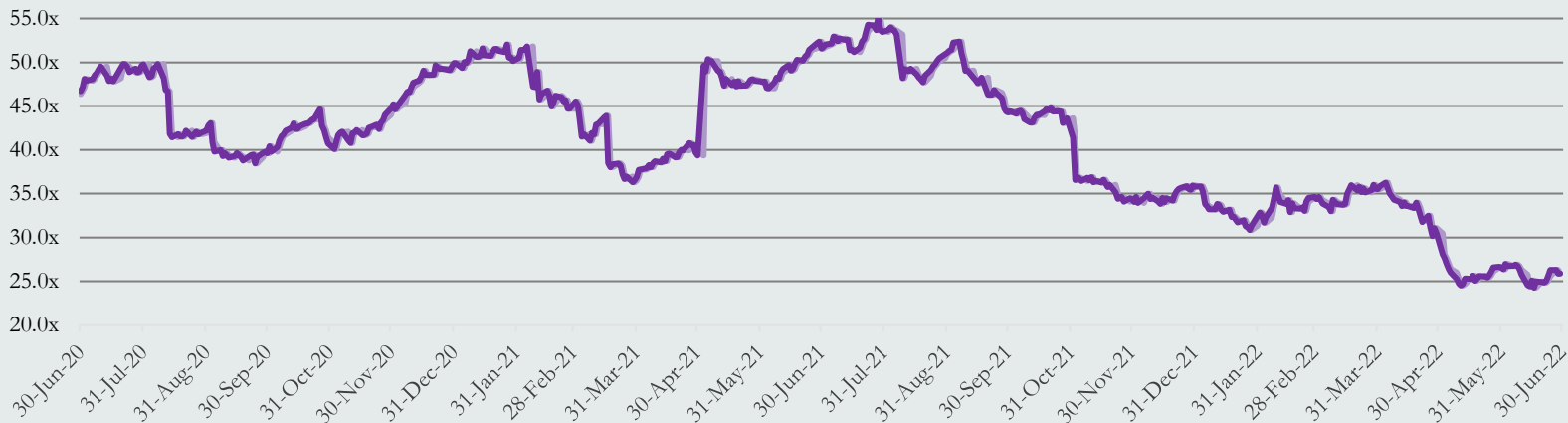
Prices indexed to 100
 Weighted by market capitalization
 Sources: PitchBook and PVC

TTM Market Multiple Trends – SaaS

TEV/Revenue Multiples



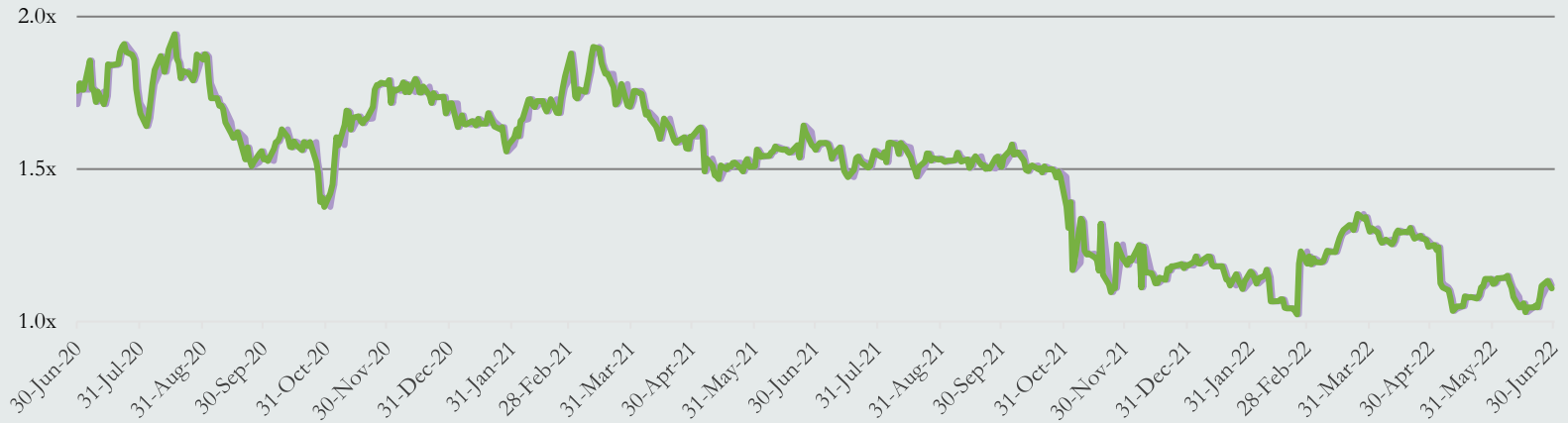
TEV/EBITDA Multiples



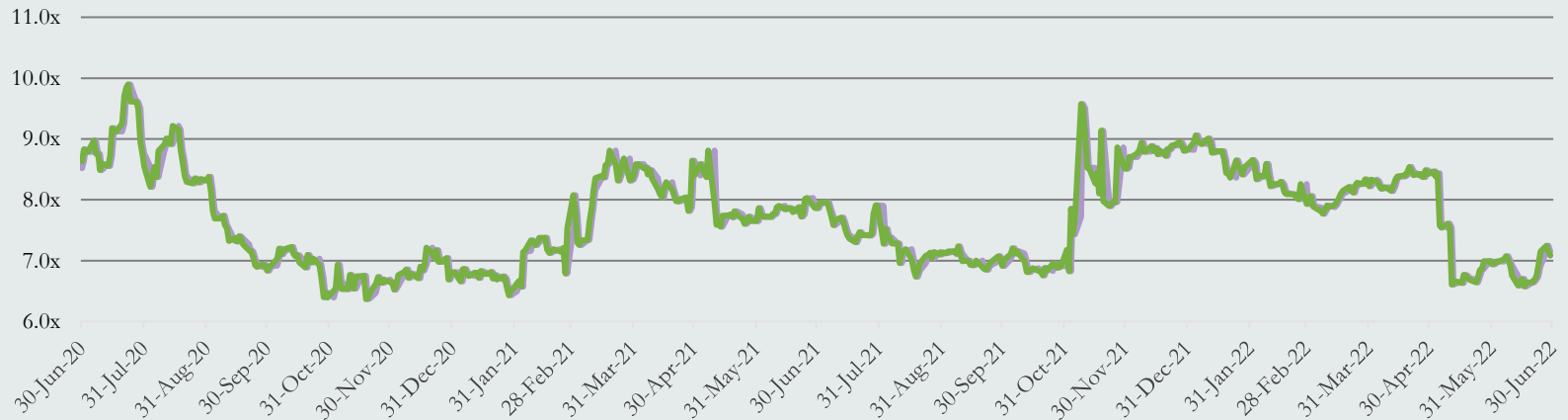
Data as of 6/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Post Secondary

TEV/Revenue Multiples



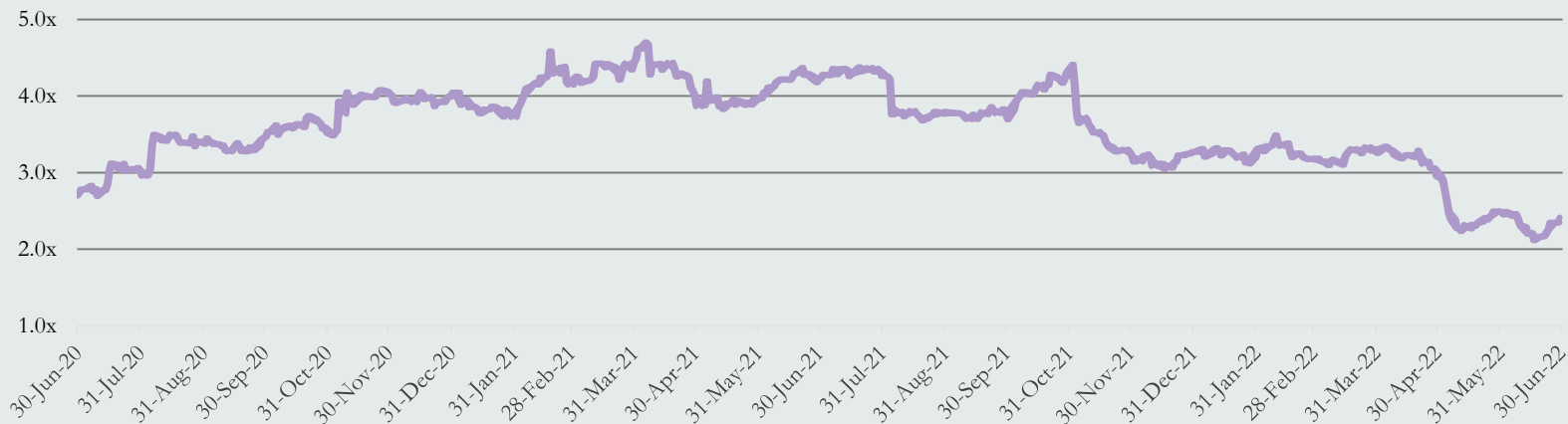
TEV/EBITDA Multiples



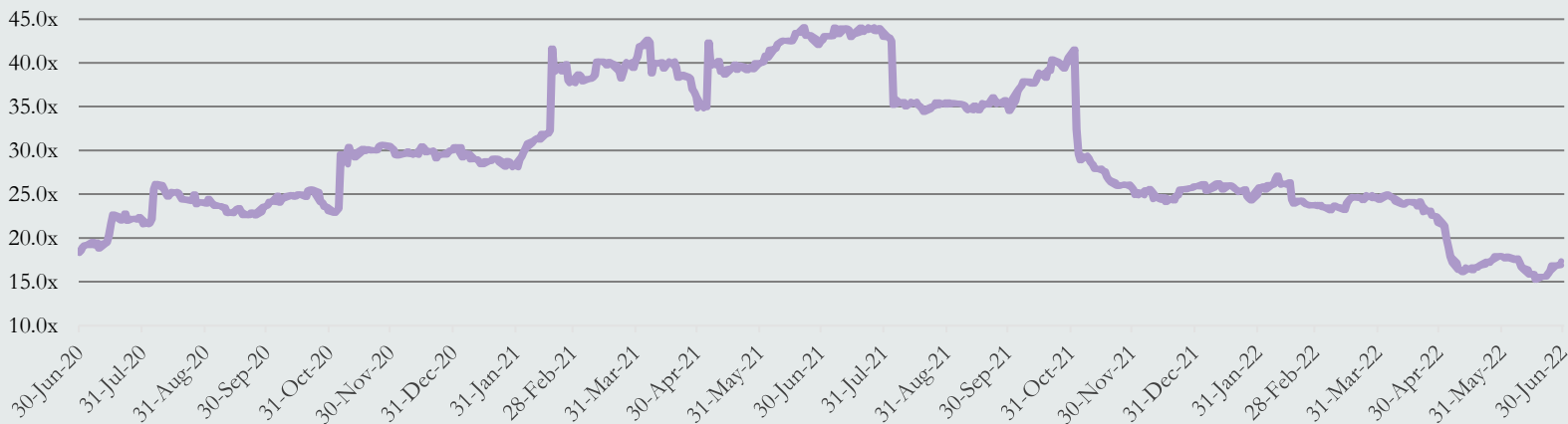
Data as of 6/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Pre K-12

TEV/Revenue Multiples



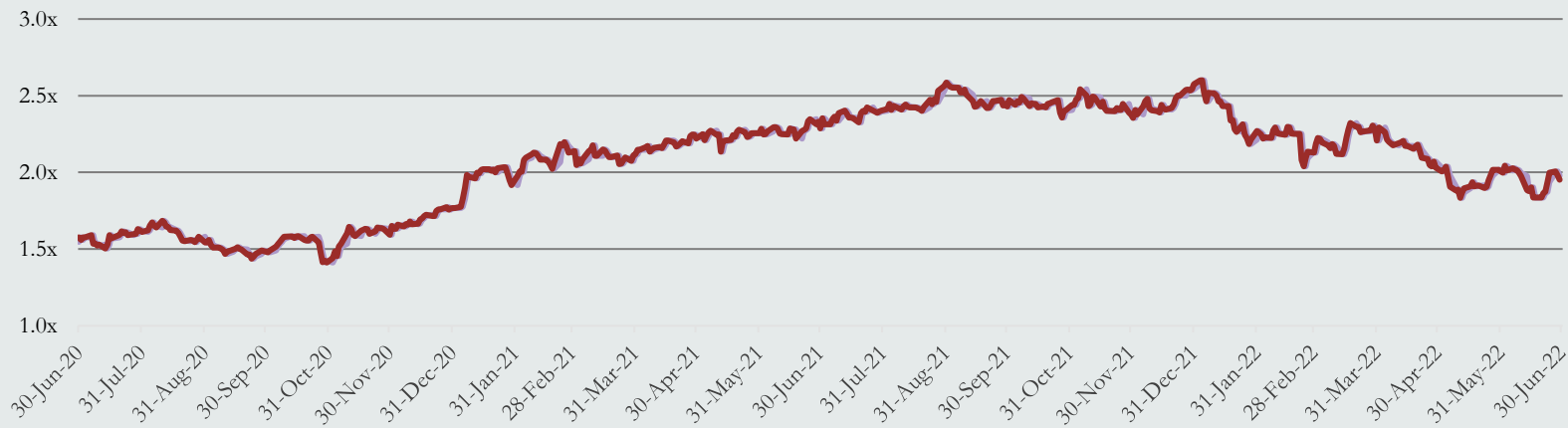
TEV/EBITDA Multiples



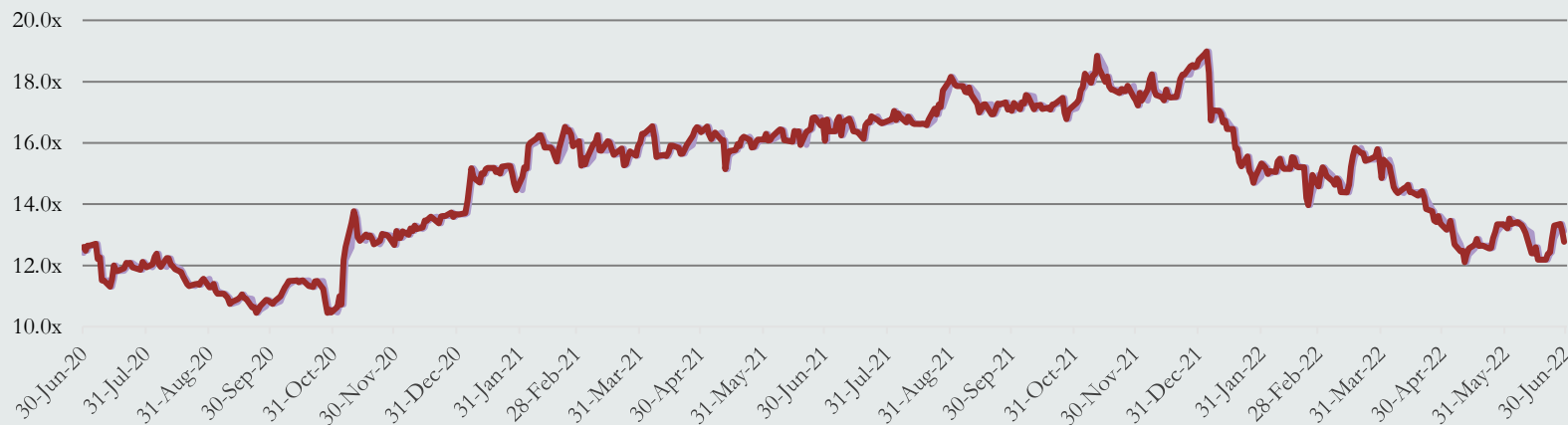
Data as of 6/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Corporate Training

TEV/Revenue Multiples



TEV/EBITDA Multiples



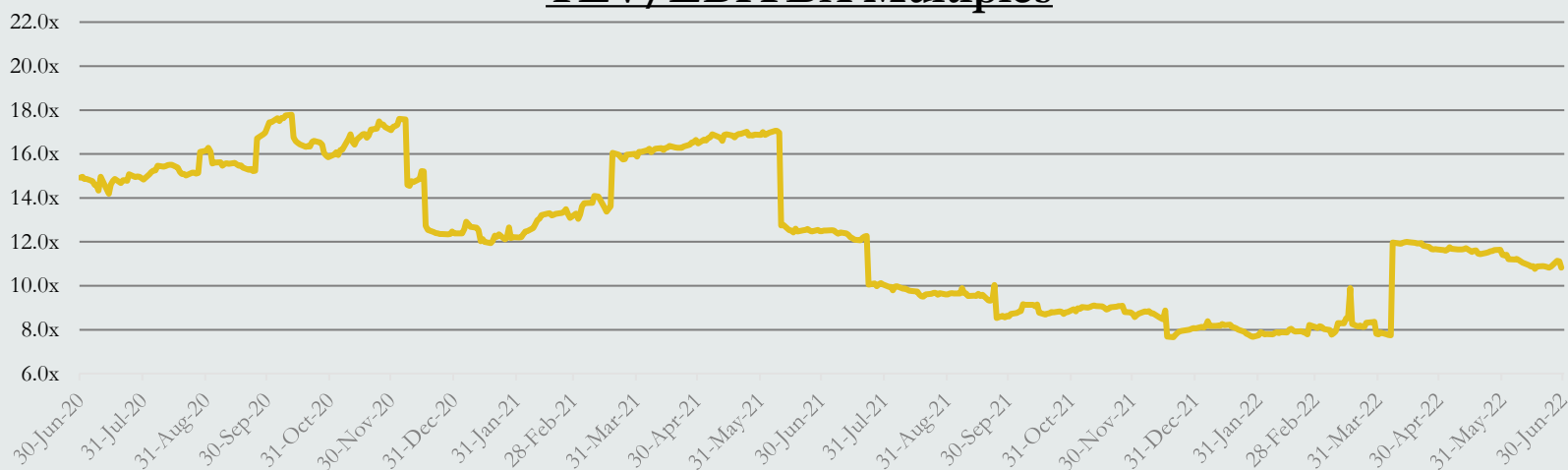
Data as of 6/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Educational Content & Services

TEV/Revenue Multiples



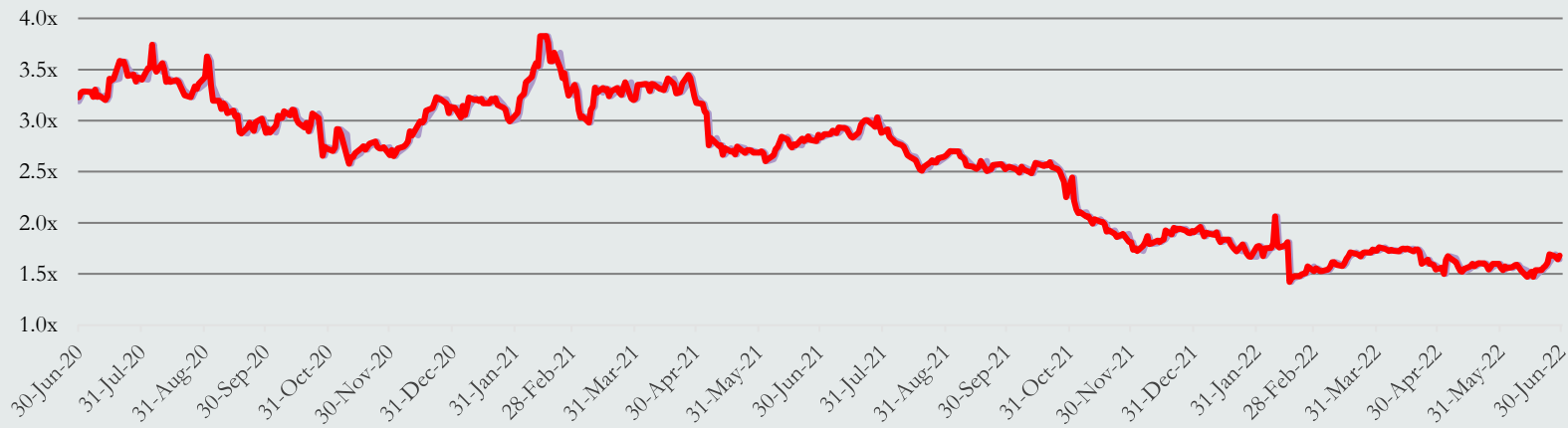
TEV/EBITDA Multiples



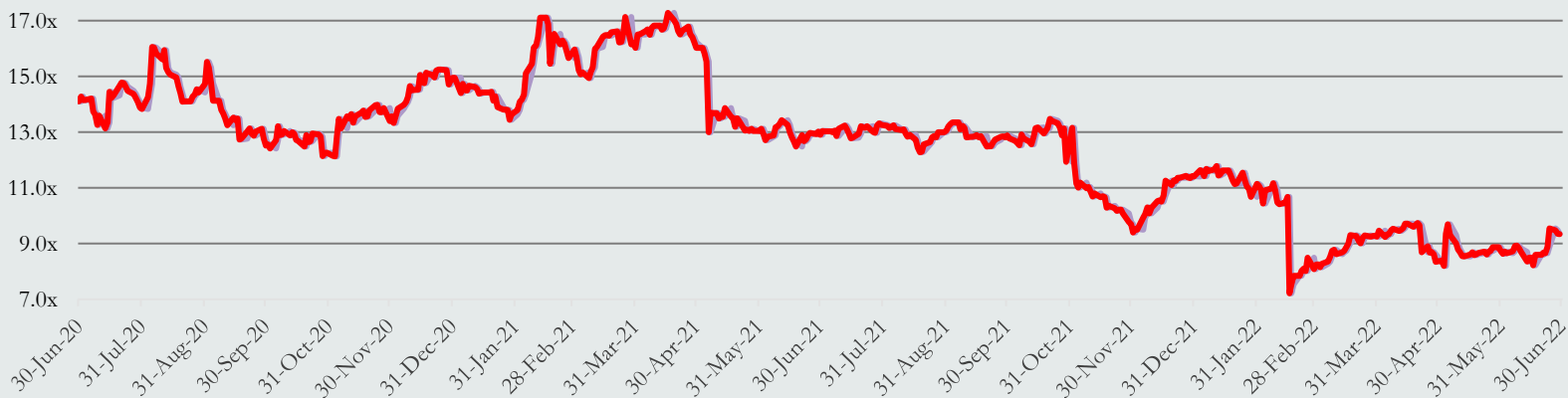
Data as of 6/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – OPM

TEV/Revenue Multiples



TEV/EBITDA Multiples



Data as of 6/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value



Education Public Company Valuation Data

Software-as-a-Service (SaaS)											
Company Name	Price (06/30/2022)	Enterprise Value (USD MM)	Market Cap (USD MM)	Revenue Growth 3 Year CAGR	EBITDA Margin	TTM TEV/Revenue	NTM TEV/Revenue	TTM TEV/EBITDA	NTM TEV/EBITDA	TTM Price/Earnings	NTM Price/Earnings
Blackbaud, Inc. (BLKB)	\$58.07	\$4,081.6	\$3,074.4	3.9%	10.5%	4.2x	3.8x	22.2x	15.5x	26.7x	21.3x
Chegg, Inc. (CHGG)	\$18.78	\$2,873.1	\$2,364.3	31.7%	20.8%	3.7x	3.8x	10.7x	12.6x	16.6x	18.4x
Constellation Software, Inc. (CSU)	\$1,482.98	\$32,064.7	\$31,426.7	19.3%	25.6%	6.0x	4.9x	23.0x	17.9x	72.9x	28.0x
D2L, Inc.	\$5.65	\$215.5	\$299.4	NM	(40.1%)	1.4x	1.2x	35.0x	NM	7.3x	NM
Docebo, Inc. (DCBO)	\$28.69	\$735.4	\$943.5	56.3%	(10.9%)	6.4x	5.0x	NM	NM	NM	NM
Instructure Holdings, Inc. (INST)	\$22.70	\$3,630.1	\$3,208.6	NM	NM	8.5x	7.8x	23.0x	21.8x	22.3x	22.3x
Learning Technologies Group plc (LTG)	\$1.44	\$1,293.0	\$1,072.7	40.1%	18.3%	3.6x	2.0x	13.5x	9.9x	20.9x	14.7x
PowerSchool Holdings, Inc. (PWSC)	\$12.05	\$3,155.3	\$1,905.7	NM	17.9%	5.3x	5.0x	19.0x	17.2x	471.1x	16.1x
SAP SE (SAP)	\$94.41	\$116,595.0	\$107,113.5	3.8%	22.6%	3.5x	3.7x	10.9x	11.5x	12.8x	17.9x
Sylogist Ltd. (SYZ)	\$5.49	\$139.0	\$131.4	5.7%	28.1%	3.8x	3.1x	11.3x	9.4x	49.0x	26.2x
Tribal Group plc (TRB)	\$1.05	\$218.6	\$223.4	0.5%	15.7%	2.0x	2.2x	9.6x	11.0x	13.9x	17.9x
Tyler Technologies, Inc. (TYL)	\$332.48	\$14,872.7	\$13,789.2	22.2%	20.1%	8.5x	8.0x	31.7x	30.8x	44.4x	43.9x
Mean		\$14,989.5	\$13,796.1	20.4%	11.7%	4.7x	4.2x	19.1x	15.8x	68.9x	22.7x
Median		\$3,014.2	\$2,135.0	19.3%	18.3%	4.0x	3.8x	19.0x	14.1x	22.3x	19.9x

U.S. Post-Secondary											
Company Name	Price (06/30/2022)	Enterprise Value (USD MM)	Market Cap (USD MM)	Revenue Growth 3 Year CAGR	EBITDA Margin	TTM TEV/Revenue	NTM TEV/Revenue	TTM TEV/EBITDA	NTM TEV/EBITDA	TTM Price/Earnings	NTM Price/Earnings
Adtalem Global Education, Inc. (ATGE)	\$35.97	\$2,300.7	\$1,623.8	22.1%	17.2%	1.8x	1.6x	7.7x	6.0x	13.5x	8.6x
American Public Education, Inc. (APEI)	\$16.16	\$430.4	\$304.7	17.9%	10.9%	0.9x	0.7x	6.5x	5.6x	15.9x	15.0x
Aspen Group, Inc. (ASPU)	\$0.98	\$43.2	\$24.7	35.0%	(7.4%)	0.6x	0.6x	NM	NM	NM	NM
Laureate Education, Inc. (LAUR)	\$11.57	\$2,267.5	\$1,995.9	(22.8%)	6.0%	2.1x	1.9x	8.4x	6.8x	NM	17.8x
Lincoln Educational Services Corporation (LINC)	\$6.31	\$220.2	\$172.0	8.7%	14.6%	0.6x	0.6x	6.9x	5.7x	16.8x	11.0x
Perdoceo Education (PRDO)	\$11.78	\$354.3	\$810.2	5.4%	24.5%	0.5x	0.5x	1.6x	2.6x	6.7x	NM
Strategic Education, Inc. (STRA)	\$70.58	\$1,787.7	\$1,761.4	12.9%	14.5%	1.6x	1.7x	8.8x	10.2x	16.0x	24.0x
Universal Technical Institute, Inc. (UTI)	\$7.13	\$373.1	\$235.6	6.7%	16.5%	1.0x	0.8x	6.6x	5.8x	6.1x	12.1x
Mean		\$972.1	\$866.0	10.7%	12.1%	1.1x	1.0x	6.6x	6.1x	12.5x	14.7x
Median		\$401.7	\$557.5	10.8%	14.6%	0.9x	0.8x	6.9x	5.8x	14.7x	13.6x

Pre K-12 Education											
Company Name	Price (06/30/2022)	Enterprise Value (USD MM)	Market Cap (USD MM)	Revenue Growth 3 Year CAGR	EBITDA Margin	TTM TEV/Revenue	NTM TEV/Revenue	TTM TEV/EBITDA	NTM TEV/EBITDA	TTM Price/Earnings	NTM Price/Earnings
Bright Horizons Family Solutions (BFAM)	\$84.52	\$6,532.0	\$5,020.8	(2.0%)	13.8%	3.6x	3.2x	22.6x	18.4x	37.6x	27.3x
Stride Inc. (LRN)	\$40.79	\$2,011.1	\$1,743.9	17.7%	14.4%	1.2x	1.2x	7.9x	6.8x	16.3x	15.4x
Mean		\$4,271.5	\$3,382.3	7.8%	14.1%	2.4x	2.2x	15.3x	12.6x	26.9x	21.4x
Median		\$4,271.5	\$3,382.3	7.8%	14.1%	2.4x	2.2x	15.3x	12.6x	26.9x	21.4x

Data as of 6/30/2022. Sources: PitchBook and PVC
 NM = Not Measurable

Education Public Company Valuation Data

Corporate Training

Company Name	Price (06/30/2022)	Enterprise Value (USD MM)	Market Cap (USD MM)	Revenue Growth 3 Year CAGR	EBITDA Margin	TTM TEV/Revenue	NTM TEV/Revenue	TTM TEV/EBITDA	NTM TEV/EBITDA	TTM Price/Earnings	NTM Price/Earnings
Franklin Covey Company (FC)	\$46.18	\$636.5	\$662.4	3.8%	11.5%	2.5x	2.2x	16.2x	13.4x	45.3x	36.9x
Graham Holdings Company (GHC)	\$566.84	\$2,970.0	\$2,767.2	7.5%	20.6%	0.9x	0.8x	6.0x	NM	15.4x	12.6x
HealthStream, Inc. (HSTM)	\$21.71	\$644.4	\$664.3	2.2%	17.5%	2.5x	2.4x	12.1x	12.3x	64.9x	77.5x
NV5 Global, Inc. (NVEE)	\$116.74	\$1,866.1	\$1,808.9	19.0%	15.7%	2.5x	2.4x	13.6x	13.1x	26.9x	21.4x
Skillsoft Corp. (SKIL)	\$3.52	\$1,169.6	\$577.1	NM	NM	NM	1.5x	NM	7.0x	NM	NM
Mean		\$1,457.3	\$1,296.0	8.1%	16.3%	2.1x	1.9x	12.0x	11.4x	38.1x	37.1x
Median		\$1,169.6	\$664.3	5.6%	16.6%	2.5x	2.2x	12.9x	12.7x	36.1x	29.2x

Educational Content & Services

Company Name	Price (06/30/2022)	Enterprise Value (USD MM)	Market Cap (USD MM)	Revenue Growth 3 Year CAGR	EBITDA Margin	TTM TEV/Revenue	NTM TEV/Revenue	TTM TEV/EBITDA	NTM TEV/EBITDA	TTM Price/Earnings	NTM Price/Earnings
Barnes & Noble Education, Inc. (BNED)	\$2.93	\$684.5	\$152.5	(9.0%)	(0.8%)	0.4x	0.4x	NM	20.7x	NM	NM
Boxlight Corporation (BOXL)	\$0.68	\$118.2	\$44.7	76.4%	1.1%	0.6x	0.5x	10.1x	4.6x	NM	NM
Coursera, Inc. (COUR)	\$14.18	\$1,280.6	\$2,042.6	NM	(32.8%)	2.9x	2.4x	NM	NM	NM	NM
Duolingo, Inc. (DUOL)	\$87.55	\$2,883.2	\$3,428.6	NM	(20.1%)	10.4x	8.1x	NM	1517.5x	NM	NM
Educational Development Corporation (EDUC)	\$4.21	\$78.9	\$36.6	6.2%	10.0%	0.6x	0.5x	5.1x	NM	3.9x	5.1x
John Wiley & Sons, Inc. (WLY)	\$47.76	\$3,504.6	\$2,664.9	5.0%	21.3%	1.7x	1.7x	8.1x	8.5x	16.1x	13.3x
Nerdy, Inc. (NRDY)	\$2.13	\$89.3	\$194.8	NM	NM	0.6x	0.5x	6.1x	NM	6.7x	NM
Pearson plc (PSO)	\$9.41	\$7,355.6	\$6,717.2	(6.0%)	21.2%	1.6x	1.7x	8.9x	9.6x	19.8x	16.9x
Scholastic Corporation (SCHL)	\$35.97	\$1,023.9	\$1,238.1	(3.1%)	9.1%	0.7x	NM	6.0x	NM	21.2x	NM
Udemy, Inc. (UDMY)	\$10.21	\$933.4	\$1,425.9	NM	(12.9%)	1.7x	1.5x	NM	NM	NM	NM
Mean		\$1,795.2	\$1,794.6	11.6%	(0.4%)	2.1x	1.9x	7.4x	312.2x	13.5x	11.8x
Median		\$978.7	\$1,332.0	1.0%	1.1%	1.1x	1.5x	7.1x	9.6x	16.1x	13.3x

OPM

Company Name	Price (06/30/2022)	Enterprise Value (USD MM)	Market Cap (USD MM)	Revenue Growth 3 Year CAGR	EBITDA Margin	TTM TEV/Revenue	NTM TEV/Revenue	TTM TEV/EBITDA	NTM TEV/EBITDA	TTM Price/Earnings	NTM Price/Earnings
2U, Inc. (TWOU)	\$10.47	\$1,628.2	\$806.9	29.8%	(10.6%)	1.7x	1.5x	25.0x	19.2x	NM	NM
Grand Canyon Education, Inc. (LOPE)	\$94.19	\$2,839.2	\$3,044.2	5.6%	33.9%	3.1x	3.1x	8.8x	9.7x	15.8x	16.1x
Zovio, Inc. (ZVO)	\$0.97	\$38.9	\$33.1	(17.2%)	(13.1%)	0.2x	0.2x	NM	NM	NM	NM
Mean		\$1,502.1	\$1,294.7	6.1%	3.4%	1.7x	1.6x	16.9x	14.5x	15.8x	16.1x
Median		\$1,628.2	\$806.9	5.6%	(10.6%)	1.7x	1.5x	16.9x	14.5x	15.8x	16.1x

Data as of 6/30/2022. Sources: PitchBook and PVC
 NM = Not Measurable

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