

Q1 2023 EDUCATION SECTOR OVERVIEW



PARCHMAN, VAUGHAN & COMPANY

Private Investment Bankers

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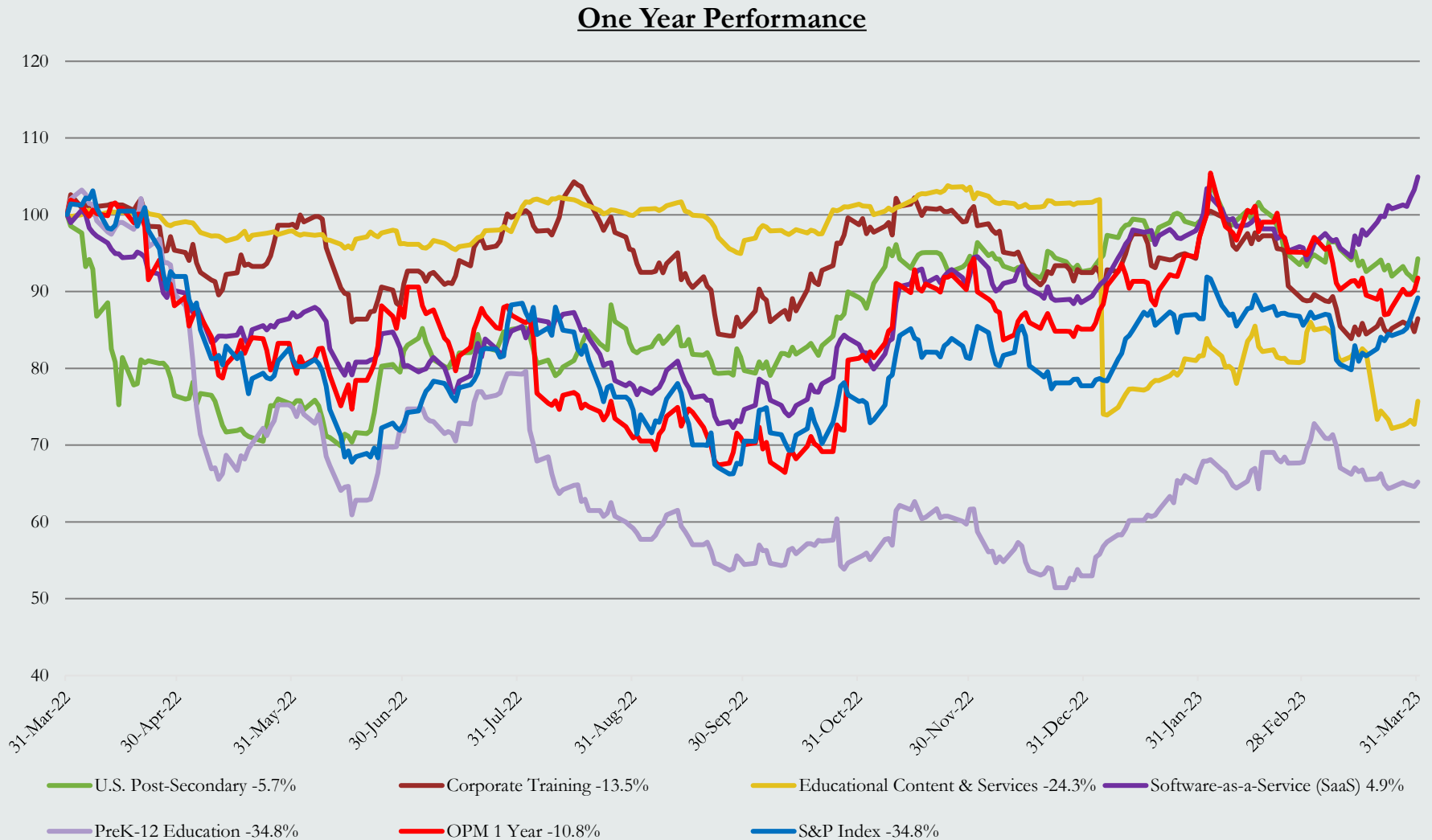
Overview

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

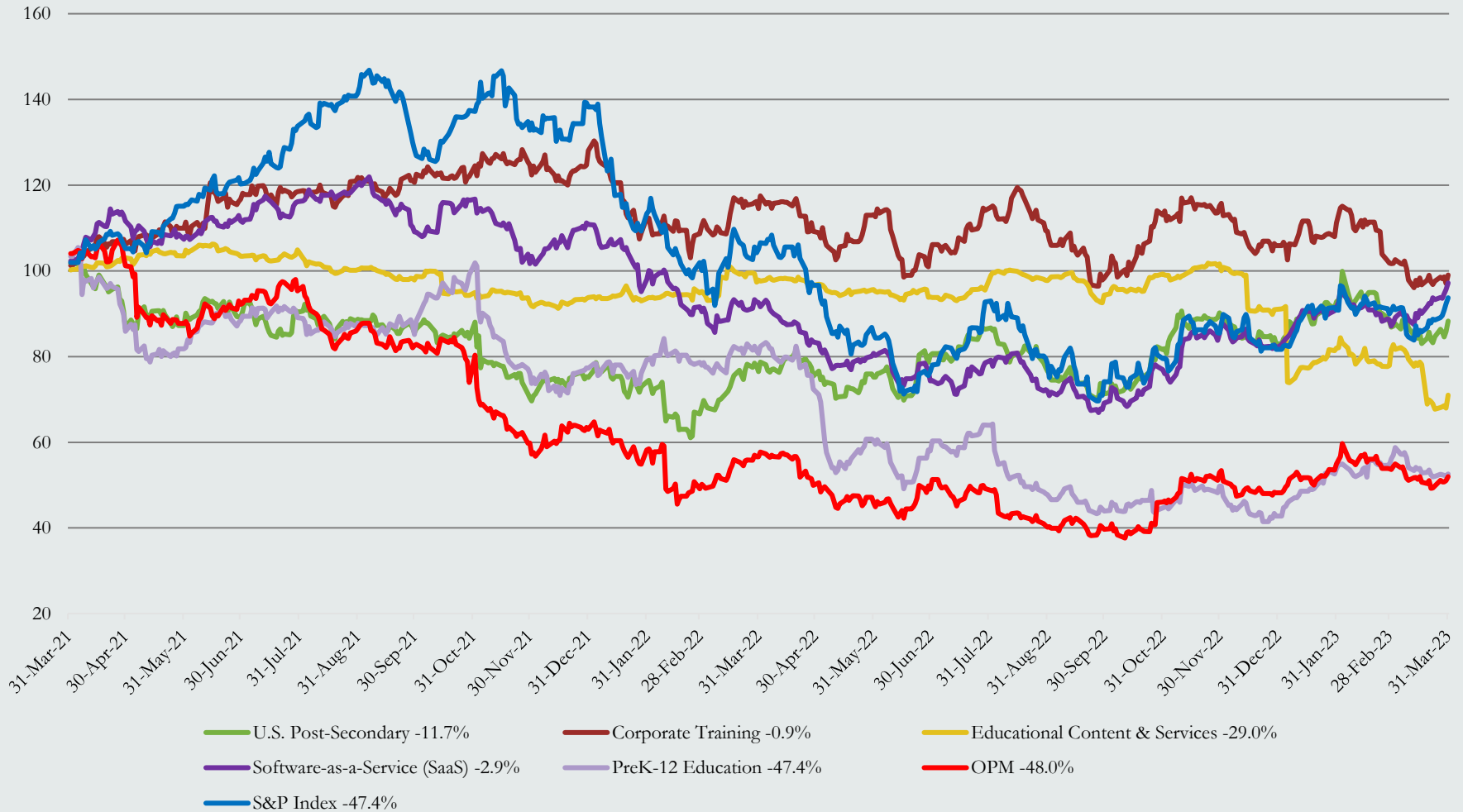


Prices indexed to 100
 Weighted by market capitalization
 Sources: PitchBook and PVC



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

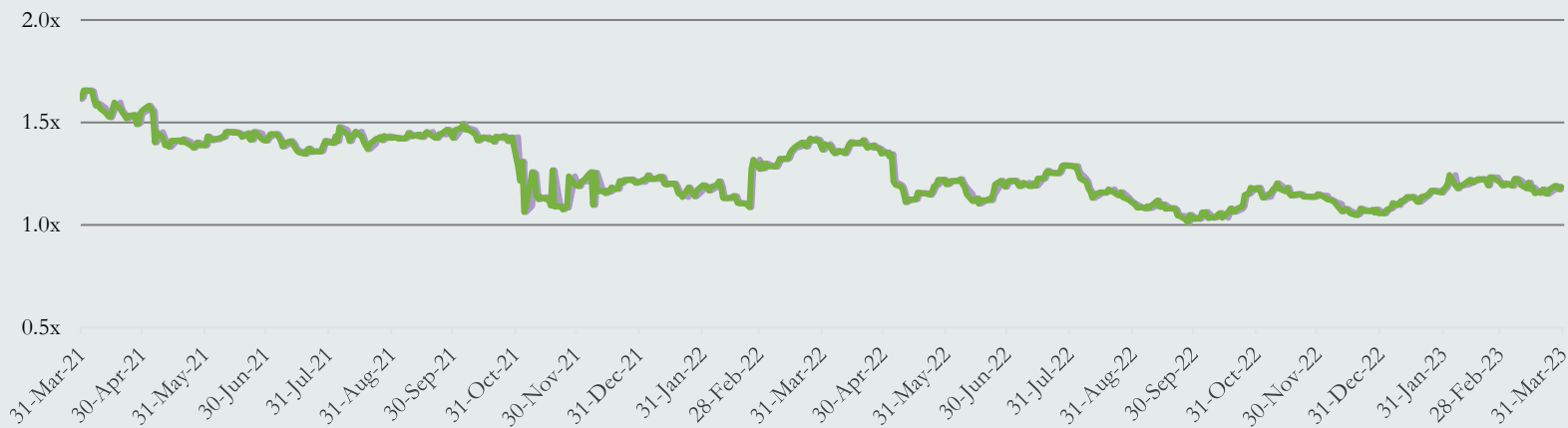


Data as of 3/31/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

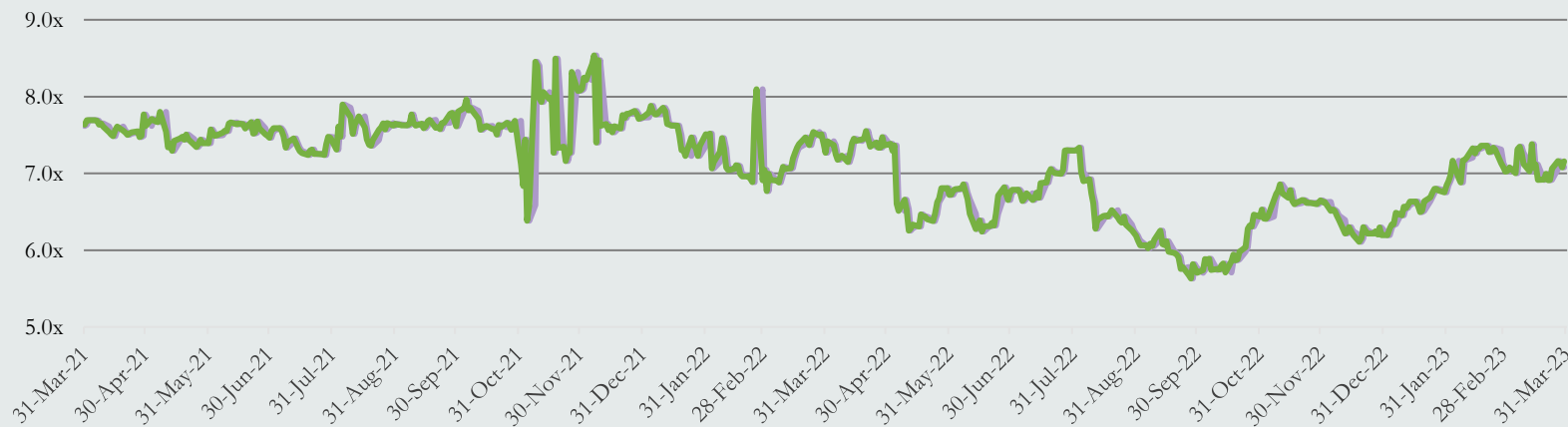


TTM Market Multiple Trends – Post Secondary

TEV/Revenue Multiples



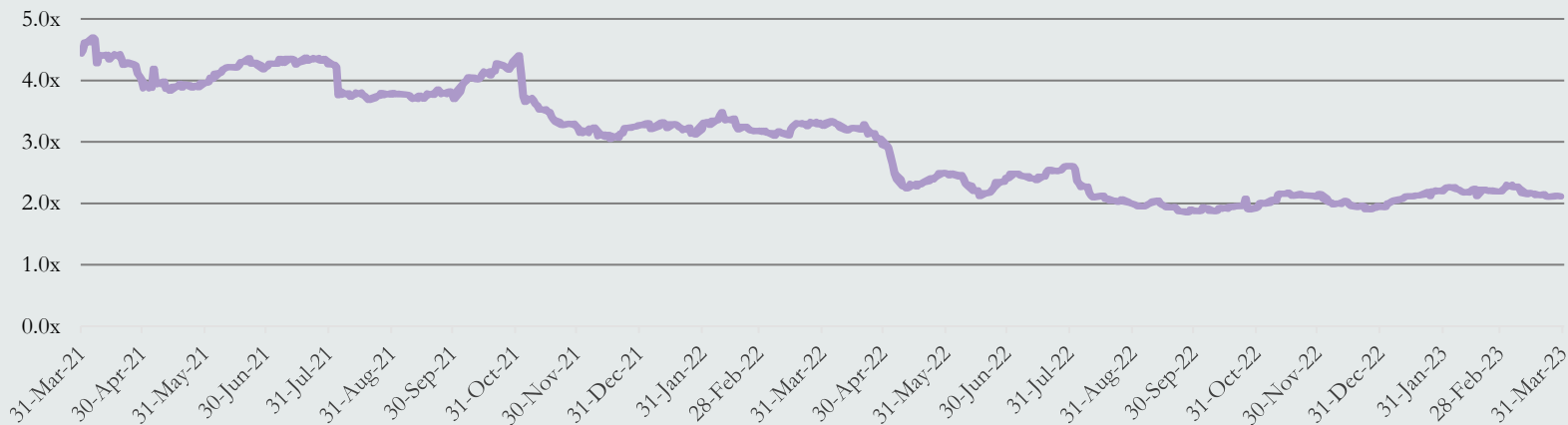
TEV/EBITDA Multiples



Data as of 3/31/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Pre K-12

TEV/Revenue Multiples



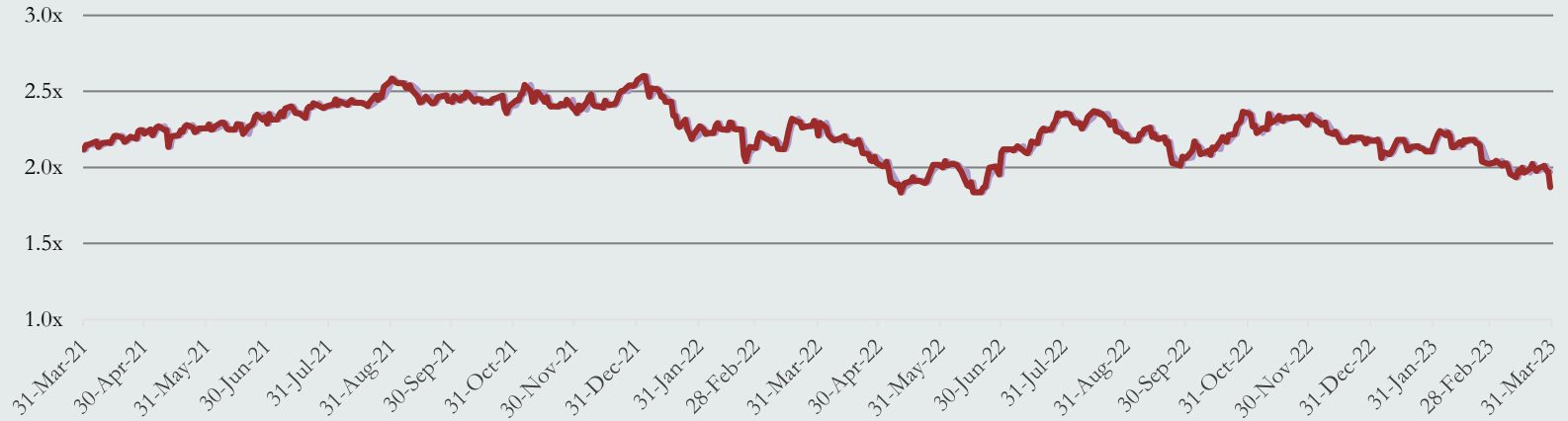
TEV/EBITDA Multiples



Data as of 3/31/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Corporate Training

TEV/Revenue Multiples



TEV/EBITDA Multiples



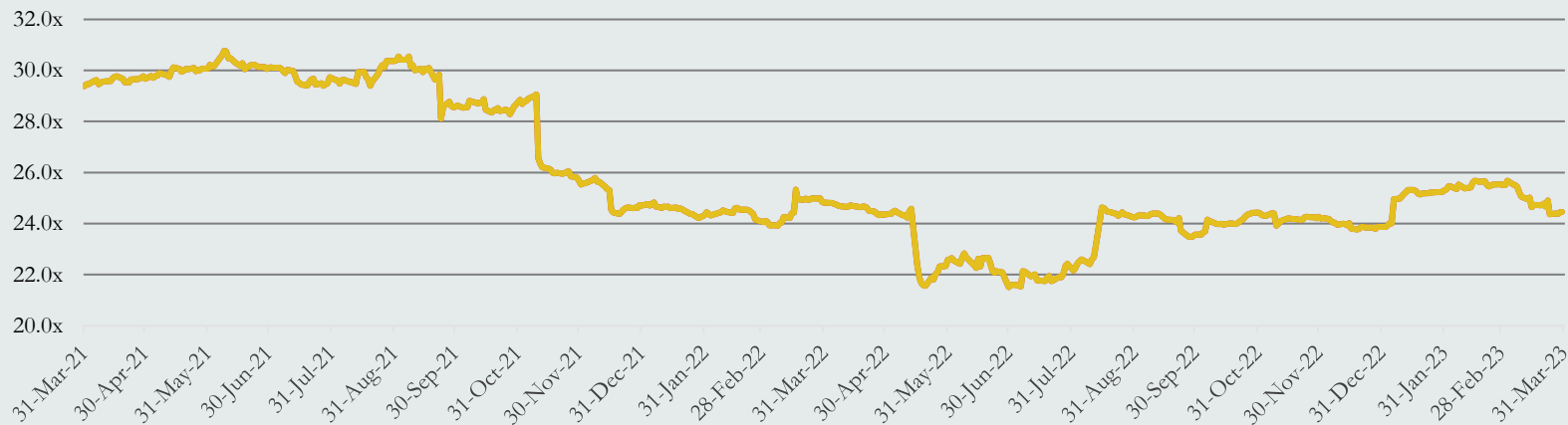
Data as of 3/31/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Educational Content & Services

TEV/Revenue Multiples



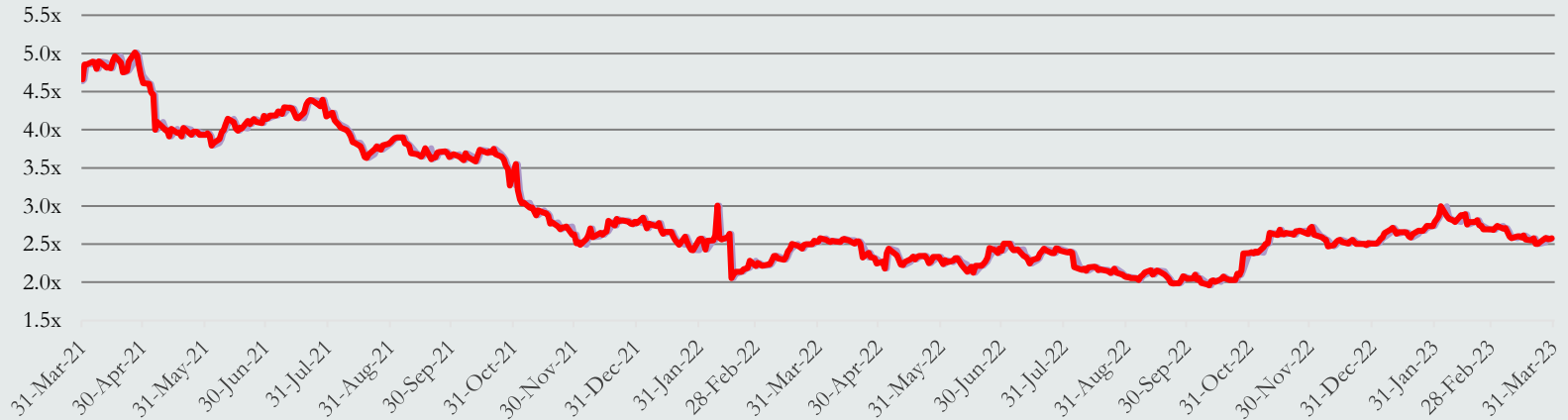
TEV/EBITDA Multiples



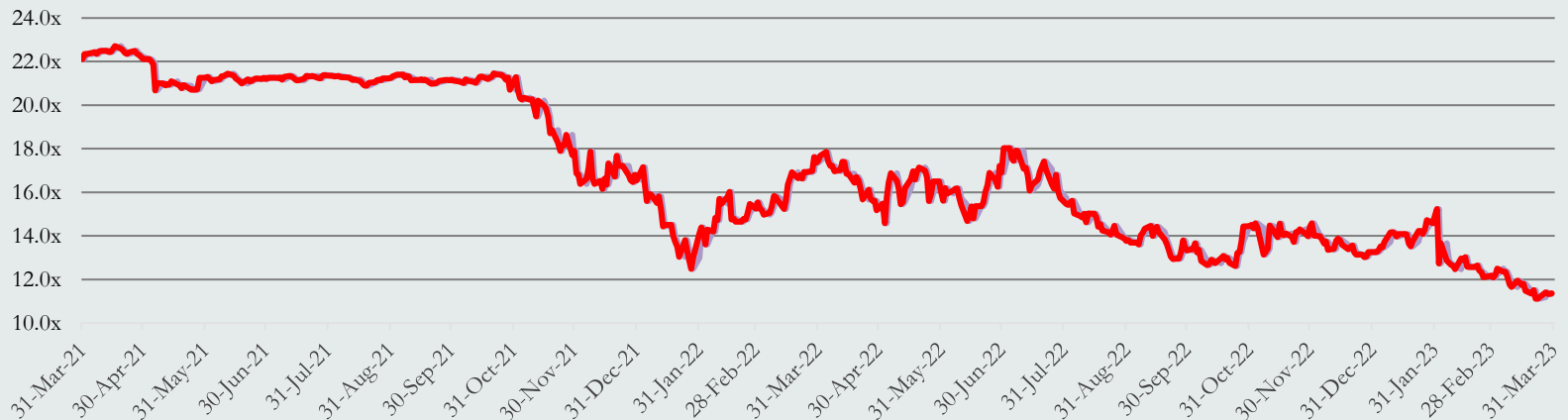
Data as of 3/31/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – OPM

TEV/Revenue Multiples



TEV/EBITDA Multiples



Data as of 3/31/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

Education Public Company Valuation Data

Software-as-a-Service (SaaS)

Company Name	Price (03/31/2023)	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)	\$69.33	\$4,560.1	\$3,687.9	5.5%	7.6%	4.3x	4.2x	17.4x	14.0x	25.8x	20.1x
Chegg, Inc. (CHGG)	\$16.30	\$2,214.6	\$2,062.8	23.1%	24.7%	2.9x	2.9x	8.7x	9.0x	12.5x	13.6x
Constellation Software, Inc. (CSU)	\$1,878.54	\$41,391.1	\$39,809.1	23.8%	24.6%	6.3x	5.2x	26.2x	18.8x	83.8x	31.1x
D2L, Inc.	\$5.91	\$208.5	\$313.7	NM	(7.0%)	1.2x	1.1x	NM	30.9x	NM	NM
Docebo, Inc. (DCBO)	\$40.68	\$1,125.6	\$1,338.8	51.1%	4.6%	7.9x	6.2x	NM	81.6x	581.1x	166.0x
Instructure Holdings, Inc. (INST)	\$25.90	\$4,029.9	\$3,701.6	NM	NM	8.5x	7.7x	22.4x	20.1x	33.6x	33.6x
Learning Technologies Group plc (LTG)	\$1.60	\$1,465.7	\$1,263.6	55.1%	16.2%	2.4x	1.9x	11.6x	8.8x	18.7x	13.8x
PowerSchool Holdings, Inc. (PWSC)	\$19.82	\$4,318.7	\$3,221.2	20.0%	19.3%	6.8x	6.2x	22.0x	19.2x	23.3x	21.9x
SAP SE (SAP)	\$126.56	\$154,018.6	\$147,706.4	3.9%	20.6%	4.7x	4.3x	16.1x	14.3x	29.6x	21.8x
Sylogist Ltd. (SYZ)	\$4.02	\$100.9	\$95.5	9.9%	29.8%	2.5x	2.2x	7.6x	7.4x	31.3x	23.7x
Tribal Group plc (TRB)	\$0.50	\$111.0	\$105.1	2.2%	5.8%	1.1x	1.1x	12.1x	7.3x	67.0x	12.1x
Tyler Technologies, Inc. (TYL)	\$354.64	\$15,693.0	\$14,857.8	19.4%	21.0%	8.5x	8.0x	33.0x	32.5x	47.3x	46.8x
Mean		\$19,103.1	\$18,180.3	21.4%	15.2%	4.8x	4.3x	17.7x	22.0x	86.7x	36.8x
Median		\$3,122.2	\$2,642.0	19.7%	19.3%	4.5x	4.3x	16.7x	16.5x	31.3x	21.9x

U.S. Post-Secondary

Company Name	Price (03/31/2023)	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)	\$38.62	\$2,456.3	\$1,755.3	11.4%	22.1%	1.7x	1.7x	6.6x	6.8x	9.1x	8.8x
American Public Education, Inc. (APEI)	\$5.42	\$249.2	\$103.1	28.4%	(16.7%)	0.4x	0.4x	4.4x	7.7x	2.9x	NM
Laureate Education, Inc. (LAUR)	\$11.75	\$2,408.8	\$1,846.5	0.8%	27.6%	1.9x	1.8x	7.1x	6.2x	23.2x	12.1x
Lincoln Educational Services Corporation (LINC)	\$5.66	\$218.2	\$178.4	8.4%	6.5%	0.6x	0.6x	7.7x	10.3x	10.0x	23.6x
Perdoceo Education (PRDO)	\$13.42	\$427.3	\$902.2	3.5%	21.2%	0.6x	0.6x	2.1x	2.7x	8.2x	9.8x
Strategic Education, Inc. (STRA)	\$89.83	\$2,245.5	\$2,209.0	2.2%	13.0%	2.1x	2.0x	13.8x	13.1x	35.8x	30.5x
Universal Technical Institute, Inc. (UTI)	\$7.38	\$471.4	\$250.7	8.9%	10.8%	1.1x	0.8x	9.4x	7.8x	9.9x	42.2x
Mean		\$1,211.0	\$1,035.0	9.1%	12.1%	1.2x	1.1x	7.3x	7.8x	14.2x	21.1x
Median		\$471.4	\$902.2	8.4%	13.0%	1.1x	0.8x	7.1x	7.7x	9.9x	17.8x

Pre K-12 Education

Company Name	Price (03/31/2023)	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)	\$76.99	\$6,363.0	\$4,450.8	(0.7%)	12.8%	3.1x	2.7x	20.1x	17.5x	29.6x	26.9x
Stride Inc. (LRN)	\$39.25	\$1,938.4	\$1,692.1	19.8%	14.1%	1.1x	1.0x	7.2x	6.3x	14.7x	14.1x
Mean		\$4,150.7	\$3,071.4	9.6%	13.4%	2.1x	1.9x	13.6x	11.9x	22.2x	20.5x
Median		\$4,150.7	\$3,071.4	9.6%	13.4%	2.1x	1.9x	13.6x	11.9x	22.2x	20.5x

Data as of 3/31/2023. Sources: PitchBook and PVC
NM = Not Measurable

Education Public Company Valuation Data

Corporate Training

Company Name	Price (03/31/2023)	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)	\$38.47	\$500.1	\$534.9	5.6%	13.0%	1.8x	1.8x	11.4x	11.0x	29.1x	36.5x
Graham Holdings Company (GHC)	\$595.84	\$3,322.0	\$2,849.8	10.2%	12.8%	0.8x	0.8x	4.4x	NM	10.1x	11.7x
HealthStream, Inc. (HSTM)	\$27.08	\$798.2	\$828.8	1.6%	20.1%	3.0x	2.8x	14.9x	13.6x	56.5x	71.3x
NV5 Global, Inc. (NVEE)	\$103.97	\$1,644.0	\$1,614.6	15.6%	14.0%	2.1x	1.9x	12.2x	10.9x	23.5x	19.5x
Skillsoft Corp. (SKIL)	\$2.00	\$801.2	\$328.9	NM	NM	NM	1.5x	NM	6.9x	NM	NM
	Mean	\$1,413.1	\$1,231.4	8.3%	15.0%	1.9x	1.8x	10.7x	10.6x	29.8x	34.7x
	Median	\$801.2	\$828.8	7.9%	13.5%	2.0x	1.8x	11.8x	11.0x	26.3x	28.0x

Educational Content & Services

Company Name	Price (03/31/2023)	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)	\$1.52	\$658.9	\$80.0	(6.3%)	(0.3%)	0.4x	0.4x	106.2x	16.5x	NM	NM
Boxlight Corporation (BOXL)	\$0.39	\$91.5	\$28.6	88.7%	6.9%	0.4x	0.4x	4.8x	4.1x	NM	39.0x
Coursera, Inc. (COUR)	\$11.52	\$957.9	\$1,724.0	NM	(30.8%)	1.8x	1.6x	NM	NM	NM	NM
Duolingo, Inc. (DUOL)	\$142.61	\$5,214.5	\$5,794.3	NM	(16.5%)	14.1x	10.6x	NM	97.3x	NM	NM
Educational Development Corporation (EDUC)	\$2.94	\$69.3	\$25.6	(6.2%)	3.9%	0.7x	NM	14.9x	NM	58.2x	NM
John Wiley & Sons, Inc. (WLY)	\$38.77	\$3,094.6	\$2,135.6	3.3%	12.1%	1.5x	1.5x	7.8x	7.3x	15.9x	11.1x
Nerdy, Inc. (NRDY)	\$4.18	\$343.9	\$399.0	NM	NM	2.1x	1.8x	NM	NM	NM	NM
Pearson plc (PSO)	\$10.46	\$8,318.1	\$7,489.1	(0.2%)	15.5%	1.8x	1.8x	10.1x	8.3x	16.5x	15.0x
Scholastic Corporation (SCHL)	\$34.22	\$1,023.4	\$1,130.9	0.3%	7.8%	0.6x	NM	6.0x	NM	16.9x	NM
Udemy, Inc. (UDMY)	\$8.82	\$831.5	\$1,283.5	NM	(21.4%)	1.3x	1.2x	NM	NM	NM	NM
	Mean	\$2,060.4	\$2,009.1	13.3%	(2.5%)	2.5x	2.4x	25.0x	26.7x	26.9x	21.7x
	Median	\$894.7	\$1,207.2	0.0%	3.9%	1.4x	1.5x	9.0x	8.3x	16.7x	15.0x

OPM

Company Name	Price (03/31/2023)	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)	\$6.85	\$1,414.2	\$543.0	18.8%	(13.9%)	1.5x	1.4x	11.3x	9.0x	NM	24.4x
Grand Canyon Education, Inc. (LOPE)	\$113.90	\$3,431.1	\$3,535.4	5.4%	29.5%	3.8x	3.6x	11.8x	11.7x	19.1x	17.8x

Data as of 3/31/2023. Sources: PitchBook and PVC
 NM = Not Measurable

For more information, please visit www.parchmanvaughan.com