

Q3 2022 EDUCATION SECTOR OVERVIEW



PARCHMAN, VAUGHAN & COMPANY

Private Investment Bankers

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Overview

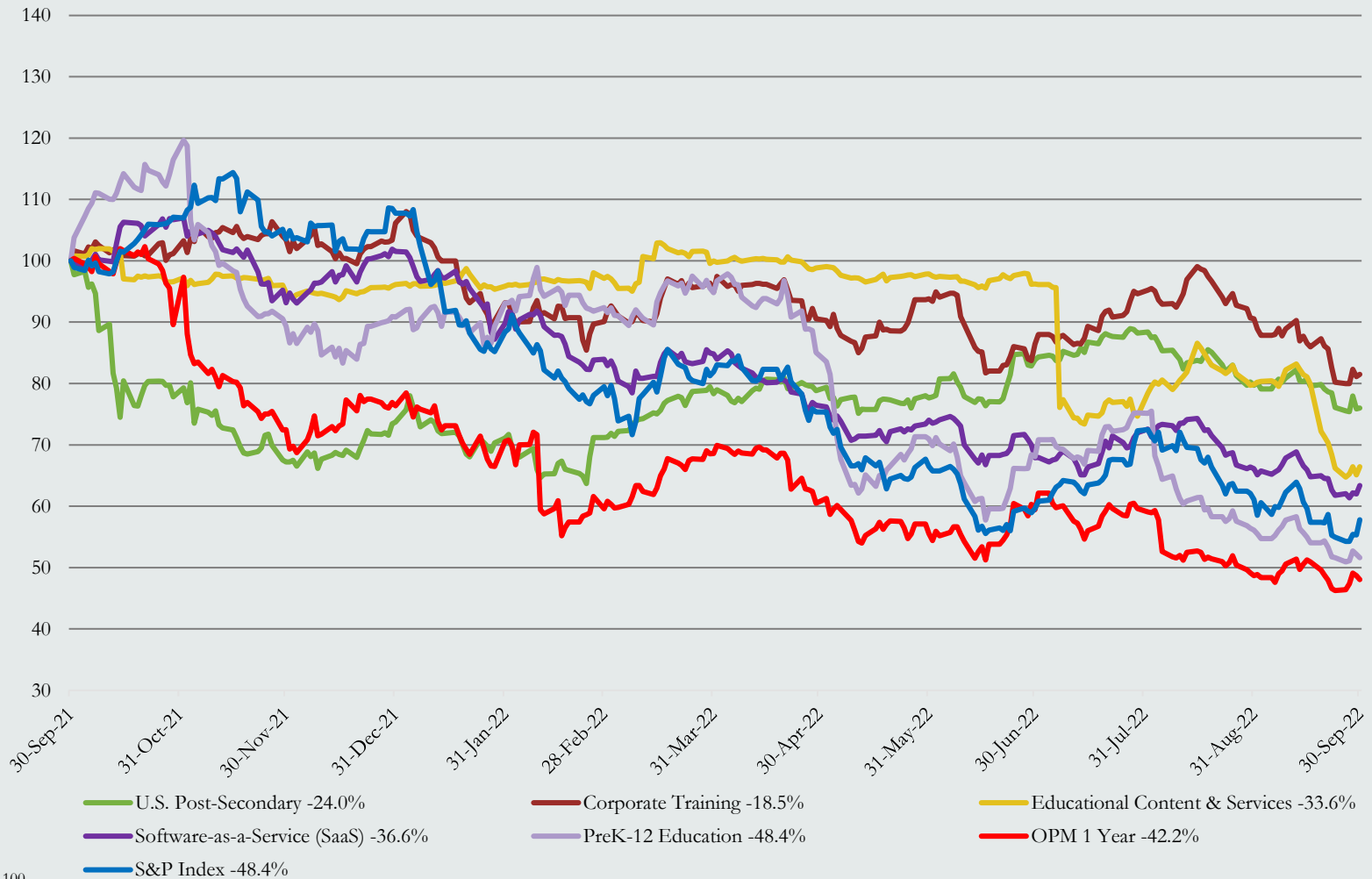
Parchman, Vaughan & Company, L.L.C. (“PVC”) is pleased to share with you our summary of the earnings and other multiples of publicly-traded education firms.

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

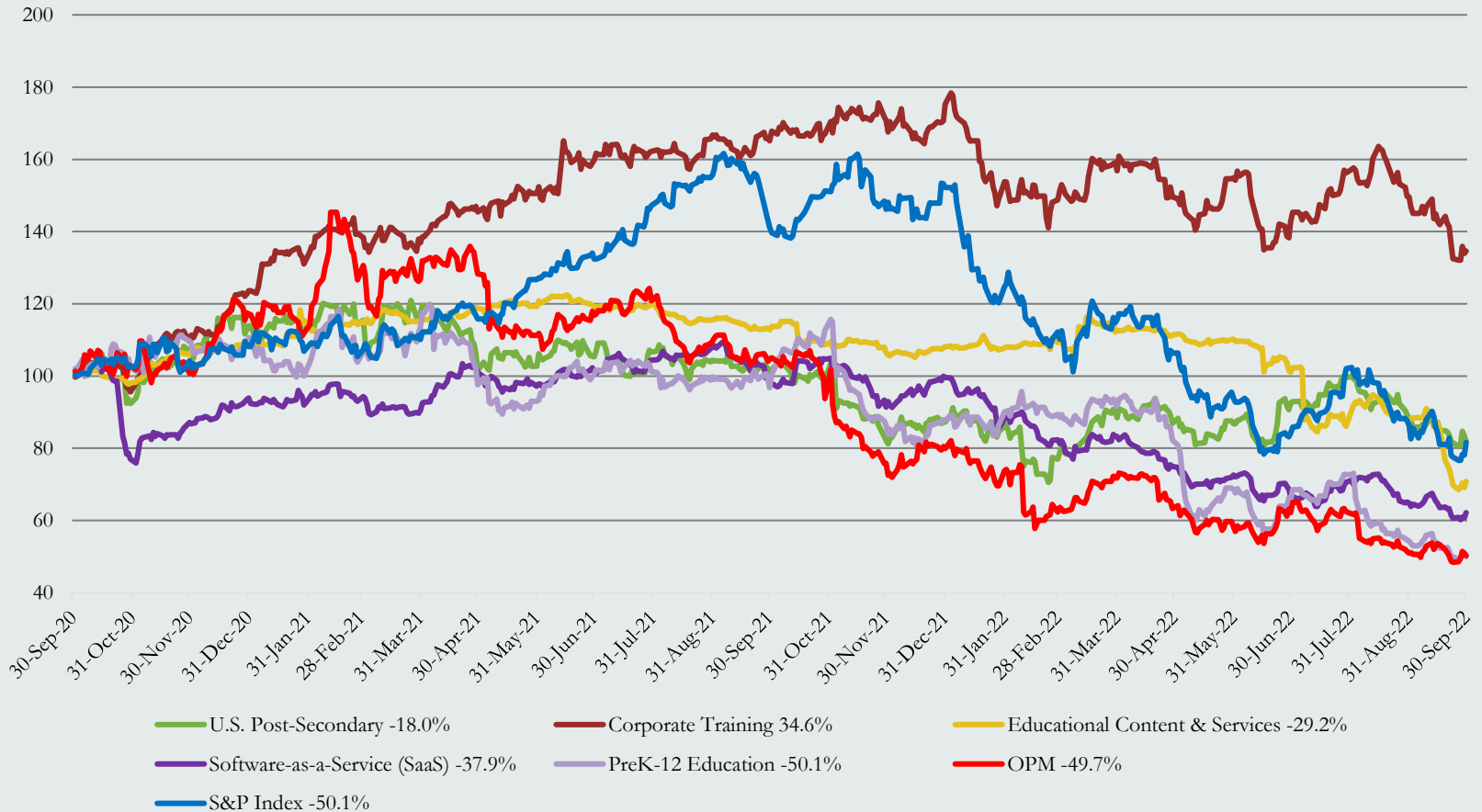


Prices indexed to 100
 Weighted by market capitalization
 Sources: PitchBook and PVC



Two Year Education Stock Price Performance by Sector

Two Year Performance



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

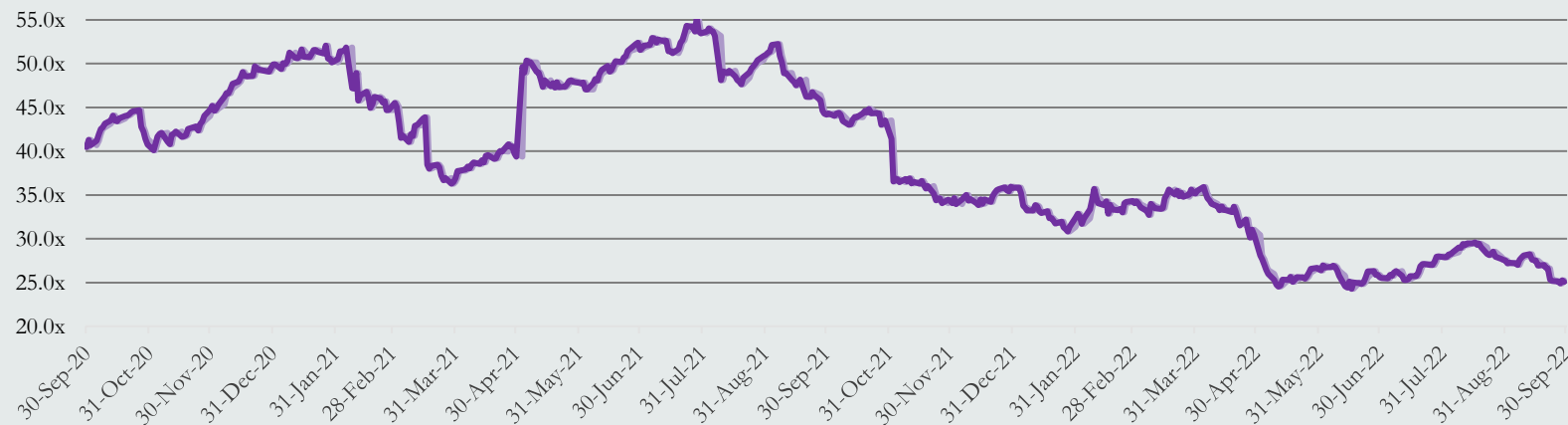


TTM Market Multiple Trends – SaaS

TEV/Revenue Multiples



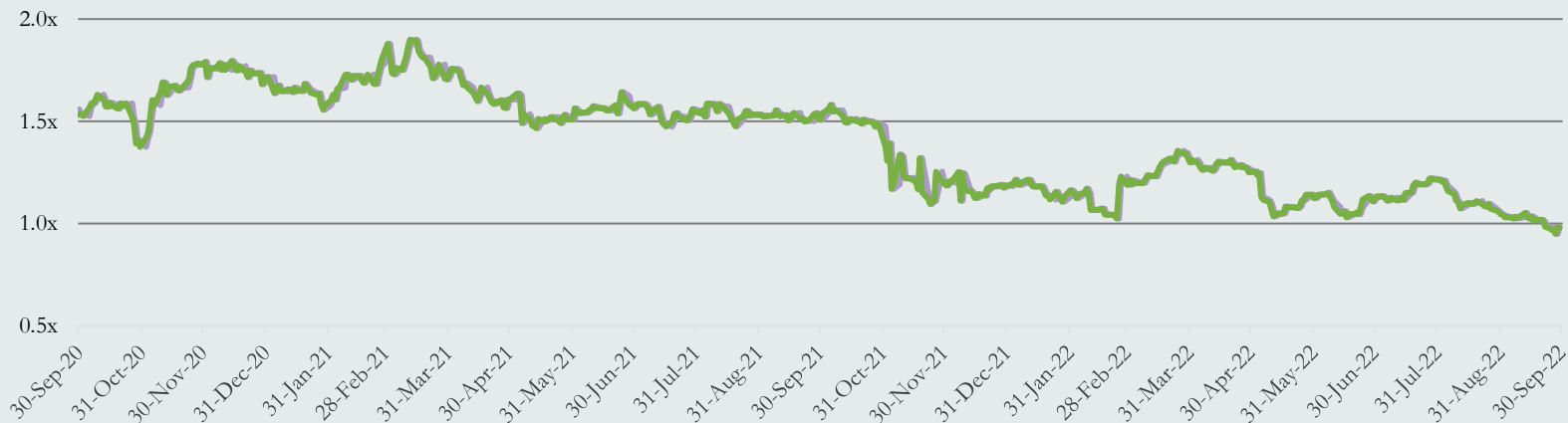
TEV/EBITDA Multiples



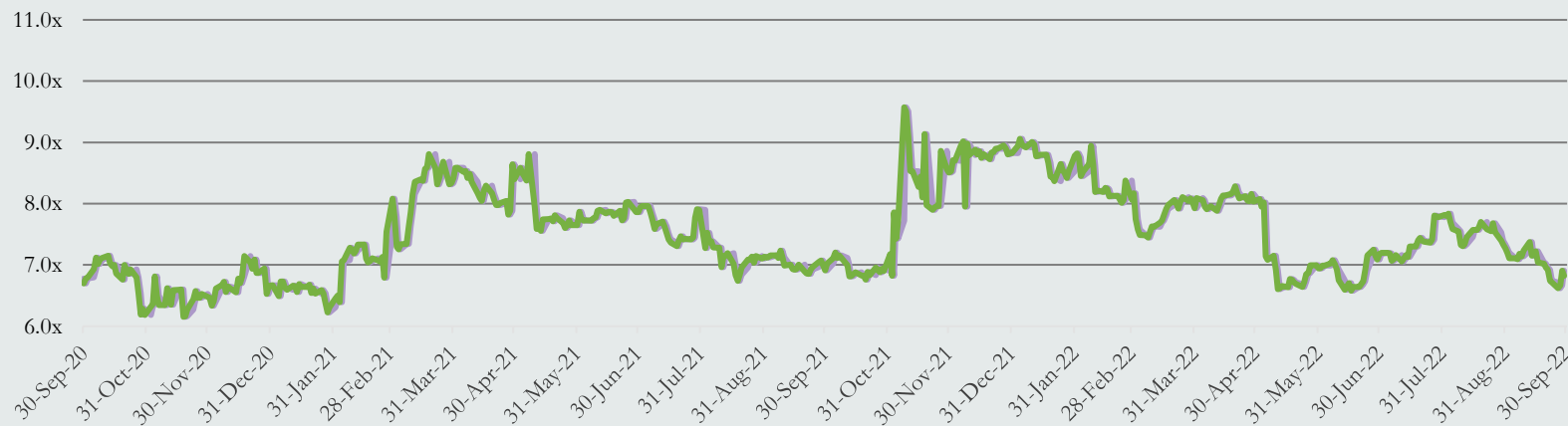
Data as of 9/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Post Secondary

TEV/Revenue Multiples



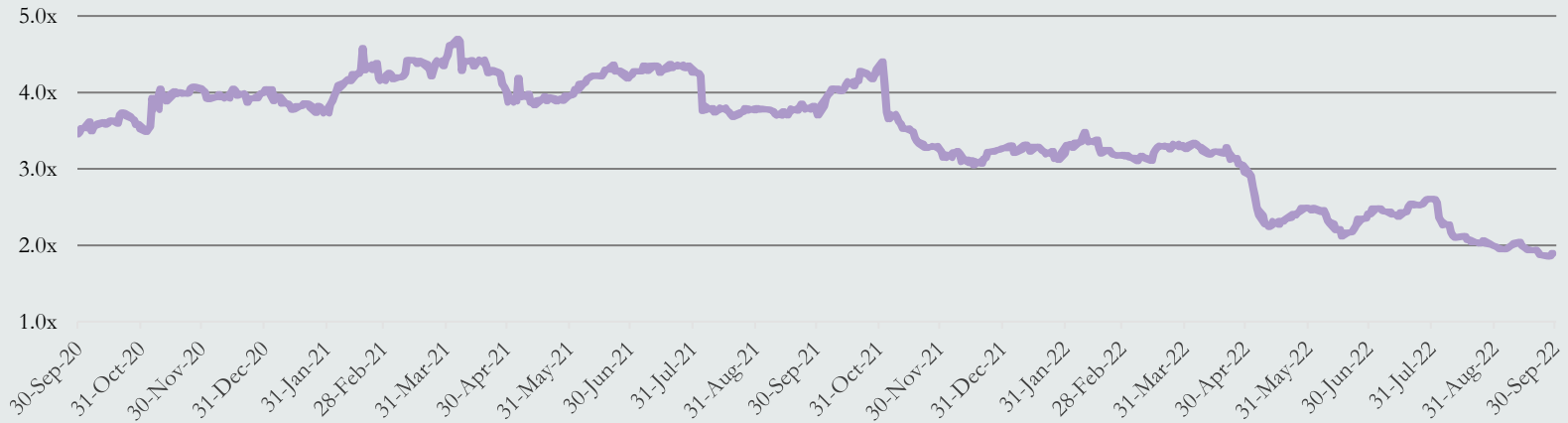
TEV/EBITDA Multiples



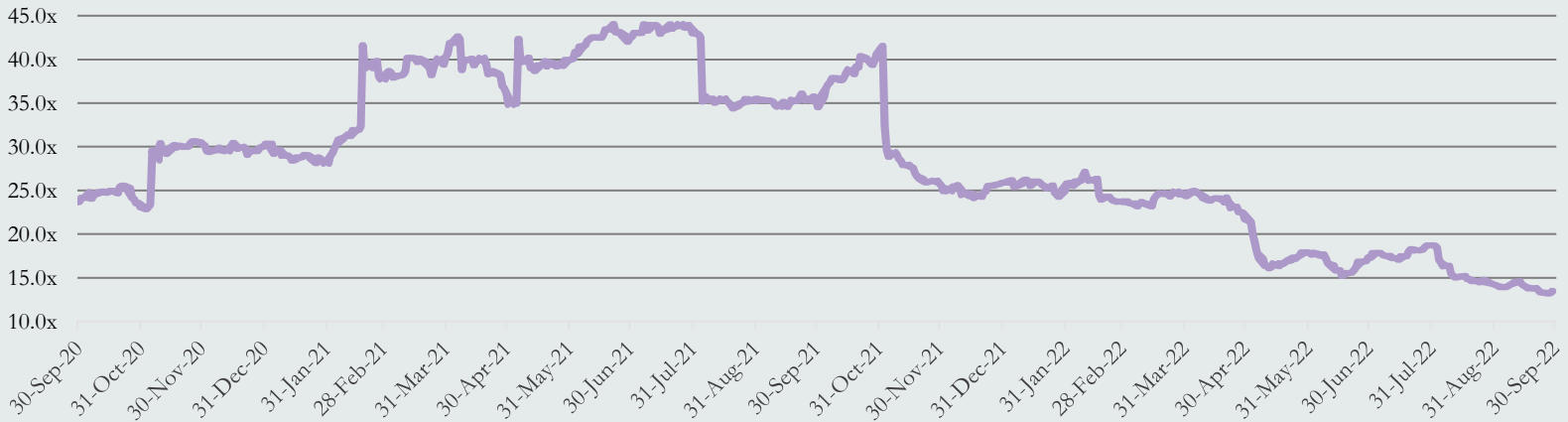
Data as of 9/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Pre K-12

TEV/Revenue Multiples



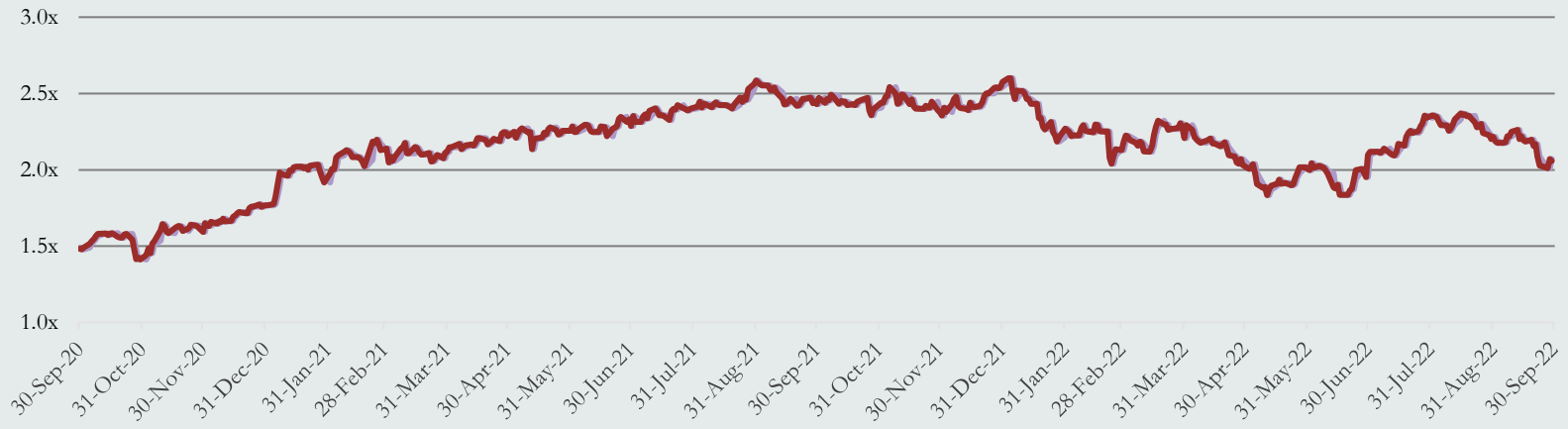
TEV/EBITDA Multiples



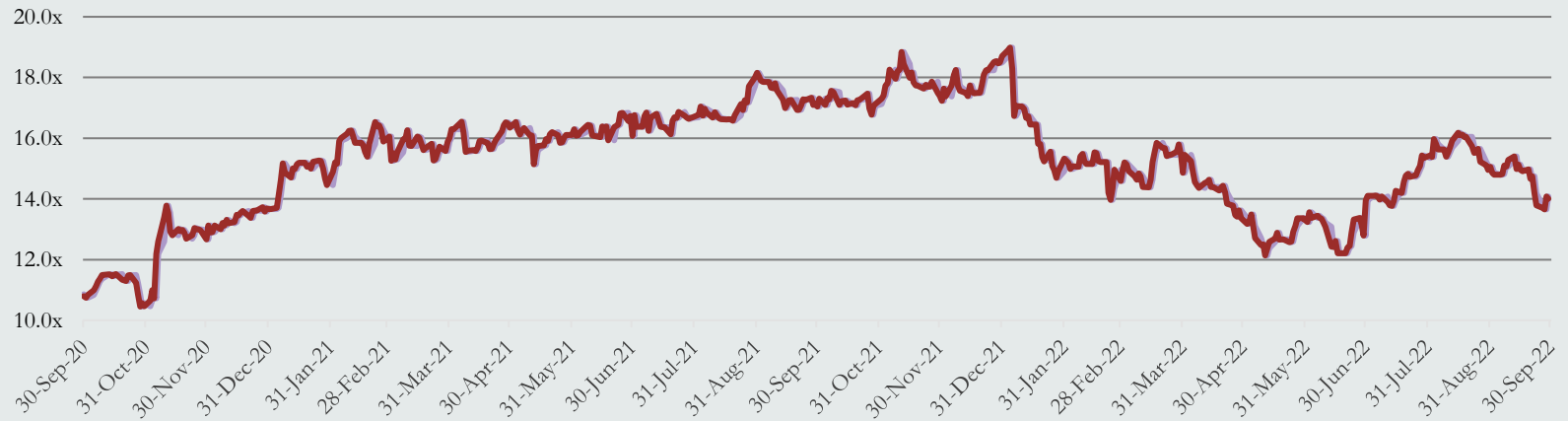
Data as of 9/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Corporate Training

TEV/Revenue Multiples



TEV/EBITDA Multiples



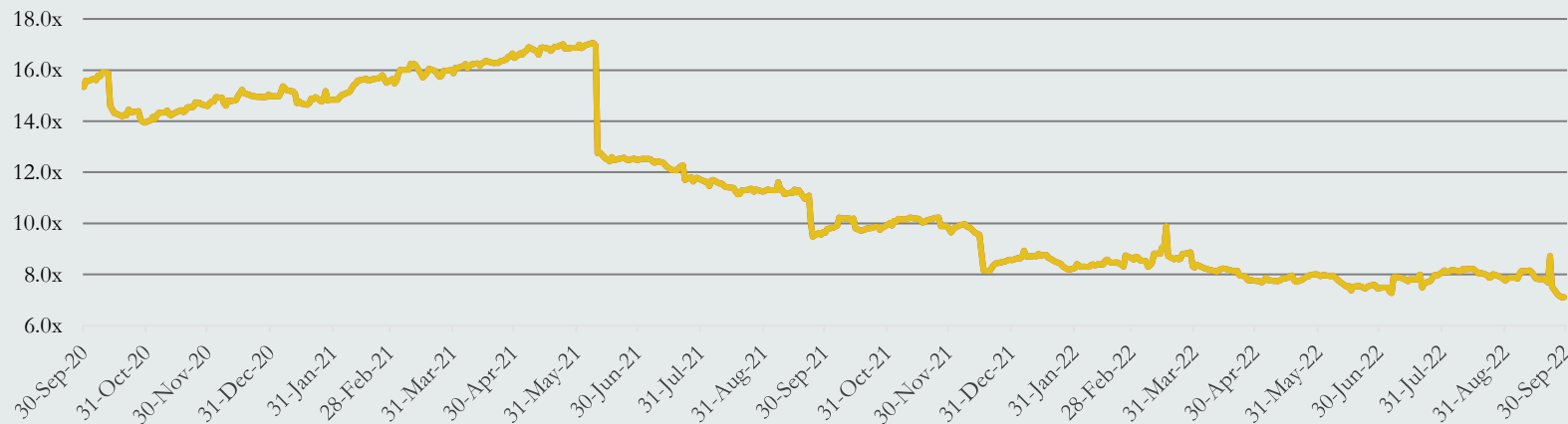
Data as of 9/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Educational Content & Services

TEV/Revenue Multiples



TEV/EBITDA Multiples



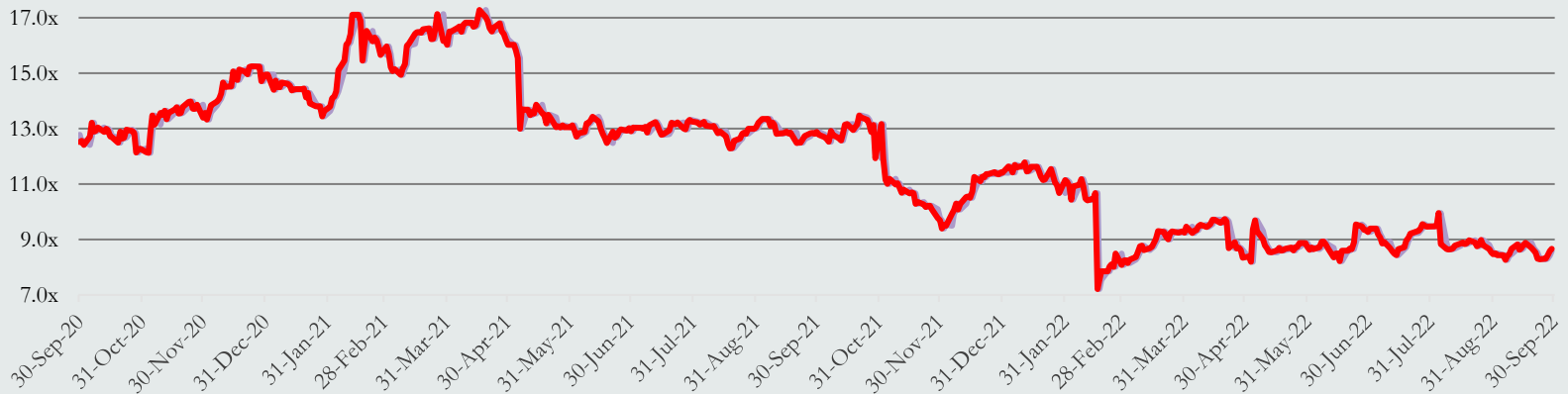
Data as of 9/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – OPM

TEV/Revenue Multiples



TEV/EBITDA Multiples



Data as of 9/30/2022. Sources: PitchBook and PVC
TEV = Total Enterprise Value



Education Public Company Valuation Data

Software-as-a-Service (SaaS)

Company Name	Price (09/30/2022)	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)	\$44.06	\$3,304.3	\$2,336.5	4.7%	9.7%	3.3x	3.0x	54.3x	11.8x	60.2x	14.9x
Chegg, Inc. (CHGG)	\$21.07	\$2,972.1	\$2,663.2	29.1%	18.5%	3.8x	3.6x	11.5x	11.9x	20.1x	17.0x
Constellation Software, Inc. (CSU)	\$1,405.47	\$31,403.0	\$29,784.0	20.8%	25.8%	5.5x	4.0x	21.4x	15.1x	66.9x	22.9x
D2L, Inc.	\$4.46	\$137.0	\$236.5	NM	(31.0%)	0.8x	0.8x	6.5x	NM	4.2x	NM
Docebo, Inc. (DCBO)	\$27.27	\$688.6	\$897.4	54.6%	(3.2%)	5.6x	3.5x	NM	76.8x	NM	188.1x
Instructure Holdings, Inc. (INST)	\$22.28	\$3,598.0	\$3,161.9	NM	NM	8.1x	6.9x	21.6x	18.2x	20.1x	19.2x
Learning Technologies Group plc (LTG)	\$1.17	\$1,126.0	\$923.8	55.1%	16.2%	1.9x	1.6x	8.9x	7.4x	13.7x	10.9x
PowerSchool Holdings, Inc. (PWSC)	\$16.69	\$3,940.1	\$2,641.5	NM	13.8%	6.5x	5.7x	23.9x	18.4x	197.3x	19.5x
SAP SE (SAP)	\$82.68	\$109,373.0	\$96,703.2	4.0%	21.1%	3.3x	3.4x	10.8x	10.7x	13.2x	15.0x
Sylogist Ltd. (SYZ)	\$3.97	\$105.7	\$95.0	9.9%	29.8%	2.7x	2.5x	7.9x	7.8x	30.9x	21.3x
Tribal Group plc (TRB)	\$0.78	\$172.0	\$164.6	2.4%	12.1%	1.5x	1.8x	8.9x	9.4x	12.4x	14.4x
Tyler Technologies, Inc. (TYL)	\$347.50	\$15,471.5	\$14,449.6	22.0%	20.3%	8.5x	7.6x	32.7x	29.9x	46.1x	42.8x
Mean		\$14,357.6	\$12,838.1	22.5%	12.1%	4.3x	3.7x	19.0x	19.8x	44.1x	35.1x
Median		\$3,138.2	\$2,489.0	20.8%	16.2%	3.6x	3.5x	11.5x	11.9x	20.1x	19.2x

U.S. Post-Secondary

Company Name	Price (09/30/2022)	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)	\$36.45	\$2,367.5	\$1,647.7	11.0%	14.2%	1.7x	1.7x	7.1x	6.7x	11.3x	8.9x
American Public Education, Inc. (APEI)	\$9.14	\$289.3	\$172.5	23.7%	(15.4%)	0.5x	0.5x	4.1x	4.1x	3.2x	14.2x
Aspen Group, Inc. (ASPU)	\$0.38	\$40.6	\$9.6	27.0%	(9.6%)	0.5x	0.6x	NM	NM	NM	NM
Laureate Education, Inc. (LAUR)	\$10.55	\$2,123.3	\$1,737.2	(21.2%)	21.9%	1.8x	1.6x	6.9x	5.8x	NM	9.7x
Lincoln Educational Services Corporation (LINC)	\$5.44	\$189.9	\$145.9	8.6%	13.6%	0.6x	0.5x	6.7x	5.4x	18.1x	12.4x
Perdoceo Education (PRDO)	\$10.30	\$221.6	\$697.9	4.2%	24.6%	0.3x	0.3x	1.0x	1.5x	5.8x	7.5x
Strategic Education, Inc. (STRA)	\$61.41	\$1,553.5	\$1,513.0	6.3%	13.2%	1.4x	1.4x	8.5x	7.9x	16.6x	17.1x
Universal Technical Institute, Inc. (UTI)	\$5.44	\$330.8	\$183.7	7.8%	15.6%	0.8x	0.7x	5.5x	5.2x	4.5x	13.8x
Mean		\$889.5	\$763.4	8.4%	9.8%	1.0x	0.9x	5.7x	5.2x	9.9x	11.9x
Median		\$310.0	\$440.8	8.2%	13.9%	0.7x	0.7x	6.7x	5.4x	8.5x	12.4x

Pre K-12 Education

Company Name	Price (09/30/2022)	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)	\$57.65	\$4,821.5	\$3,332.8	(1.8%)	13.7%	2.6x	2.2x	15.9x	12.9x	23.3x	17.0x
Stride Inc. (LRN)	\$42.03	\$1,973.9	\$1,797.7	18.4%	15.0%	1.2x	1.1x	7.2x	7.1x	14.8x	17.8x
Mean		\$3,397.7	\$2,565.2	8.3%	14.3%	1.9x	1.6x	11.6x	10.0x	19.1x	17.4x
Median		\$3,397.7	\$2,565.2	8.3%	14.3%	1.9x	1.6x	11.6x	10.0x	19.1x	17.4x

Data as of 9/30/2022. Sources: PitchBook and PVC
NM = Not Measurable

Education Public Company Valuation Data

Corporate Training

Company Name	Price (09/30/2022)	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)	\$45.39	\$603.2	\$629.0	4.0%	12.2%	2.4x	2.1x	15.3x	12.7x	28.9x	36.3x
Graham Holdings Company (GHC)	\$537.98	\$2,950.1	\$2,605.1	8.0%	13.3%	0.8x	0.8x	5.5x	NM	12.5x	10.4x
HealthStream, Inc. (HSTM)	\$21.26	\$635.5	\$649.9	1.4%	17.7%	2.4x	2.2x	12.3x	11.1x	57.7x	64.4x
NV5 Global, Inc. (NVEE)	\$123.82	\$1,986.8	\$1,925.2	18.2%	15.7%	2.6x	2.3x	14.1x	12.6x	26.9x	20.3x
Skillsoft Corp. (SKIL)	\$1.83	\$933.4	\$300.9	NM	NM	NM	1.7x	NM	8.6x	NM	NM
Mean		\$1,421.8	\$1,222.0	7.9%	14.7%	2.1x	1.8x	11.8x	11.2x	31.5x	32.9x
Median		\$933.4	\$649.9	6.0%	14.5%	2.4x	2.1x	13.2x	11.8x	27.9x	28.3x

Educational Content & Services

Company Name	Price (09/30/2022)	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)	\$2.40	\$723.8	\$125.6	(8.3%)	(1.2%)	0.5x	0.4x	NM	21.8x	NM	NM
Boxlight Corporation (BOXL)	\$0.62	\$120.6	\$45.6	78.3%	1.9%	0.6x	0.4x	10.4x	3.7x	NM	5.2x
Coursera, Inc. (COUR)	\$10.78	\$804.9	\$1,571.3	NM	(31.7%)	1.7x	1.3x	NM	NM	NM	NM
Duolingo, Inc. (DUOL)	\$95.23	\$3,213.4	\$3,774.5	NM	(22.8%)	10.5x	7.0x	NM	124.0x	NM	NM
Educational Development Corporation (EDUC)	\$2.41	\$66.4	\$21.0	2.3%	8.3%	0.5x	0.6x	5.9x	NM	3.4x	5.9x
John Wiley & Sons, Inc. (WLY)	\$37.56	\$3,079.8	\$2,098.3	4.7%	18.4%	1.5x	1.5x	7.7x	7.2x	13.2x	10.2x
Nerdy, Inc. (NRDY)	\$2.11	\$116.4	\$193.0	NM	NM	0.7x	0.6x	NM	NM	NM	NM
Pearson plc (PSO)	\$9.68	\$8,162.3	\$7,046.4	(4.0%)	19.0%	1.7x	1.9x	6.2x	9.4x	22.2x	15.3x
Scholastic Corporation (SCHL)	\$30.76	\$913.4	\$1,058.3	(0.4%)	7.9%	0.6x	NM	5.3x	NM	15.9x	NM
Udemy, Inc. (UDMY)	\$12.09	\$1,206.5	\$1,702.2	NM	(15.2%)	2.1x	1.6x	NM	NM	NM	NM
Mean		\$1,840.8	\$1,763.6	12.1%	(1.7%)	2.0x	1.7x	7.1x	33.2x	13.7x	9.1x
Median		\$859.2	\$1,314.8	0.9%	1.9%	1.1x	1.3x	6.2x	9.4x	14.5x	8.0x

OPM

Company Name	Price (09/30/2022)	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)	\$6.25	\$1,297.2	\$484.3	26.5%	(13.7%)	1.3x	1.3x	18.6x	8.6x	NM	16.4x
Grand Canyon Education, Inc. (LOPE)	\$82.25	\$2,483.7	\$2,629.0	8.6%	32.1%	2.8x	2.6x	8.1x	8.3x	14.1x	13.1x

For more information, please visit www.parchmanvaughan.com