

Q4 2020 EDUCATION SECTOR OVERVIEW

Including Special Purpose Acquisition Companies

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Overview

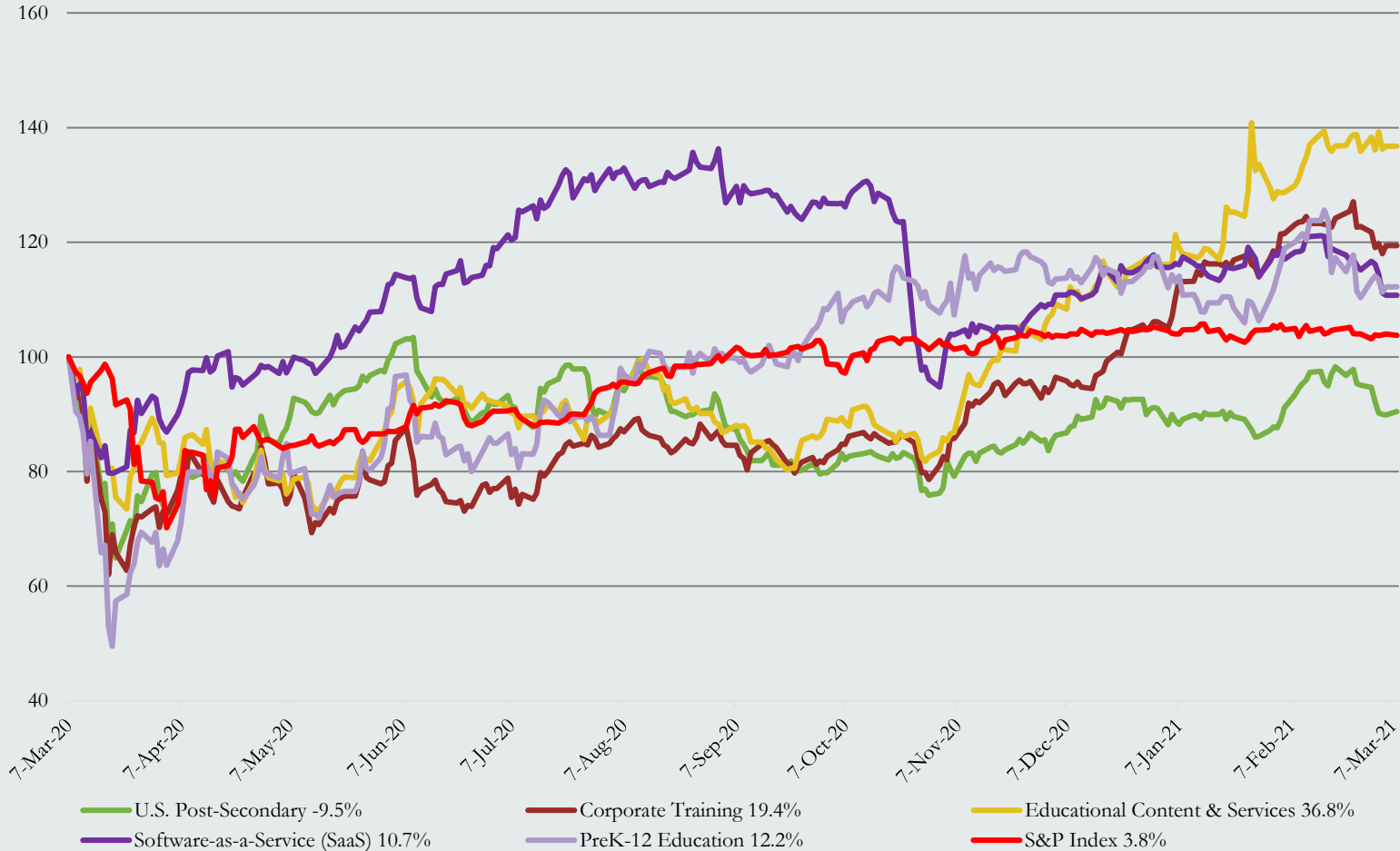
Parchman, Vaughan & Company, L.L.C. (“PVC”) is pleased to share with you our summary of the earnings and other multiples of publicly-traded education firms.

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

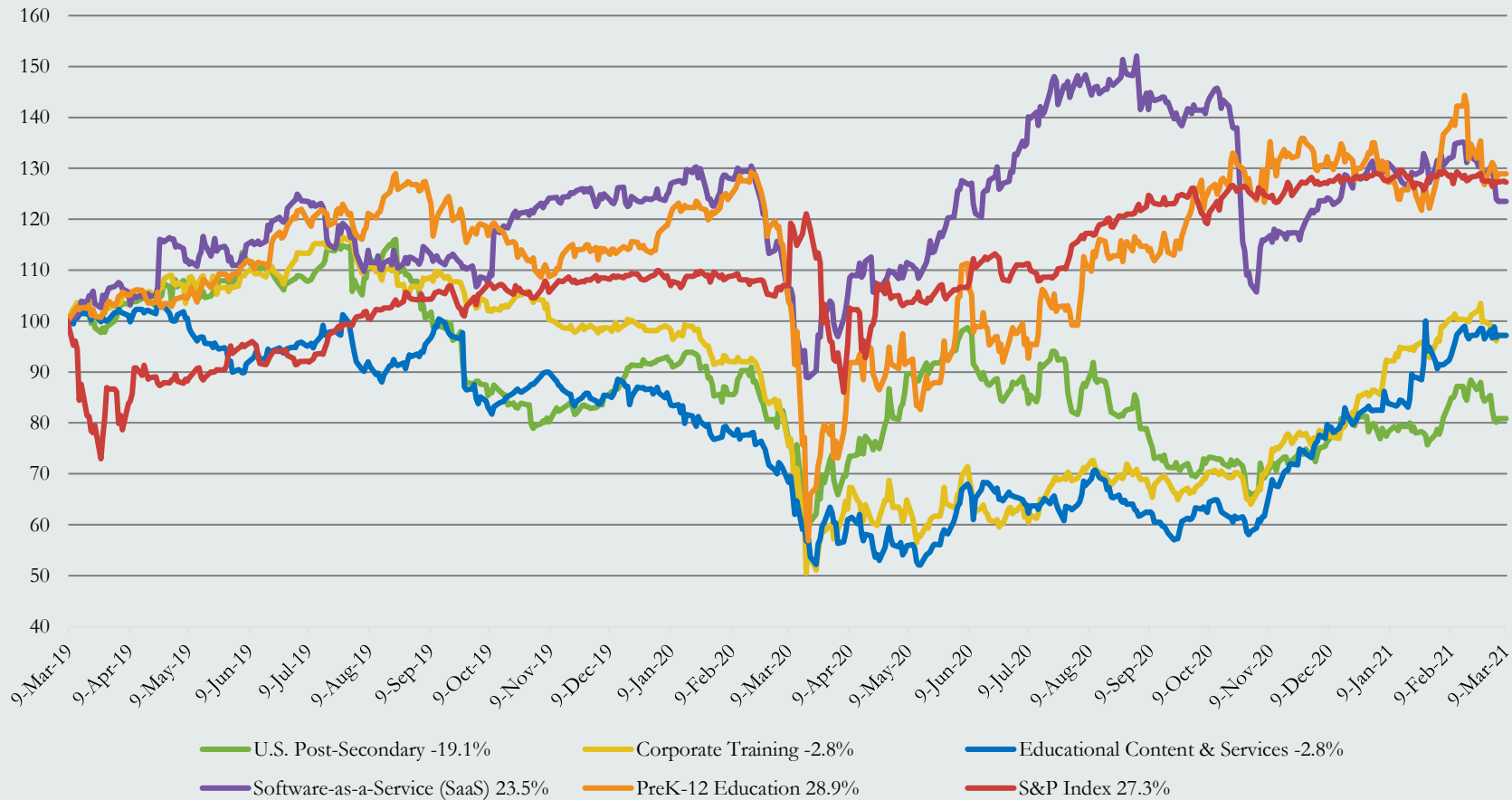
One Year Performance



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

Education Public Company Valuation Data

Software-as-a-Service (SaaS)

| Company Name | Price (03/07/2021) | Enterprise Value (USD MM) | Market Cap (USD MM) | Revenue Growth 3 Year CAGR | EBITDA Margin | LTM TEV/Revenue | NTM TEV/Revenue | LTM TEV/EBITDA | NTM TEV/EBITDA | LTM Price/Earnings | NTM Price/Earnings |
|---------------------------------------|-----------------------|------------------------------|------------------------|-------------------------------|------------------|--------------------|--------------------|-------------------|-------------------|-----------------------|-----------------------|
| 2U, Inc. (IWOU) | \$35.54 | \$2,492.1 | \$2,629.8 | 39.3% | (12.3%) | 3.2x | 2.7x | 155.0x | 44.5x | NM | NM |
| Blackbaud, Inc. (BLKB) | \$69.28 | \$3,864.5 | \$3,351.9 | 5.0% | 14.2% | 4.2x | 4.3x | 16.0x | 17.2x | 23.6x | 25.6x |
| Chegg, Inc. (CHGG) | \$87.55 | \$12,679.2 | \$12,291.8 | 36.2% | 19.8% | 19.7x | 16.1x | 61.2x | 47.2x | 65.3x | 54.7x |
| Constellation Software, Inc. (CSU) | \$1,317.96 | \$27,887.5 | \$27,929.5 | 17.0% | 28.9% | 7.0x | 5.8x | 22.8x | 19.5x | 56.8x | 29.6x |
| Cornerstone OnDemand, Inc. (CSOD) | \$47.79 | \$4,221.0 | \$3,111.1 | 15.4% | 12.6% | 5.7x | 4.9x | 19.0x | 16.4x | 26.8x | 23.9x |
| Docebo, Inc. (DCBO) | \$40.75 | \$1,275.0 | \$1,332.1 | NM | (9.6%) | 22.6x | 13.9x | NM | NM | NM | NM |
| Learning Technologies Group plc (LTG) | \$2.15 | \$1,513.3 | \$1,593.9 | 53.2% | 30.5% | 9.1x | 6.2x | 35.8x | 20.1x | 35.9x | 31.5x |
| Pluralsight, Inc. (PS) | \$20.56 | \$3,270.8 | \$3,053.9 | 32.9% | (29.7%) | 8.3x | 7.3x | NM | 462.3x | NM | NM |
| SAP SE (SAP) | \$121.80 | \$151,728.7 | \$143,674.9 | 5.2% | 30.3% | 4.9x | 4.7x | 14.2x | 13.4x | 21.3x | 21.0x |
| Sylogist Ltd. (SYZ) | \$9.07 | \$185.0 | \$216.6 | 4.5% | 46.8% | 6.4x | 5.8x | 12.4x | 11.7x | 25.0x | 27.1x |
| Tribal Group plc (TRB) | \$1.29 | \$261.0 | \$264.5 | (5.2%) | 1.9% | 2.7x | 2.6x | 13.6x | 12.5x | 24.3x | 20.2x |
| Tyler Technologies, Inc. (TYL) | \$401.06 | \$15,620.1 | \$16,273.7 | 9.9% | 23.0% | 14.0x | 12.9x | 47.9x | 44.7x | 72.7x | 70.1x |
| Mean | | \$18,749.8 | \$17,977.0 | 19.4% | 13.0% | 9.0x | 7.3x | 39.8x | 64.5x | 39.1x | 33.7x |
| Median | | \$3,567.6 | \$3,082.5 | 15.4% | 17.0% | 6.7x | 5.8x | 20.9x | 19.5x | 26.8x | 27.1x |

Educational Content & Services

| Company Name | Price (03/07/2021) | Enterprise Value (USD MM) | Market Cap (USD MM) | Revenue Growth 3 Year CAGR | EBITDA Margin | LTM TEV/Revenue | NTM TEV/Revenue | LTM TEV/EBITDA | NTM TEV/EBITDA | LTM Price/Earnings | NTM Price/Earnings |
|--|-----------------------|------------------------------|------------------------|-------------------------------|------------------|--------------------|--------------------|-------------------|-------------------|-----------------------|-----------------------|
| Barnes & Noble Education, Inc. (BNED) | \$6.89 | \$750.7 | \$338.0 | (9.6%) | (2.9%) | 0.5x | 0.4x | #N/A | 21.0x | NM | NM |
| Educational Development Corporation (EDUC) | \$15.96 | \$112.9 | \$133.3 | 16.3% | 9.3% | 0.6x | NM | 6.3x | NM | 11.5x | NM |
| Houghton Mifflin Harcourt Company (HMHC) | \$6.20 | \$1,286.1 | \$782.0 | (8.1%) | (18.0%) | 1.2x | 1.2x | 9.8x | 8.9x | NM | NM |
| John Wiley & Sons, Inc. (JW.A) | \$52.97 | \$3,996.2 | \$2,952.8 | 2.1% | 9.5% | 2.1x | 2.0x | 22.0x | 9.2x | NM | 18.9x |
| Pearson plc (PON) | \$10.56 | \$9,392.1 | \$7,958.1 | (9.3%) | 19.8% | 2.1x | 1.9x | 8.2x | 10.8x | 21.2x | 21.3x |
| Scholastic Corporation (SCHL) | \$29.55 | \$949.3 | \$1,013.6 | (7.6%) | (3.4%) | 0.7x | 0.7x | 18.9x | 5.7x | NM | 20.0x |
| Mean | | \$2,747.9 | \$2,196.3 | (2.7%) | 2.4% | 1.2x | 1.3x | #N/A | 11.2x | 16.4x | 20.0x |
| Median | | \$1,117.7 | \$897.8 | (7.9%) | 3.2% | 1.0x | 1.2x | #N/A | 9.2x | 16.4x | 20.0x |

Data as of 3/7/2021. Sources: PitchBook and PVC



Education Public Company Valuation Data

U.S. Post-Secondary

| Company Name | Price (03/07/2021) | Enterprise Value (USD MM) | Market Cap (USD MM) | Revenue Growth 3 Year CAGR | EBITDA Margin | LTM TEV/Revenue | NTM TEV/Revenue | LTM TEV/EBITDA | NTM TEV/EBITDA | LTM Price/Earnings | NTM Price/Earnings |
|---|-----------------------|------------------------------|------------------------|-------------------------------|------------------|--------------------|--------------------|-------------------|-------------------|-----------------------|-----------------------|
| Adtalem Global Education, Inc. (ATGE) | \$38.80 | \$2,023.6 | \$1,946.0 | (1.9%) | 37.0% | 1.9x | 1.7x | 6.2x | 7.5x | 13.2x | 11.6x |
| American Public Education, Inc. (APEI) | \$27.81 | \$298.9 | \$517.4 | 1.2% | 12.1% | 1.0x | 0.7x | 6.7x | 4.9x | 19.1x | 20.2x |
| Aspen Group, Inc. (ASPU) | \$8.61 | \$207.0 | \$210.5 | 50.8% | (5.6%) | 3.5x | 2.4x | NM | 25.2x | NM | 107.6x |
| Grand Canyon Education, Inc. (LOPE) | \$101.35 | \$4,665.8 | \$4,750.7 | (4.7%) | 36.5% | 5.5x | 5.0x | 14.4x | 13.3x | 18.1x | 16.4x |
| Laureate Education, Inc. (LAUR) | \$13.93 | \$3,540.0 | \$2,770.0 | (5.5%) | 19.2% | 3.5x | 4.3x | 18.1x | 17.9x | NM | 2.6x |
| Lincoln Educational Services Corporation (LINC) | \$5.87 | \$184.6 | \$155.4 | 2.2% | 7.5% | 0.6x | 0.6x | 8.2x | 5.6x | 3.9x | 12.6x |
| Perdoceo Education (PRDO) | \$11.81 | \$473.9 | \$827.1 | 4.8% | 23.0% | 0.7x | 0.7x | 2.2x | 2.8x | 7.6x | 7.4x |
| Strategic Education, Inc. (STRA) | \$80.60 | \$2,055.1 | \$1,967.3 | 31.2% | 21.7% | 2.0x | 1.7x | 7.6x | 7.5x | 12.1x | 13.3x |
| Universal Technical Institute, Inc. (UTI) | \$6.14 | \$281.5 | \$201.0 | (3.4%) | 10.5% | 1.0x | 0.9x | 8.1x | 8.8x | NM | 25.6x |
| Zovio, Inc. (ZVO) | \$4.72 | \$151.6 | \$154.6 | (5.8%) | (12.7%) | 0.4x | 0.5x | 9.0x | 8.9x | 17.6x | 15.7x |
| Mean | | \$1,388.2 | \$1,350.0 | 6.9% | 14.9% | 2.0x | 1.8x | 8.9x | 10.2x | 13.1x | 23.3x |
| Median | | \$386.4 | \$672.3 | (0.4%) | 15.6% | 1.4x | 1.3x | 8.1x | 8.2x | 13.2x | 14.5x |

Corporate Training

| Company Name | Price (03/07/2021) | Enterprise Value (USD MM) | Market Cap (USD MM) | Revenue Growth 3 Year CAGR | EBITDA Margin | LTM TEV/Revenue | NTM TEV/Revenue | LTM TEV/EBITDA | NTM TEV/EBITDA | LTM Price/Earnings | NTM Price/Earnings |
|---------------------------------|-----------------------|------------------------------|------------------------|-------------------------------|------------------|--------------------|--------------------|-------------------|-------------------|-----------------------|-----------------------|
| Franklin Covey Company (FC) | \$26.78 | \$376.4 | \$375.9 | (0.9%) | 8.0% | 2.0x | 1.8x | 28.9x | 17.9x | NM | 486.9x |
| GP Strategies Corporation (GPX) | \$13.95 | \$295.4 | \$239.4 | 0.0% | 4.7% | 0.6x | 0.6x | 9.7x | 8.9x | 45.9x | 19.9x |
| Graham Holdings Company (GHC) | \$571.35 | \$2,912.9 | \$2,858.0 | 3.7% | 24.0% | 1.0x | 0.9x | 6.4x | NM | 18.7x | 19.3x |
| HealthStream, Inc. (HSTM) | \$23.35 | \$717.4 | \$735.4 | 4.4% | 19.6% | 2.9x | 2.9x | 15.6x | 19.6x | 47.2x | 1167.5x |
| NV5 Global, Inc. (NVEE) | \$99.94 | \$1,584.5 | \$1,328.8 | 25.6% | 13.6% | 2.4x | 2.3x | 15.0x | 13.9x | 39.2x | 23.7x |
| Mean | | \$1,177.3 | \$1,107.5 | 6.6% | 14.0% | 1.8x | 1.7x | 15.1x | 15.1x | 37.7x | 343.5x |
| Median | | \$717.4 | \$735.4 | 3.7% | 13.6% | 2.0x | 1.8x | 15.0x | 15.9x | 42.5x | 23.7x |

Pre K-12 Education

| Company Name | Price (03/07/2021) | Enterprise Value (USD MM) | Market Cap (USD MM) | Revenue Growth 3 Year CAGR | EBITDA Margin | LTM TEV/Revenue | NTM TEV/Revenue | LTM TEV/EBITDA | NTM TEV/EBITDA | LTM Price/Earnings | NTM Price/Earnings |
|---|-----------------------|------------------------------|------------------------|-------------------------------|------------------|--------------------|--------------------|-------------------|-------------------|-----------------------|-----------------------|
| Bright Horizons Family Solutions (BFAM) | \$161.50 | \$11,258.4 | \$9,816.4 | (4.5%) | 10.9% | 7.4x | 6.2x | 50.2x | 37.9x | 104.2x | 69.6x |
| Stride Inc. (LRN) | \$24.79 | \$1,232.3 | \$1,031.3 | 12.9% | 9.2% | 1.0x | 0.8x | 6.5x | 5.2x | 13.9x | 18.6x |

Data as of 3/7/2021. Sources: PitchBook and PVC



EdTech SPACs Enter The Market

Churchill Capital Corp. II

(NYSE:CCX.U)

- Initial Public Offering Date: 6/27/2019
- Amount Raised: \$600 million
- Private Placements: \$570 million
- Announced plans to merge with Skillsoft Ltd. on 10/23/2020

EdtechX Holdings Acquisition Corp. II

(NASDAQ:EDTXU)

- Initial Public Offering Date: 12/11/2020
- Amount Raised: \$100 million
- Private Placements: \$5 million
- Targets businesses in the education, training, reskilling, human capital, and education technology industries

Edify Acquisition Corp.

(NASDAQ:EACPU)

- Initial Public Offering Date: 1/15/2021
- Amount Raised: \$276 million
- Private Placements: None
- Targets business in the education, education technology, workforce development, and human capital management industries

TPG Pace Tech Opportunities

(NYSE:PACE)

- Initial Public Offering Date: 10/7/2020
- Amount Raised: \$450 million
- Private Placements: None
- Announced plans to merge with Nerdy, Inc. on 1/29/2021

Adit EdTech Acquisition

(NYSE:ADEX.U)

- Initial Public Offering Date: 1/12/2021
- Amount Raised: \$240 million
- Private Placements: None
- Targets businesses in the education, training, and education technology industries

Class Acceleration

(NYSE:CLAS.U)

- Initial Public Offering Date: 1/15/2021
- Amount Raised: \$259 million
- Private Placements: None
- Targets businesses in the education technology industry



For more information, please visit www.parchmanvaughan.com