

Q2 2023 EDUCATION SECTOR OVERVIEW



PARCHMAN, VAUGHAN & COMPANY

Private Investment Bankers

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Overview

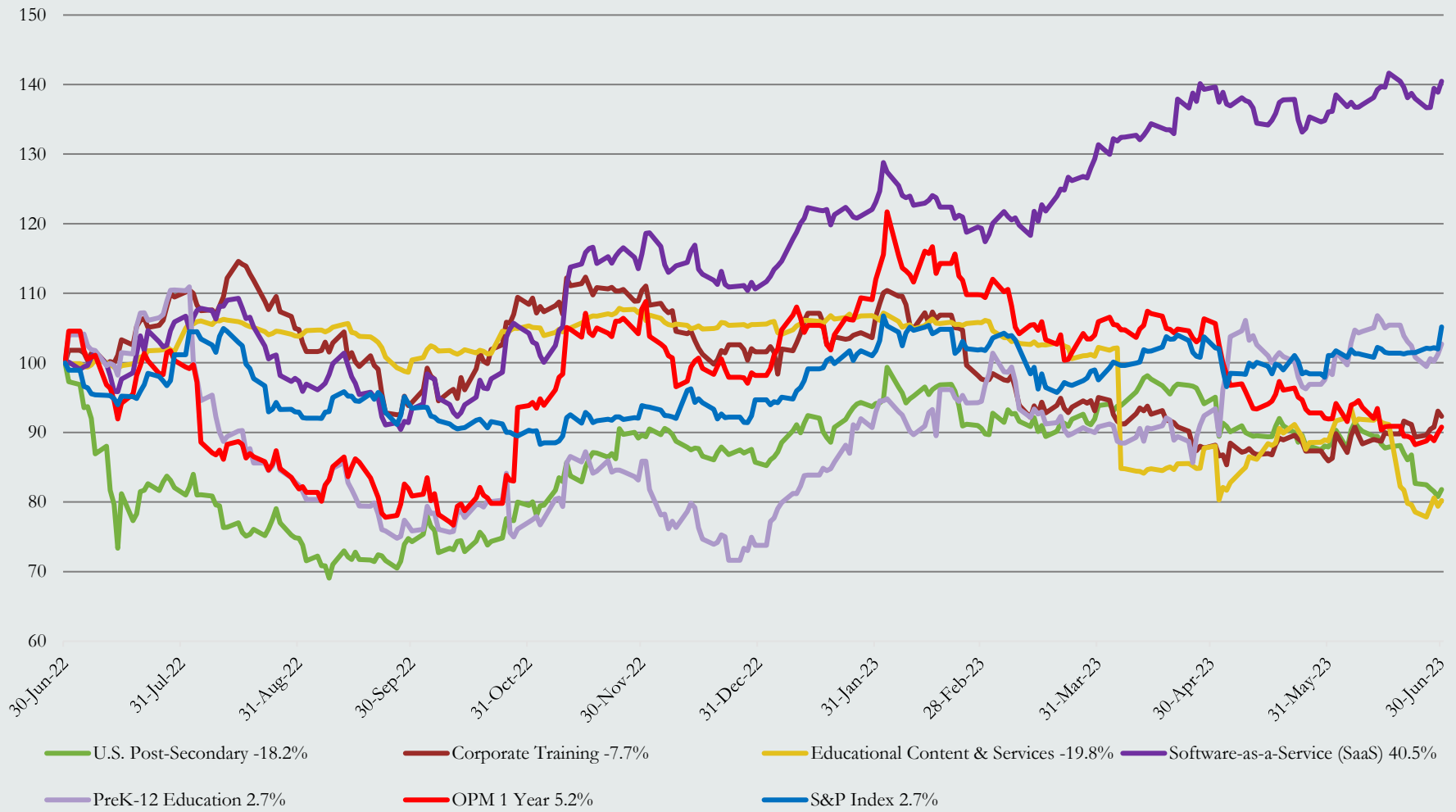
Parchman, Vaughan & Company, L.L.C. (“PVC”) is pleased to share with you our summary of the earnings and other multiples of publicly-traded education firms.

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

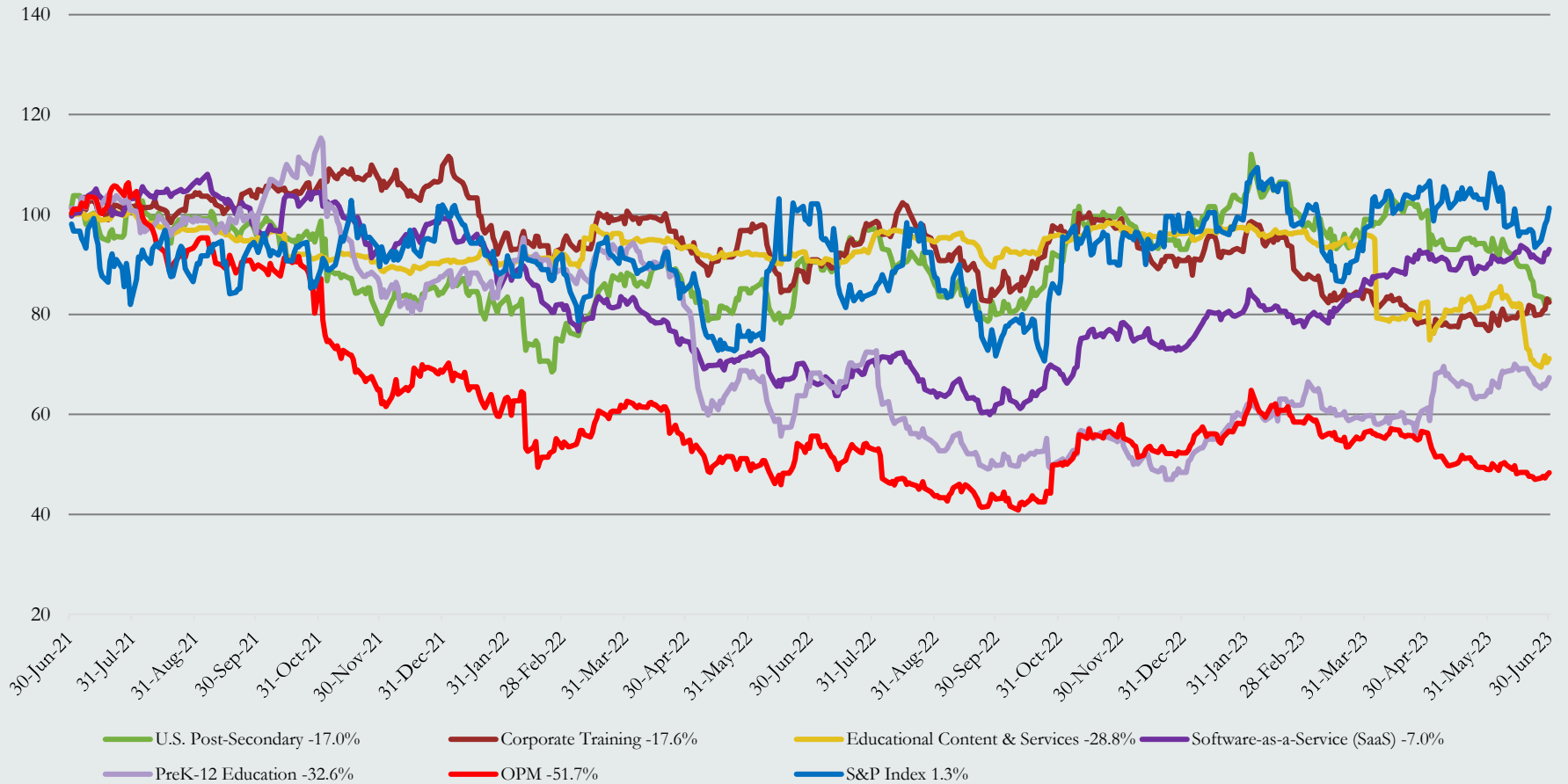
One Year Performance



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



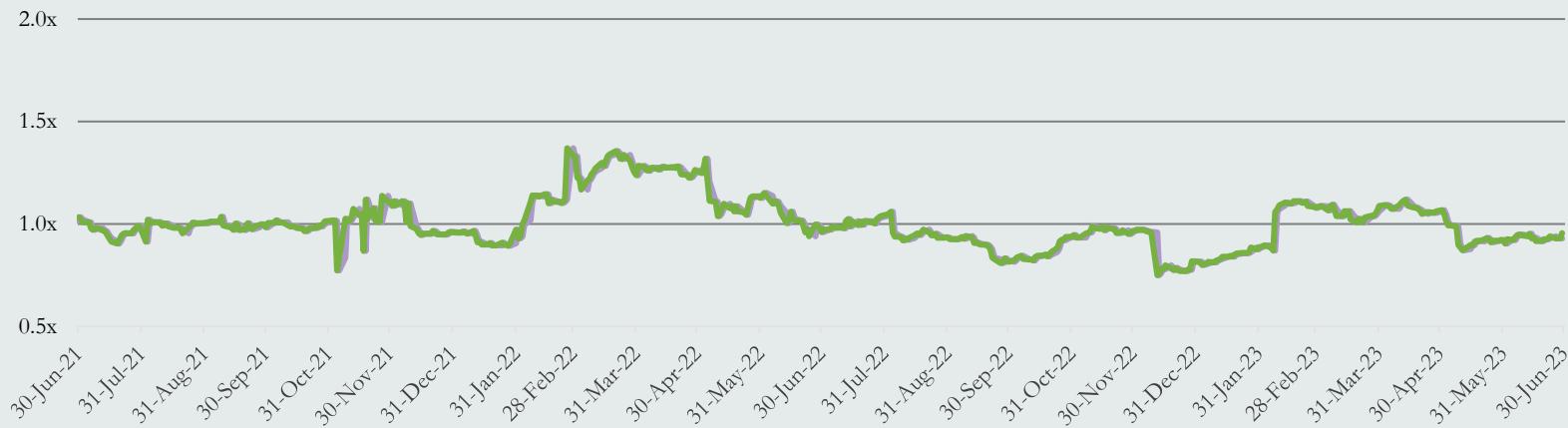
TEV/EBITDA Multiples



Data as of 6/30/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Post Secondary

TEV/Revenue Multiples



TEV/EBITDA Multiples

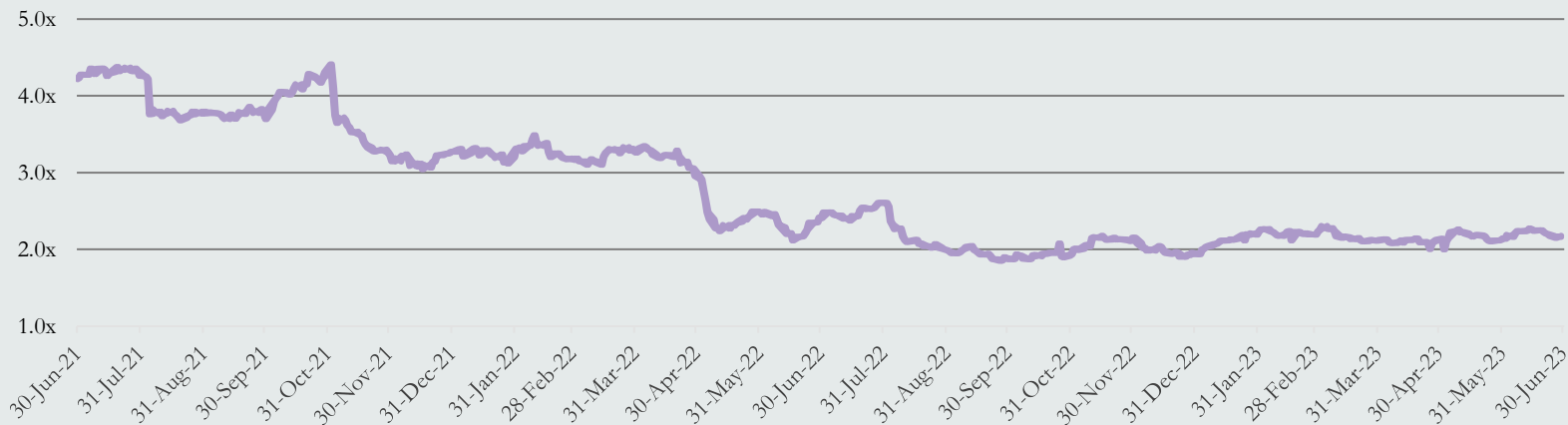


Data as of 6/30/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

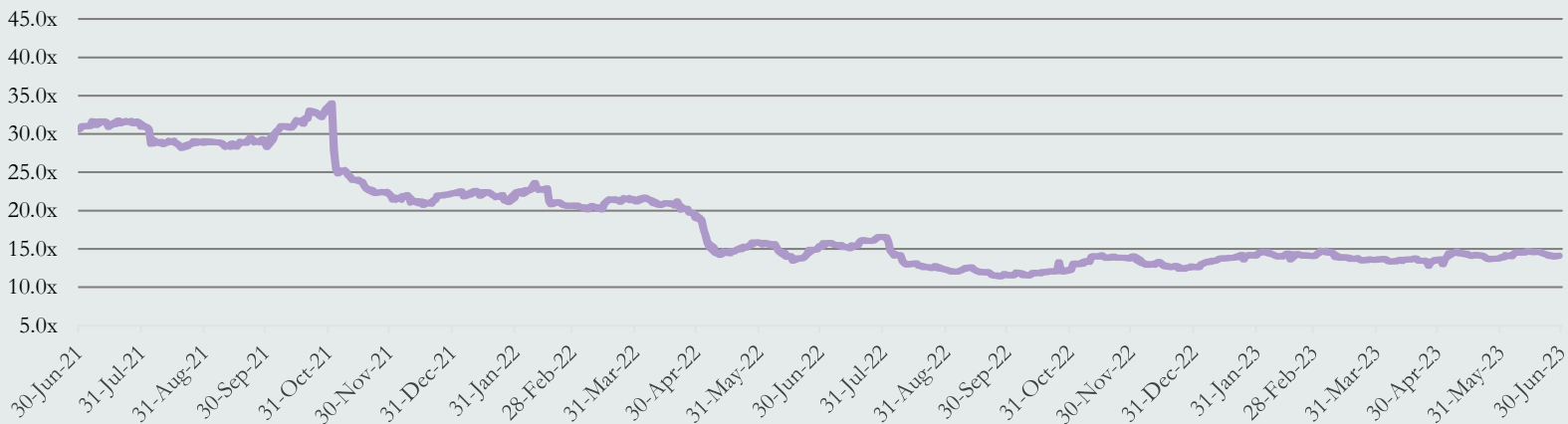


TTM Market Multiple Trends – Pre K-12

TEV/Revenue Multiples



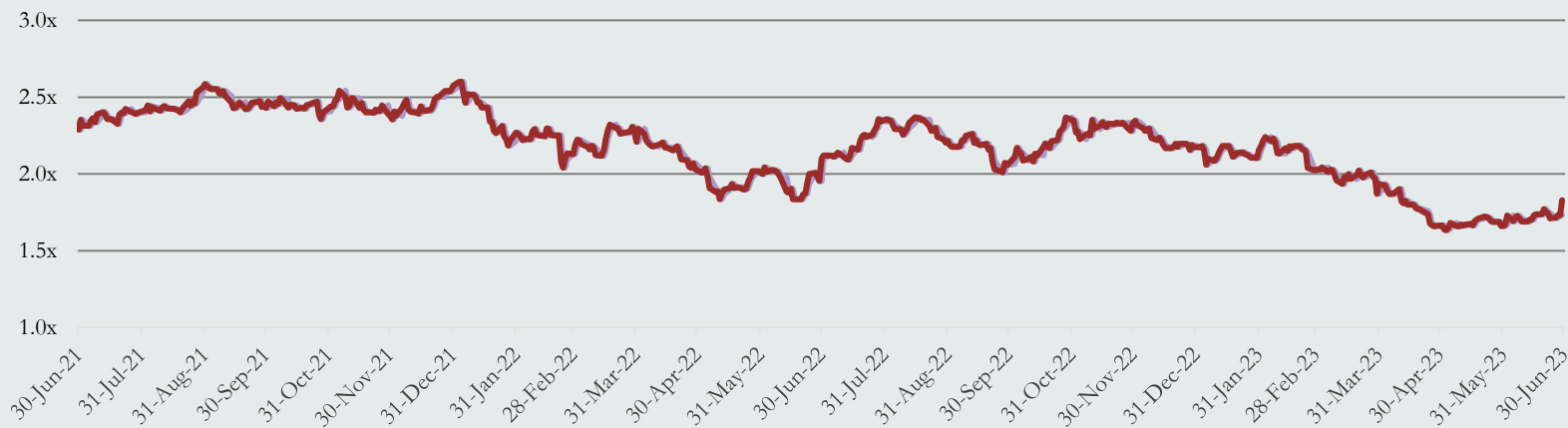
TEV/EBITDA Multiples



Data as of 6/30/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Corporate Training

TEV/Revenue Multiples



TEV/EBITDA Multiples



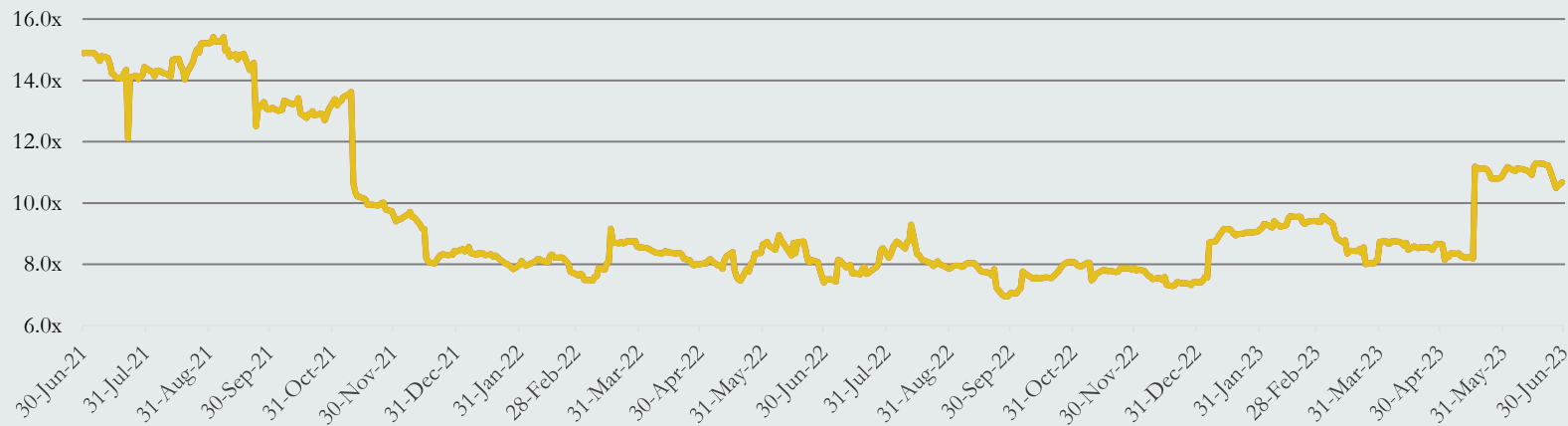
Data as of 6/30/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – Educational Content & Services

TEV/Revenue Multiples



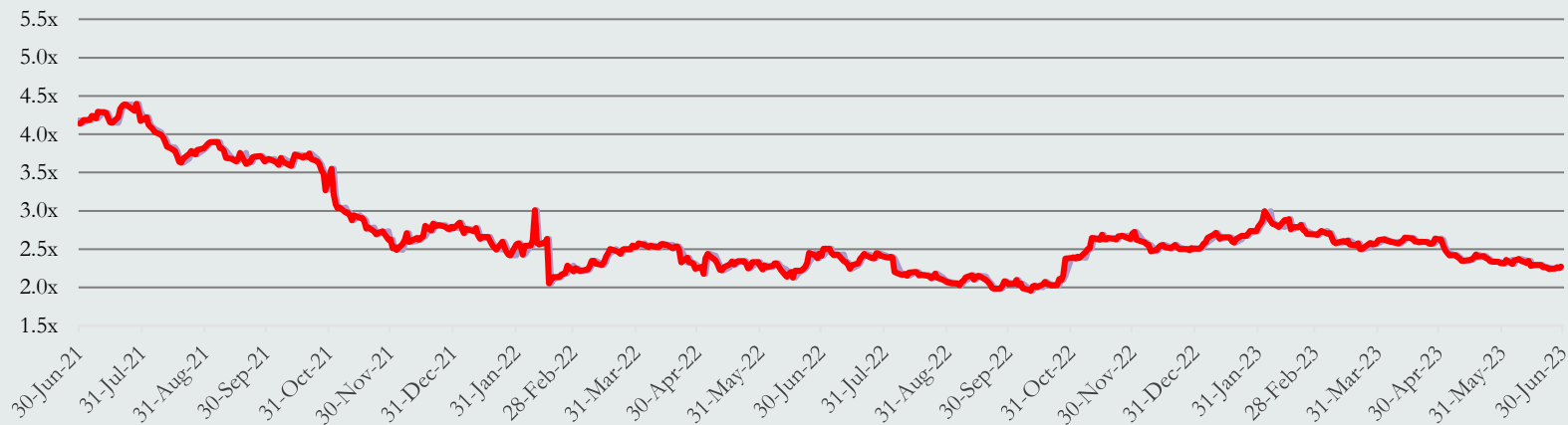
TEV/EBITDA Multiples



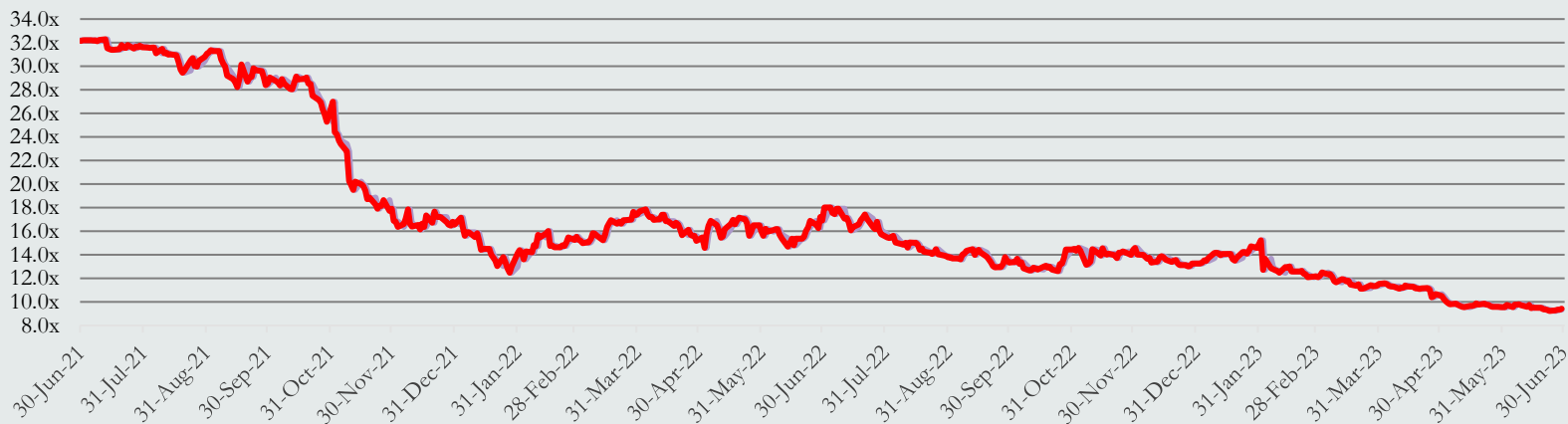
Data as of 6/30/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

TTM Market Multiple Trends – OPM

TEV/Revenue Multiples



TEV/EBITDA Multiples



Data as of 6/30/2023. Sources: PitchBook and PVC
TEV = Total Enterprise Value

Education Public Company Valuation Data

Software-as-a-Service (SaaS)

Company Name	Price (06/30/2023)	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)	\$71.18	\$4,741.1	\$3,833.9	5.4%	19.4%	4.5x	4.3x	23.0x	13.9x	33.4x	19.0x
Chegg, Inc. (CHGG)	\$8.88	\$1,716.6	\$1,063.1	19.1%	33.2%	2.3x	2.5x	6.9x	8.0x	7.1x	8.3x
Constellation Software, Inc. (CSU)	\$2,071.19	\$45,678.7	\$43,891.7	25.2%	20.6%	6.4x	5.6x	31.3x	21.9x	91.8x	34.8x
D2L, Inc.	\$6.73	\$279.7	\$358.8	NM	(2.5%)	1.7x	1.5x	NM	35.9x	NM	NM
Docebo, Inc. (DCBO)	\$39.57	\$1,090.6	\$1,303.3	48.7%	2.3%	7.2x	6.1x	NM	79.9x	216.3x	123.3x
Instructure Holdings, Inc. (INST)	\$25.16	\$4,016.5	\$3,609.9	NM	37.6%	8.2x	7.7x	21.8x	19.8x	27.1x	32.3x
Learning Technologies Group plc (LTG)	\$1.04	\$987.8	\$824.8	66.2%	20.8%	1.3x	1.3x	6.5x	6.0x	10.4x	9.9x
PowerSchool Holdings, Inc. (PWSC)	\$19.14	\$4,255.2	\$3,117.3	NM	31.7%	6.6x	6.2x	20.9x	18.9x	21.8x	22.1x
SAP SE (SAP)	\$136.00	\$165,029.4	\$158,722.3	3.7%	30.7%	5.1x	4.9x	17.3x	15.2x	31.9x	23.8x
Sylogist Ltd. (SYZ)	\$5.66	\$139.7	\$133.9	NM	NM	3.5x	2.9x	10.5x	11.4x	44.1x	44.1x
Tribal Group plc (TRB)	\$0.50	\$111.6	\$105.7	2.2%	8.9%	1.1x	1.1x	12.2x	7.2x	67.4x	11.9x
Tyler Technologies, Inc. (TYL)	\$416.47	\$18,227.5	\$17,460.6	18.7%	25.1%	9.8x	9.3x	38.9x	38.0x	56.6x	54.8x
Mean		\$20,522.9	\$19,535.4	23.6%	20.7%	4.8x	4.4x	18.9x	23.0x	55.3x	34.9x
Median		\$2,866.6	\$2,210.3	18.9%	20.8%	4.8x	4.6x	19.1x	17.1x	33.4x	23.8x

U.S. Post-Secondary

Company Name	Price (06/30/2023)	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)	\$34.34	\$2,087.2	\$1,497.5	11.2%	25.0%	1.4x	1.4x	5.7x	6.1x	7.6x	8.0x
American Public Education, Inc. (APEI)	\$4.74	\$224.5	\$84.0	27.9%	7.7%	0.4x	0.4x	4.8x	7.4x	3.5x	NM
Laureate Education, Inc. (LAUR)	\$12.09	\$2,461.3	\$1,900.2	(10.9%)	26.9%	1.9x	1.7x	7.1x	6.1x	16.9x	12.2x
Lincoln Educational Services Corporation (LINC)	\$6.74	\$256.8	\$211.2	8.0%	7.8%	0.7x	0.7x	9.3x	10.9x	15.0x	21.7x
Perdoceo Education (PRDO)	\$12.27	\$349.0	\$828.0	3.4%	28.1%	0.5x	0.5x	1.8x	2.2x	7.2x	8.0x
Strategic Education, Inc. (STRA)	\$67.84	\$1,697.4	\$1,668.3	1.5%	14.8%	1.6x	1.5x	10.8x	9.7x	27.1x	22.4x
Universal Technical Institute, Inc. (UTI)	\$6.91	\$470.9	\$235.4	13.7%	11.8%	1.0x	0.7x	8.0x	5.3x	9.4x	10.6x
Mean		\$1,078.2	\$917.8	7.8%	17.5%	1.1x	1.0x	6.8x	6.8x	12.4x	13.8x
Median		\$470.9	\$828.0	8.0%	14.8%	1.0x	0.7x	7.1x	6.1x	9.4x	11.4x

Pre K-12 Education

Company Name	Price (06/30/2023)	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)	\$92.45	\$7,218.9	\$5,344.6	0.8%	15.3%	3.4x	3.1x	22.3x	19.8x	35.2x	32.4x
Stride Inc. (LRN)	\$37.23	\$1,784.8	\$1,602.3	20.7%	15.6%	1.0x	0.9x	6.3x	5.7x	12.7x	12.2x
Mean		\$4,501.9	\$3,473.5	10.7%	15.5%	2.2x	2.0x	14.3x	12.7x	23.9x	22.3x
Median		\$4,501.9	\$3,473.5	10.7%	15.5%	2.2x	2.0x	14.3x	12.7x	23.9x	22.3x

Data as of 6/30/2023. Sources: PitchBook and PVC
 NM = Not Measurable

Education Public Company Valuation Data

Corporate Training

Company Name	Price (06/30/2023)	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)	\$43.68	\$554.2	\$576.1	5.7%	15.9%	2.0x	1.8x	12.3x	10.2x	38.7x	27.2x
Graham Holdings Company (GHC)	\$571.48	\$3,198.4	\$2,710.4	10.8%	17.8%	0.8x	0.8x	4.4x	NM	10.4x	13.6x
HealthStream, Inc. (HSTM)	\$24.56	\$717.5	\$753.6	2.6%	19.7%	2.7x	2.6x	13.5x	12.3x	50.5x	64.6x
NV5 Global, Inc. (NVEE)	\$110.77	\$1,893.6	\$1,743.3	11.9%	17.2%	2.4x	2.2x	14.1x	13.0x	25.7x	20.9x
Skillsoft Corp. (SKIL)	\$1.24	\$669.8	\$197.9	NM	NM	1.2x	1.2x	6.3x	6.5x	NM	NM
Mean		\$1,406.7	\$1,196.3	7.8%	17.6%	1.8x	1.7x	10.1x	10.5x	31.3x	31.6x
Median		\$717.5	\$753.6	8.3%	17.5%	2.0x	1.8x	12.3x	11.3x	32.2x	24.1x

Educational Content & Services

Company Name	Price (06/30/2023)	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)	\$1.26	\$645.3	\$66.3	(6.3%)	0.4%	0.4x	0.4x	104.0x	22.2x	NM	NM
Boxlight Corporation (BOXL)	\$2.22	\$86.5	\$20.8	84.6%	9.9%	0.4x	0.4x	4.1x	3.9x	NM	9.3x
Coursera, Inc. (COUR)	\$13.02	\$1,195.0	\$1,962.4	NM	(6.2%)	2.2x	2.0x	NM	NM	NM	NM
Duolingo, Inc. (DUOL)	\$142.94	\$5,254.9	\$5,868.1	NM	6.6%	13.0x	10.4x	NM	NM	NM	NM
Educational Development Corporation (EDUC)	\$1.19	\$55.0	\$10.2	(8.1%)	2.4%	0.6x	NM	25.8x	NM	NM	NM
John Wiley & Sons, Inc. (WLY)	\$34.03	\$2,648.7	\$1,871.9	3.3%	20.9%	1.3x	1.7x	6.3x	8.3x	8.9x	15.1x
Nerdy, Inc. (NRDY)	\$4.17	\$337.2	\$408.7	NM	(16.8%)	2.0x	1.7x	NM	NM	NM	NM
Pearson plc (PSO)	\$10.37	\$8,254.0	\$7,425.0	(0.2%)	17.4%	1.7x	1.8x	10.0x	8.2x	16.3x	14.5x
Scholastic Corporation (SCHL)	\$38.89	\$1,177.7	\$1,285.2	0.3%	10.0%	0.7x	0.6x	6.9x	6.1x	19.3x	14.7x
Udemy, Inc. (UDMY)	\$10.73	\$1,141.5	\$1,574.9	NM	(7.3%)	1.7x	1.6x	NM	NM	NM	NM
Mean		\$2,079.6	\$2,049.4	12.3%	3.7%	2.4x	2.3x	26.2x	9.8x	14.8x	13.4x
Median		\$1,159.6	\$1,430.1	0.0%	4.5%	1.5x	1.7x	8.5x	8.2x	16.3x	14.6x

OPM

Company Name	Price (06/30/2023)	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. (IWOU)	\$4.03	\$1,190.3	\$324.1	14.7%	15.1%	1.3x	1.2x	8.3x	7.4x	NM	16.8x
Grand Canyon Education, Inc. (LOPE)	\$103.21	\$3,052.2	\$3,171.2	4.5%	31.3%	3.3x	3.2x	10.6x	10.4x	16.6x	15.9x
Mean		\$2,121.2	\$1,747.7	9.6%	23.2%	2.3x	2.2x	9.5x	8.9x	16.6x	16.4x
Median		\$2,121.2	\$1,747.7	9.6%	23.2%	2.3x	2.2x	9.5x	8.9x	16.6x	16.4x

Data as of 6/30/2023. Sources: PitchBook and PVC
 NM = Not Measurable

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