

Q1: Quarterly Industry Update

AS OF March 31, 2025

cogent
FINANCIAL OPINIONS
valuation

Online Educational Software Industry Summary

COGENT VALUATION identified **Online Educational Software** publicly traded companies, IPOs, and recent M&A transactions within the Online Educational Software industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Over the last year since March 31, 2024, the median 52-week share price return of the Online Educational Software industry decreased from 11.6% to 10.6%, and the median YTD return increased from 13.2% to 21.5%. Between March 31, 2024 and March 31, 2025, the median EV/Revenue multiple decreased from 27.8 to 26.7 and the median EV/EBITDA multiple decreased from 18.2 to 19.6. The median price-to-earnings multiple increased from 14.5 to 30 and the median EV/Gross CF multiple decreased from 24.3 to 20.6 over the same period. The median MVIC/Earnings decreased from 3.2 to 1.1. The median Median Price/Revenue increased from 11.4 to 8.5 over the same period.

Public Company Key Statistics

Median 52-Week Return	Median YTD Return	Median EV/Revenue Multiple	Median EV/EBITDA Multiple
10.6%	10.6%	3.1x	21.6x
Median Price/Earnings Multiple	Median EV/Gross Profit Multiple	Median MVIC/ Earnings Multiple	Median Price/Revenue Multiple
23x	12.5x	1.1x	8.5x

Public Company Median Multiples by Quarter

	3/31/25	12/31/24	9/30/24	6/30/24	3/31/24	12/31/23	9/30/23	6/30/23
Median EV/Revenue Multiple	3.1x	3.2x	3.4x	2.7x	3.1x	3.2x	2.9x	3.0x
Median EV/EBITDA Multiple	21.6x	29.2x	14.6x	17.4x	14.6x	14.6x	19.4x	10.6x
Median Price/Earnings Multiple	23x	33.9x	22.3x	23.2x	20.8x	19.7x	17.9x	17.7x
Median EV/Gross Profit Multiple	12.5x	22.3x	21.2x	24.6x	24.4x	23.3x	20.4x	25.0x
Median MVIC/Earnings Multiple	1.1x	12.6x	2.7x	13.7x	15.4x	25.5x	12.2x	13.2x
Median Price/ Revenue Multiple	8.5x	3.2x	3.4x	2.7x	10.6x	2.5x	3.2x	3.2x

 Highest Multiple
  Median Multiple
  Lowest Multiple

Comparable Public Company Market Price Returns as of March 31, 2025

Company Name	Q1 2021	One Year	Two Year ¹	Three Year ¹	2024	2023	2022
eHealth, Inc.	-17.6%	18.9%	-3.4%	63.1%	6.7%	-60.0%	-46.4%
HealthStream, Inc.	7.2%	2.5%	-5.3%	-7.5%	13.9%	-25.4%	-9.6%
K12 Inc.	-10.8%	-26.0%	-8.3%	-7.3%	95.0%	-25.9%	-45.4%
XO Group Inc.	12.4%	20.6%	-1.9%	-15.1%	21.1%	-11.8%	21.6%
Median of Industry Public Companies	-1.8%	10.6%	-5.3%	-6.2%	17.5%	-25.6%	-27.5%

[1] Calculated as the average annual return.

■ Highest Return
 ■ Lowest Return
 ■ Median Return

Industry Initial Public Offerings—Online Educational Software

(dollars in millions, except share prices)

Effective Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets ¹	Debt ¹	LTM Revenue ¹	LTM EBITDA	LTM Net Income	LTM Cash Flows
2/10/25	Fastly, Inc.	\$0.42	4.0	\$0.7	\$13.4	\$0.0	\$1.9	\$32.4	\$0.7	(\$1.0)
1/18/25	Palo Alto Networks	\$1.54	4.4	\$2.4	\$4.2	\$0.0	\$19.1	(\$1.4)	(\$8.9)	(\$3.7)
11/13/24	Xinhua Education Group Limited	\$0.42	4.0	\$0.7	\$113.4	\$0.0	\$51.9	\$32.4	\$0.7	(\$1.0)
11/22/23	Sunlands Online Education Group	\$11.50	4.4	\$70.4	\$64.2	\$0.0	\$149.1	(\$141.4)	(\$58.9)	(\$53.7)
9/19/23	Sylph Education Solutions Limited	\$0.18	10.6	\$106.8	\$3,497.8	\$271.1	\$0.0	(\$0.0)	\$125.8	\$236.7
11/12/22	Instructure, Inc.	\$16.00	38.8	\$660.1	\$521.7	\$530.0	\$65.1	(\$55.5)	\$92.1	\$183.0
8/4/22	Ambow Education Holding Ltd.	\$10.00	6.3	\$112.5	\$135.3	\$9.9	\$144.3	\$33.7	\$17.5	\$44.6
7/18/22	Smart Technologies Inc.	\$17.00	4.9	\$46.3	\$169.4	\$0.0	\$708.5	\$165.1	\$14.1	\$20.0
6/21/16	Median IPO	\$5.77	4.65	\$58.35	\$124.35	\$0.00	\$58.50	\$16.20	\$7.40	\$9.50

[1] As of the effective date of the IPO

Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

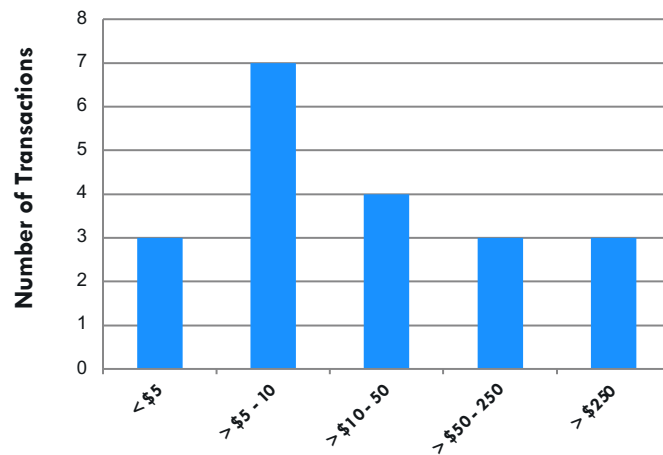
Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues ¹	EV/ Revenues ¹
2/11/25	Frontline Managed Services	Logic Force Corporation	\$3.1	100%	\$44.2	1.2
2/6/25	ATA Online (Beijing) Education Technology Co.,Ltd.	CDH Investments; Zhuhai Lihonghuaying Equity Investment Partnership (LP)	\$200.2	100%	\$75.7	N/A
11/13/24	Capella Education Company	Strayer Education, Inc. (nka:Strategic Education, Inc.)	\$964.4	100%	\$439.7	0.3x
11/9/23	Learning Tree International, Inc.	N/A	\$10.1	100%	\$66.6	2.4x
1/16/23	No More Practice Education Pty Ltd	OneVue Holdings Limited	\$3.9	100%	\$1.4	0.2x
12/1/22	Tecademics LLC	IQUP Sales Group, LLC	\$3.0	100%	N/A	2.6x
12/1/21	Apollo Education Group, Inc.	Apollo Global Management	\$1,212.5	100%	\$361.9	1.4x
10/15/21	Promethean World Plc	Endurance International	\$1,682.0	100%	\$161.8	10.4x
9/6/21	Callista Software Services	Tribal Group plc	\$1.8	100%	\$12.1	0.2x
Median of the M&A Transaction Targets			\$9,595.5	100%	\$25.5	2.1x

[1] As of the close of the Transaction

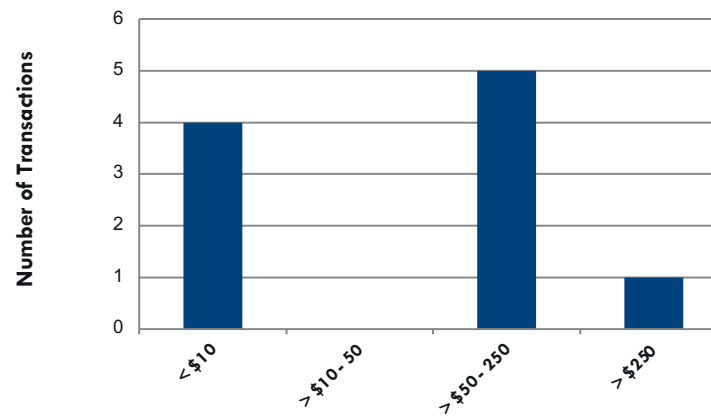
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Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions) as of March 31, 2025

Price Paid for M&A Transactions



LTM Revenues Reported



Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

Market Value of Invested Capital (MVIC): Market Value of Equity + Market Value of Debt

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