

Q3 2021 EDUCATION SECTOR OVERVIEW



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Private Investment Bankers

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Overview

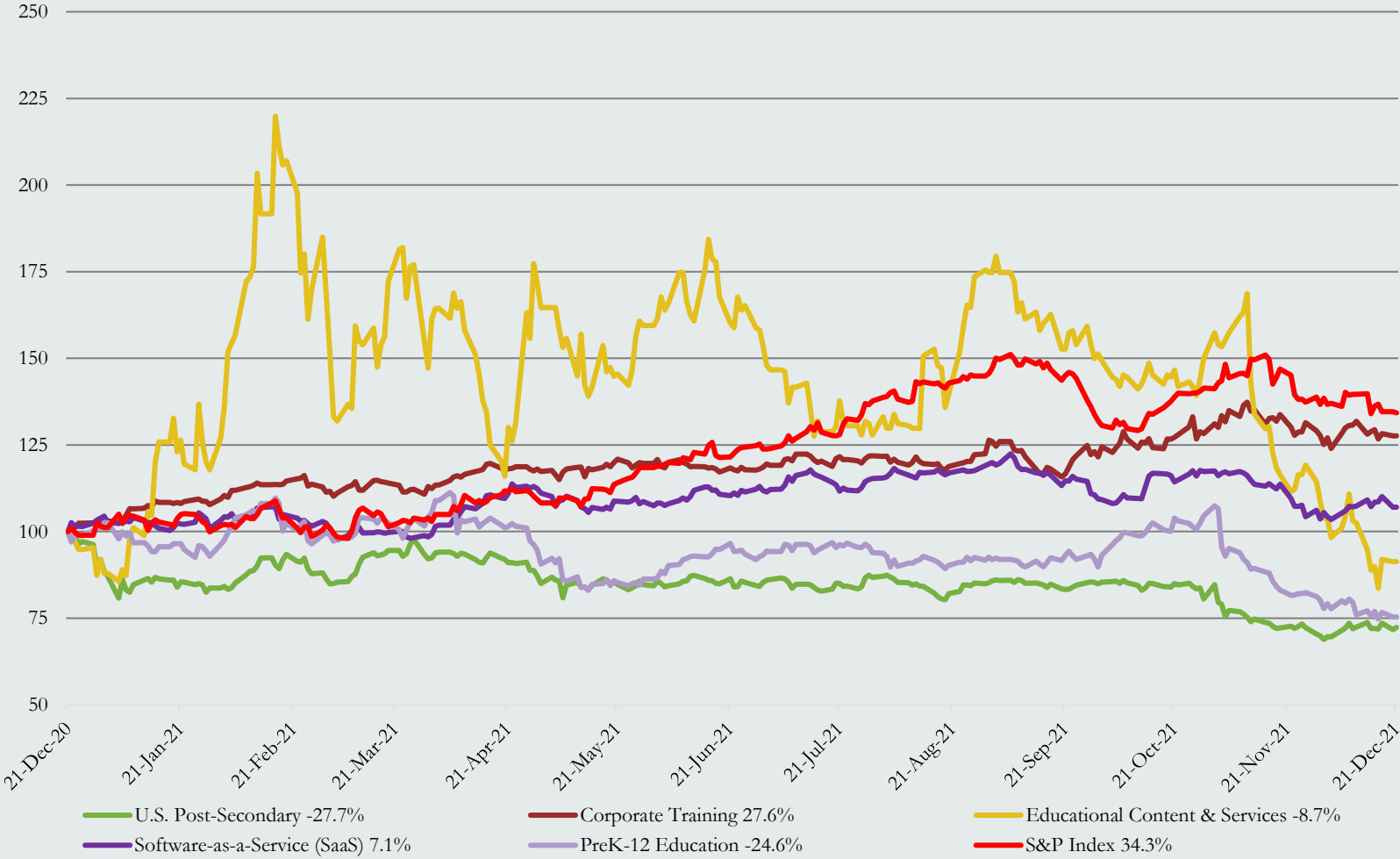
Parchman, Vaughan & Company, L.L.C. (“PVC”) is pleased to share with you our summary of the earnings and other multiples of publicly-traded education firms.

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

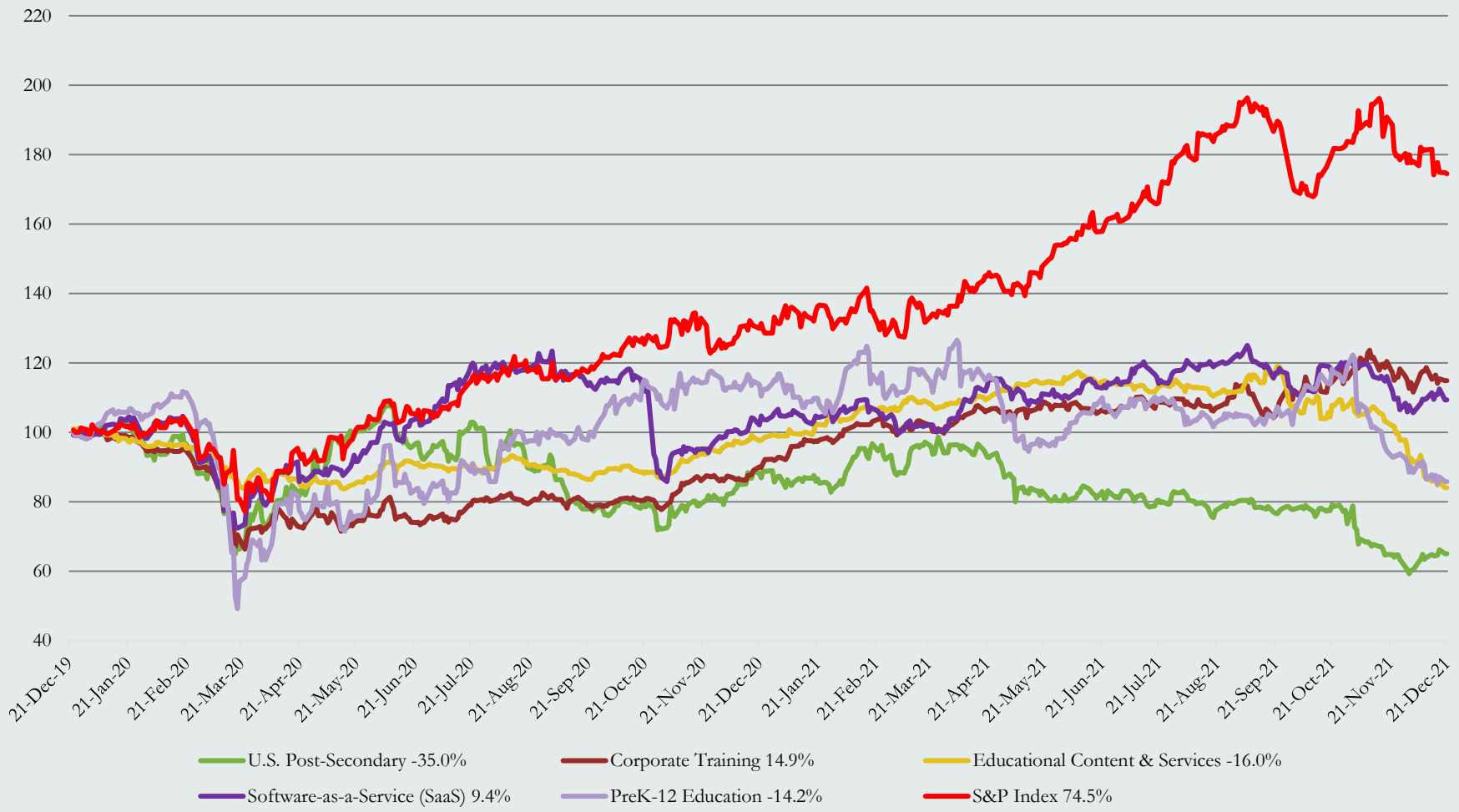
One Year Performance



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

Education Public Company Valuation Data

Educational Content & Services

Company Name	Price (12/21/2021)	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)	\$6.66	\$796.4	\$334.3	(10.8%)	(6.0%)	0.5x	0.5x	NM	98.7x	NM	NM
Boxlight Corporation (BOXL)	\$1.33	\$127.5	\$81.3	77.0%	(0.7%)	0.7x	0.6x	8.8x	5.5x	NM	33.3x
Coursera, Inc. (COUR)	\$24.21	\$2,465.6	\$3,260.3	NM	(28.3%)	6.4x	4.8x	NM	NM	NM	NM
Duolingo, Inc. (DUOL)	\$106.20	\$3,320.2	\$3,859.6	NM	(22.3%)	14.7x	10.3x	NM	NM	NM	NM
D2L, Inc.	\$10.40	\$465.0	\$505.4	NM	(70.0%)	3.2x	2.6x	NM	NM	NM	NM
Educational Development Corporation (EDUC)	\$8.45	\$104.0	\$72.4	16.1%	10.2%	0.6x	0.6x	5.3x	NM	5.7x	6.9x
Houghton Mifflin Harcourt Company (HMHC)	\$15.99	\$1,992.4	\$1,953.5	(2.7%)	19.6%	1.9x	1.9x	7.6x	7.1x	440.7x	71.4x
John Wiley & Sons, Inc. (JW.A)	\$53.92	\$4,048.8	\$2,938.7	4.4%	20.7%	2.0x	1.9x	9.2x	9.4x	17.3x	13.0x
Nerdy, Inc. (NRDY)	\$4.96	\$260.4	\$411.8	NM	NM	NM	1.3x	NM	NM	NM	NM
Pearson plc (PSO)	\$7.91	\$7,017.8	\$5,942.5	(6.8%)	20.6%	1.5x	1.5x	11.3x	8.4x	13.3x	15.8x
Scholastic Corporation (SCHL)	\$38.94	\$1,120.7	\$1,327.7	(4.2%)	9.4%	0.8x	NM	6.3x	NM	20.2x	NM
Udemy, Inc. (UDMY)	\$17.20	\$2,517.9	\$2,374.6	NM	(10.2%)	5.1x	4.0x	NM	NM	NM	NM
	Mean	\$2,019.7	\$1,921.8	10.4%	(5.2%)	3.4x	2.7x	8.1x	25.8x	99.5x	28.1x
	Median	\$1,556.5	\$1,640.6	(2.7%)	(0.7%)	1.9x	1.9x	8.2x	8.4x	17.3x	15.8x

Software-as-a-Service (SaaS)

Company Name	Price (12/21/2021)	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)	\$22.11	\$1,476.9	\$1,554.2	33.8%	(2.5%)	1.6x	1.3x	22.9x	16.4x	NM	NM
Blackbaud, Inc. (BLKB)	\$79.83	\$4,230.5	\$3,710.1	3.0%	12.4%	4.6x	4.5x	61.3x	17.3x	90.5x	26.5x
Chegg, Inc. (CHGG)	\$30.40	\$4,237.8	\$4,299.1	37.3%	14.8%	5.5x	5.1x	15.4x	14.8x	20.8x	23.4x
Constellation Software, Inc. (CSU)	\$1,743.04	\$36,729.4	\$35,938.4	18.2%	21.4%	7.6x	6.2x	35.8x	20.8x	111.3x	33.6x
Docebo, Inc. (DCBO)	\$67.21	\$1,880.3	\$2,091.5	NM	(13.6%)	20.2x	12.8x	NM	NM	NM	NM
Learning Technologies Group plc (LTG)	\$2.15	\$1,682.0	\$1,701.4	33.0%	29.6%	8.3x	2.4x	22.7x	13.5x	36.7x	22.0x
PowerSchool Holdings, Inc. (PWSC)	\$17.16	\$3,841.2	\$2,700.4	NM	16.4%	7.3x	6.3x	24.0x	21.9x	NM	25.1x
SAP SE (SAP)	\$136.90	\$168,694.6	\$159,800.5	4.4%	27.8%	5.2x	5.2x	16.4x	15.5x	17.4x	23.1x
Sylogist Ltd. (SYZ)	\$9.90	\$224.6	\$232.9	0.4%	34.4%	7.3x	5.3x	16.5x	14.7x	42.9x	40.7x
Tribal Group plc (TRB)	\$1.34	\$290.3	\$292.1	(3.6%)	19.1%	2.9x	2.7x	13.5x	13.5x	22.2x	20.5x
Tyler Technologies, Inc. (TYL)	\$519.36	\$21,681.7	\$20,489.8	16.5%	19.6%	15.0x	11.6x	53.1x	43.0x	78.0x	63.8x
	Mean	\$22,269.9	\$21,164.6	15.9%	16.3%	7.8x	5.8x	28.2x	19.2x	52.5x	30.9x
	Median	\$3,841.2	\$2,700.4	16.5%	19.1%	7.3x	5.2x	22.8x	15.9x	39.8x	25.1x

Data as of 12/21/2021. Sources: PitchBook and PVC
 NM = Not Measurable

Education Public Company Valuation Data

U.S. Post-Secondary											
Company Name	Price (12/21/2021)	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)	\$29.17	\$2,842.0	\$1,372.0	9.7%	16.5%	2.4x	1.7x	10.6x	5.8x	10.4x	7.2x
American Public Education, Inc. (APEI)	\$22.38	\$551.1	\$416.7	5.5%	10.3%	1.6x	0.9x	10.8x	5.7x	17.7x	13.5x
Aspen Group, Inc. (ASPU)	\$2.04	\$64.5	\$50.6	37.9%	(7.4%)	0.9x	0.8x	NM	NM	NM	NM
Grand Canyon Education, Inc. (LOPE)	\$84.64	\$3,422.3	\$3,339.7	(2.0%)	34.9%	3.9x	3.6x	10.5x	10.0x	14.4x	13.1x
Laureate Education, Inc. (LAUR)	\$12.38	\$829.1	\$2,076.5	(31.2%)	1.5%	0.8x	0.7x	2.9x	2.8x	NM	16.5x
Lincoln Educational Services Corporation (LINC)	\$7.50	\$242.9	\$202.8	8.1%	10.3%	0.7x	0.7x	7.1x	6.4x	4.3x	13.0x
Perdoceo Education (PRDO)	\$11.51	\$378.2	\$806.2	6.8%	23.6%	0.5x	0.5x	1.7x	2.2x	6.9x	7.7x
Skillsoft Corp. (SKIL)	\$9.71	\$1,715.5	\$1,294.4	NM	NM	NM	2.3x	NM	8.3x	NM	97.1x
Strategic Education, Inc. (STRA)	\$58.76	\$1,431.2	\$1,402.2	30.2%	15.1%	1.3x	1.3x	5.7x	6.0x	9.2x	11.9x
Universal Technical Institute, Inc. (UTI)	\$7.90	\$319.1	\$254.8	1.9%	13.5%	1.0x	0.8x	9.8x	6.0x	15.0x	15.0x
Zovio, Inc. (ZVO)	\$1.37	\$51.6	\$41.8	(12.7%)	(22.3%)	0.2x	0.2x	NM	10.3x	NM	NM
	Mean	\$1,077.0	\$1,023.4	5.4%	9.6%	1.3x	1.2x	7.4x	6.4x	11.1x	21.7x
	Median	\$551.1	\$806.2	6.1%	11.9%	0.9x	0.8x	8.4x	6.0x	10.4x	13.1x

Corporate Training											
Company Name	Price (12/21/2021)	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)	\$44.38	\$594.8	\$609.4	2.2%	9.1%	2.7x	2.4x	21.3x	16.9x	31.6x	71.6x
Graham Holdings Company (GHC)	\$582.16	\$2,924.0	\$2,775.3	5.1%	29.5%	0.9x	0.9x	4.9x	NM	15.7x	12.1x
HealthStream, Inc. (HSTM)	\$25.81	\$792.6	\$826.3	3.8%	17.7%	3.1x	2.9x	15.4x	15.3x	86.7x	103.2x
Instructure Holdings, Inc. (INST)	\$23.26	\$3,561.3	\$3,239.6	NM	NM	NM	7.8x	NM	21.9x	NM	23.1x
NV5 Global, Inc. (NVEE)	\$127.00	\$2,014.1	\$1,955.2	19.6%	14.8%	3.0x	2.7x	17.1x	15.1x	36.5x	26.5x
	Mean	\$1,977.4	\$1,881.1	7.7%	17.8%	2.4x	3.3x	14.7x	17.3x	42.6x	47.3x
	Median	\$2,014.1	\$1,955.2	4.4%	16.3%	2.8x	2.7x	16.3x	16.1x	34.1x	26.5x

Pre K-12 Education											
Company Name	Price (12/21/2021)	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)	\$118.86	\$8,381.8	\$6,978.7	(3.6%)	12.8%	5.0x	4.0x	34.1x	22.5x	69.5x	33.6x
Stride Inc. (LRN)	\$32.91	\$1,737.8	\$1,367.3	18.5%	10.7%	1.1x	1.1x	7.7x	6.8x	17.2x	15.9x
	Mean	\$5,059.8	\$4,173.0	7.5%	11.7%	3.1x	2.6x	20.9x	14.6x	43.4x	24.8x
	Median	\$5,059.8	\$4,173.0	7.5%	11.7%	3.1x	2.6x	20.9x	14.6x	43.4x	24.8x

Data as of 12/21/2021. Sources: PitchBook and PVC
 NM = Not Measurable

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