ADTALEM

GLOBAL EDUCATION

Third Quarter 2023 Earnings Presentation

May 2, 2023

Safe Harbor

Forward-Looking Statements

Certain statements contained in this release are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact, which includes statements regarding Adtalem's future growth, the future impacts of the COVID-19 pandemic, and the expected synergies from the Walden acquisition. Forward-looking statements can also be identified by words such as "future," "believe," "expect," "anticipate," "estimate," "plan," "intend," "may," "will," "would," "could," "can," "continue," "preliminary," "range," and similar terms. These forward-looking statements are subject to risk and uncertainties that could cause actual results to differ materially from those described in the statements. These risk and uncertainties include the risk factors described in Item 1A. "Risk Factors" of our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) and our other filings with the SEC. These forward-looking statements are based on information available to us as of the date any such statements are made, and Adtalem assumes no obligation to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized, except as required by law.

Non-GAAP Financial Measures

This presentation includes references to certain financial measures that are not calculated in accordance with generally accepted accounting principles in the United States ("GAAP"). We believe that certain non-GAAP financial measures provide investors with useful supplemental information regarding the underlying business trends and performance of Adtalem's ongoing operations as seen through the eyes of management and are useful for period-over-period comparisons. Adtalem uses these supplemental non-GAAP financial measures internally in our assessment of performance and budgeting process. However, these non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. For how we define the non-GAAP financial measures, and a reconciliation of each non-GAAP financial measure to the most directly comparable GAAP measure, please refer to the reconciliation at the end of this presentation.

Q3 2023 Performance

Improving total enrollment trends | strategic transformation momentum

$369 million
Q3 Revenue
+1.3% vs. prior year

23.3%
Q3 Adj. EBITDA[1] Margin
(200) bps vs. prior year

$1.13
Q3 Adj. EPS[1]
+34.5% vs. prior year

Improving total enrollment

- Chamberlain: **34.8k** students
  - *Strong pre-licensure BSN & post-licensure MSN programs, increased persistence*
- Walden: **39.4k** students
  - *Enrollment stabilizing in healthcare programs, increased persistence*
- Med/Vet: **5.3k** students
  - *Vet: RUSVM strong performance, operating near capacity*
  - *Med/Vet: continued high persistence levels*

Financial strength

- YTD Adj. EBITDA[1] margin grew by over 200 bps
- Trailing twelve months Free Cash Flow[1]: $227 million
- Returned $48 million capital to shareholders through our $300 million Board authorized repurchase program at an average price of $39
- Net leverage[1] of 1.1x

1. Reconciliations to Non-GAAP Financial Measures and definitions can be found in the appendix

ADTALEM Global Education

Highlights

Q3 ’23 Results

Momentum against strategic transformation

- *Continue to focus on driving operational excellence, creating strong foundation to reaccelerate long-term growth*
- *Commitment to consistent long-term margin expansion*
- *On-track to deliver $30 million in cost synergies in fiscal year 2023, totaling $60 million in two years*
- *“Growth with Purpose” strategic initiative underway*

Ongoing focus to enhance student outcomes

- *Implementing new technologies to drive improved student experience and persistence rates*
- *Scaling marketing capabilities, launched Chamberlain brand campaign, followed by Walden in April*

Expanding access

- *Chamberlain: on-line pre-licensure BSN program offered in 22 states, >500 total enrollees*
- *Walden: enhancing seamless student experience via elimination of off-cycle start dates*
- *Medical: AUC and RUSM both achieved a 97% first-time residency attainment rate, among the highest-ever rates for the institutions; 26% from underrepresented minorities*
- *Veterinary: continues to operate at near capacity*

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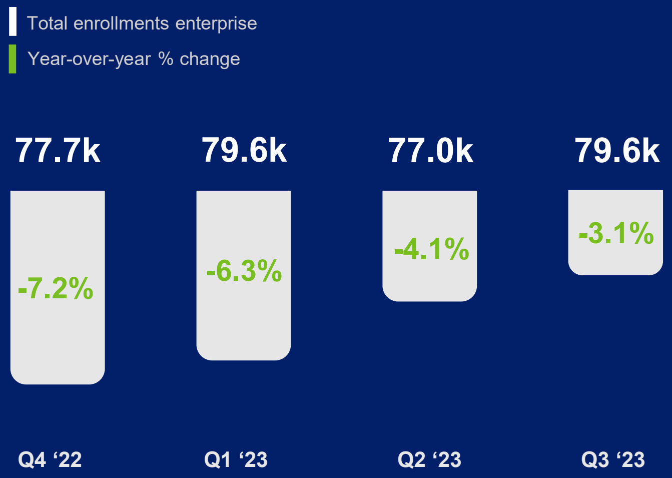
Improving Total Enrollment Trends

Chamberlain leads with growth in pre-licensure & post-licensure programs, early indications of normalization in RN → BSN

Continue to drive enhanced student outcomes, increasing persistence



	Q3 '23	Q2 '23
Chamberlain:	+2.0%	-0.8%
Walden:	-7.9%	-7.8%
Med/Vet:	+1.6%	+3.4%

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Enterprise Performance

Improving total enrollment trends

$ millions	Q3 2023	Q3 2022	Change
Revenue	$369.1	$364.3	1.3%
Adj. EBITDA[1]	**$85.9**	**$92.2**	(6.8)%
% Margin[1]	*23.3%*	*25.3%*	*(200) Bps*
Adj. EPS[1]	**$1.13**	**$0.84**	**34.5%**
Total Enrollment[2]	79,586	82,174	(3.1)%

Total Enrollment down 3.1%
improvement of 100 basis points compared to second quarter year-over-year

Adj. EBITDA[1] margin decreased 200 bps
new brand campaign launches and strategic investments, partially offset by operational efficiencies

Adj. EPS[1] increased 34.5%
lower interest expense and diluted shares outstanding

1. Reconciliations to Non-GAAP Financial Measures and definitions can be found in the appendix
2. Represents total students attending sessions during each institution's most recent enrollment period

Chamberlain Performance

Growth driven by pre-licensure & post-licensure nursing programs
Higher persistence

CHAMBERLAIN UNIVERSITY

$ millions	Q3 2023	Q3 2022	Change
Revenue	$149.7	$142.6	5.0%
Adj. EBITDA[1]	**$44.9**	**$45.5**	(1.3) %
% Margin[1]	*30.0%*	*31.9%*	*(190) Bps*
Total Enrollment[2]	34,847	34,158	2.0%

Total Enrollment up 2.0%
growth in pre-licensure & post-licensure nursing programs and higher persistence

Adj. EBITDA[1] margin decreased 190 bps
new brand campaign launch

- **Pre-licensure: growth in BSN online & on-campus modalities**
- **Post-licensure: strength in MSN programs**
- **RN → BSN program: early indications of normalization**

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2. Represents total students attending sessions during each institution's most recent enrollment period

Walden Performance

Stabilizing total enrollment trends in healthcare programs
Higher persistence

WALDEN UNIVERSITY
EDUCATION FOR GOOD™

$ millions	Q3 2023	Q3 2022	Change
Revenue	$132.9	$139.1	(4.5)%
Adj. EBITDA[1]	**$27.8**	**$29.3**	(4.9)%
% Margin[1]	*20.9%*	*21.0%*	*(10) Bps*
Total Enrollment[2]	39,427	42,788	(7.9)%

- **Eliminated off-cycle start dates:**
  - **enhances student experience & reduces operational complexity**
  - **adverse impact to year-over-year total enrollment growth of 2.2%**

Total Enrollment down 7.9%
declines in non-healthcare and a lesser extent due to healthcare programs partially offset by higher persistence across the segment

Adj. EBITDA[1] margin remained ~flat
investments in brand campaign, offset by operational efficiencies

1. Reconciliations to Non-GAAP Financial Measures and definitions can be found in the appendix
2. Represents total students attending sessions during each institution's most recent enrollment period

Q3 FY 2023 RESULTS

Medical & Veterinary Performance

Vet in a leading position with robust demand
Continued high persistence

$ millions	Q3 2023	Q3 2022	Change
Revenue	$86.5	$82.7	4.6%
Adj. EBITDA[1]	**$20.7**	**$22.6**	(8.4)%
% Margin[1]	*24.0%*	*27.4%*	*(340) bps*
Total Enrollment[2]	5,312	5,228	1.6%

ROSS UNIVERSITY SCHOOL OF MEDICINE
ROSS UNIVERSITY SCHOOL OF VETERINARY MEDICINE
American University of the Caribbean School of Medicine
MEDICAL EDUCATION READINESS PROGRAM

Total Enrollment up 1.6%
growth in both medical and veterinary programs, continued high persistence levels

Adj. EBITDA[1] margin decreased 340 bps
marketing and other operational costs

1. Reconciliations to Non-GAAP Financial Measures and definitions can be found in the appendix
2. Represents total students attending sessions during each institution's most recent enrollment period

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Cash Flow

Driving improved cash generation

Free Cash Flow[1]

$ in Millions

Three Months | Trailing Twelve Months

	Q3 '22	Q3 '23	Q3 '22	Q4 '22	Q1 '23	Q2 '23	Q3 '23
Operating Cash Flow	$78	$107	$102	$164	$226	$225	$255
Capital Expenditure	($8)	($9)	($34)	($31)	($30)	($26)	($28)
Free Cash Flow[1]	**$70**	**$98**	**$68**	**$133**	**$196**	**$199**	**$227**

1. Reconciliations to Non-GAAP Financial Measures and definitions can be found in the appendix

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Fiscal Year 2023 Guidance

Narrowing guidance range

$ millions	Current	Prior
Revenue	$1,400 - $1,450	$1,380 - $1,450
Adj. EPS[1]	$4.05 - $4.20	$3.95 - $4.20

Underlying Themes

- Improving enrollment trends
- Enhanced student outcomes
- Synergy cost program
- Capital deployment

1. Reconciliations to Non-GAAP Financial Measures and definitions can be found in the appendix

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Appendix

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Non-GAAP Financial Measures and Reconciliations

We believe that certain non-GAAP financial measures provide investors with useful supplemental information regarding the underlying business trends and performance of Adtalem's ongoing operations as seen through the eyes of management and are useful for period-over-period comparisons. We use these supplemental non-GAAP financial measures internally in our assessment of performance and budgeting process. However, these non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. The following are non-GAAP financial measures used in the subsequent GAAP to non-GAAP reconciliation tables:

Adjusted net income (most comparable GAAP measure: net income) – Measure of Adtalem's net income adjusted for deferred revenue adjustment, CEO transition costs, restructuring expense, business acquisition and integration expense, intangible amortization expense, gain on sale of assets, pre-acquisition interest expense, write-off of debt discount and issuance costs, gain on extinguishment of debt, investment impairment, net tax benefit related to a valuation allowance release, and net loss (income) from discontinued operations.

Adjusted earnings per share (most comparable GAAP measure: earnings per share) – Measure of Adtalem's diluted earnings per share adjusted for deferred revenue adjustment, CEO transition costs, restructuring expense, business acquisition and integration expense, intangible amortization expense, gain on sale of assets, pre-acquisition interest expense, write-off of debt discount and issuance costs, gain on extinguishment of debt, investment impairment, net tax benefit related to a valuation allowance release, and net loss (income) from discontinued operations.

Adjusted operating income (most comparable GAAP measure: operating income) – Measure of Adtalem's operating income adjusted for deferred revenue adjustment, CEO transition costs, restructuring expense, business acquisition and integration expense, intangible amortization expense, and gain on sale of assets. This measure is applied on a consolidated and segment basis, depending on the context of the discussion.

Adjusted EBITDA (most comparable GAAP measure: net income) – Measure of Adtalem's net income adjusted for net loss (income) from discontinued operations, interest expense, other (income) expense, net, provision for (benefit from) income taxes, depreciation and amortization, stock-based compensation, deferred revenue adjustment, CEO transition costs, restructuring expense, business acquisition and integration expense, and gain on sale of assets. This measure is applied on a consolidated and segment basis, depending on the context of the discussion. Income taxes, interest expense, and other (income) expense, net is not recorded at the reportable segments, and therefore, the segment adjusted EBITDA reconciliations begin with operating income (loss).

Free cash flow (most comparable GAAP measure: net cash provided by operating activities-continuing operations) – Defined as net cash provided by operating activities-continuing operations less capital expenditures.
Net debt – Defined as long-term debt less cash and cash equivalents.
Net leverage – Defined as net debt divided by adjusted EBITDA.

A description of special items in our non-GAAP financial measures described above are as follows:

- Deferred revenue adjustment related to a revenue purchase accounting adjustment to record Walden's deferred revenue at fair value.
- CEO transition costs related to acceleration of stock-based compensation expense.
- Restructuring expense primarily related to plans to achieve synergies with the Walden acquisition and real estate consolidations at Walden, Medical and Veterinary, and Adtalem's home office. We do not include normal, recurring, cash operating expenses in our restructuring expense.
- Business acquisition and integration expense include expenses related to the Walden acquisition and certain costs related to growth transformation initiatives. We do not include normal, recurring, cash operating expenses in our business acquisition and integration expense.
- Intangible amortization expense on acquired intangible assets.
- Gain on sale of Adtalem's Chicago, Illinois, campus facility.
- Pre-acquisition interest expense related to financing arrangements in connection with the Walden acquisition, write-off of debt discount and issuance costs and gain on extinguishment of debt related to prepayments of debt, and impairment of an equity investment.
- Net tax benefit related to a valuation allowance release.
- Net loss (income) from discontinued operations includes the operations of ACAMS, Becker, OCL, including the after-tax gain on the sale of these businesses, and EduPristine operations, in addition to costs related to DeVry University.

Non-GAAP Adjusted EBITDA by Segment Disclosure (1/2)

(unaudited)
(in thousands)

	Three Months Ended March 31,				Nine Months Ended March 31,			
			Increase/(Decrease)				Increase/(Decrease)	
	2023	2022	$	%	2023	2022	$	%
Chamberlain:								
Operating income (GAAP)	$ 39,589	$ 36,979	$ 2,610	7.1 %	$ 99,002	$ 83,290	$ 15,712	18.9 %
Restructuring expense	—	1,931	(1,931)		818	2,266	(1,448)	
Depreciation	4,405	4,738	(333)		12,985	14,048	(1,063)	
Stock-based compensation	923	1,869	(946)		3,600	5,104	(1,504)	
Adjusted EBITDA (non-GAAP)	$ 44,917	$ 45,517	$ (600)	(1.3)%	$ 116,405	$ 104,708	$ 11,697	11.2 %
Adjusted EBITDA margin (non-GAAP)	30.0 %	31.9 %			27.3 %	25.1 %		
Walden:								
Operating income (loss) (GAAP)	$ 10,343	$ (3,199)	$ 13,542	NM	$ 26,071	$ (17,748)	$ 43,819	NM
Deferred revenue adjustment	—	—	—		—	8,561	(8,561)	
Restructuring expense	53	2,225	(2,172)		3,174	4,016	(842)	
Intangible amortization expense	14,232	26,817	(12,585)		48,936	73,967	(25,031)	
Depreciation	2,439	2,573	(134)		7,303	6,801	502	
Stock-based compensation	754	841	(87)		2,945	2,308	637	
Adjusted EBITDA (non-GAAP)	$ 27,821	$ 29,257	$ (1,436)	(4.9)%	$ 88,429	$ 77,905	$ 10,524	13.5 %
Adjusted EBITDA margin (non-GAAP)	20.9 %	21.0 %			22.3 %	22.4 %		
Medical and Veterinary:								
Operating income (GAAP)	$ 16,472	$ 13,571	$ 2,901	21.4 %	$ 49,172	$ 45,400	$ 3,772	8.3 %
Restructuring expense	421	4,569	(4,148)		7,334	4,757	2,577	
Depreciation	3,231	3,397	(166)		9,367	10,497	(1,130)	
Stock-based compensation	587	1,075	(488)		2,291	2,974	(683)	
Adjusted EBITDA (non-GAAP)	$ 20,711	$ 22,612	$ (1,901)	(8.4)%	$ 68,164	$ 63,628	$ 4,536	7.1 %
Adjusted EBITDA margin (non-GAAP)	24.0 %	27.4 %			25.8 %	24.9 %		

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Non-GAAP Adjusted EBITDA by Segment Disclosure (2/2)

(unaudited)
(in thousands)

	Three Months Ended March 31,				Nine Months Ended March 31,			
			Increase/(Decrease)				Increase/(Decrease)	
	2023	2022	$	%	2023	2022	$	%
Home Office and Other:								
Operating loss (GAAP)	$ (6,975)	$ (14,402)	$ 7,427	51.6 %	$ (45,632)	$ (80,159)	$ 34,527	43.1 %
CEO transition costs	—	—	—		—	6,195	(6,195)	
Restructuring expense	804	1,793	(989)		6,380	5,960	420	
Business acquisition and integration expense	11,346	5,924	5,422		35,702	41,537	(5,835)	
Gain on sale of assets	(13,317)	—	(13,317)		(13,317)	—	(13,317)	
Depreciation	82	633	(551)		1,963	2,125	(162)	
Stock-based compensation	531	888	(357)		2,072	2,023	49	
Adjusted EBITDA (non-GAAP)	$ (7,529)	$ (5,164)	$ (2,365)	(45.8)%	$ (12,832)	$ (22,319)	$ 9,487	42.5 %
Adtalem Global Education:								
Net income (GAAP)	$ 45,869	$ 347,740	$ (301,871)	(86.8)%	$ 71,114	$ 304,245	$ (233,131)	(76.6)%
Net loss (income) from discontinued operations	2,694	(343,340)	346,034		7,088	(341,337)	348,425	
Interest expense	14,457	36,585	(22,128)		47,806	109,907	(62,101)	
Other (income) expense, net	(3,980)	327	(4,307)		(3,301)	(2,435)	(866)	
Provision for (benefit from) income taxes	389	(8,363)	8,752		5,906	(39,597)	45,503	
Operating income (GAAP)	59,429	32,949	26,480		128,613	30,783	97,830	
Depreciation and amortization	24,389	38,158	(13,769)		80,554	107,438	(26,884)	
Stock-based compensation	2,795	4,673	(1,878)		10,908	12,409	(1,501)	
Deferred revenue adjustment	—	—	—		—	8,561	(8,561)	
CEO transition costs	—	—	—		—	6,195	(6,195)	
Restructuring expense	1,278	10,518	(9,240)		17,706	16,999	707	
Business acquisition and integration expense	11,346	5,924	5,422		35,702	41,537	(5,835)	
Gain on sale of assets	(13,317)	—	(13,317)		(13,317)	—	(13,317)	
Adjusted EBITDA (non-GAAP)	$ 85,920	$ 92,222	$ (6,302)	(6.8)%	$ 260,166	$ 223,922	$ 36,244	16.2 %
Adjusted EBITDA margin (non-GAAP)	23.3 %	25.3 %			24.0 %	21.9 %		

Non-GAAP Earnings Disclosure

(unaudited)
(in thousands, except per share data)

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	Nine Months Ended March 31, 2023	Nine Months Ended March 31, 2022
Net income (GAAP)	$ 45,869	$ 347,740	$ 71,114	$ 304,245
Deferred revenue adjustment	—	—	—	8,561
CEO transition costs	—	—	—	6,195
Restructuring expense	1,278	10,518	17,706	16,999
Business acquisition and integration expense	11,346	5,924	35,702	41,537
Intangible amortization expense	14,232	26,817	48,936	73,967
Gain on sale of assets	(13,317)	—	(13,317)	—
Pre-acquisition interest expense, write-off of debt discount and issuance costs, gain on extinguishment of debt, and investment impairment	—	12,471	9,226	44,105
Net tax benefit related to a valuation allowance release	(6,184)	—	(6,184)	—
Income tax impact on non-GAAP adjustments (1)	(4,359)	(18,769)	(23,341)	(60,871)
Net loss (income) from discontinued operations	2,694	(343,340)	7,088	(341,337)
Adjusted net income (non-GAAP)	$ 51,559	$ 41,361	$ 146,930	$ 93,401

(1) Represents the income tax impact of non-GAAP continuing operations adjustments that is recognized in our GAAP financial statements.

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	Nine Months Ended March 31, 2023	Nine Months Ended March 31, 2022
Earnings per share, diluted (GAAP)	$ 1.00	$ 7.04	$ 1.54	$ 6.15
Effect on diluted earnings per share:				
Deferred revenue adjustment	-	-	-	0.17
CEO transition costs	-	-	-	0.12
Restructuring expense	0.03	0.21	0.38	0.34
Business acquisition and integration expense	0.25	0.12	0.77	0.83
Intangible amortization expense	0.31	0.54	1.06	1.48
Gain on sale of assets	(0.29)	-	(0.29)	-
Pre-acquisition interest expense, write-off of debt discount and issuance costs, gain on extinguishment of debt, and investment impairment	-	0.25	0.20	0.88
Net tax benefit related to a valuation allowance release	(0.14)	-	(0.13)	-
Income tax impact on non-GAAP adjustments (1)	(0.10)	(0.38)	(0.51)	(1.22)
Net loss (income) from discontinued operations	0.06	(6.95)	0.15	(6.90)
Adjusted earnings per share, diluted (non-GAAP)	$ 1.13	$ 0.84	$ 3.19	$ 1.87
Diluted shares used in non-GAAP EPS calculation	45,801	49,377	46,089	49,872

Note: May not sum due to rounding.
(1) Represents the income tax impact of non-GAAP continuing operations adjustments that is recognized in our GAAP financial statements.

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Non-GAAP Free Cash Flow Disclosure

(unaudited)
(in thousands)

	Three Months Ended		Twelve Months Ended				
	FY23 Q3	FY22 Q3	FY23 Q3	FY23 Q2	FY23 Q1	FY22 Q4	FY22 Q3
Net cash provided by operating activities-continuing operations (GAAP)	$ 107,544	$ 77,739	$ 255,052	$ 225,247	$ 225,972	$ 164,002	$ 101,855
Capital expenditures	(9,309)	(7,477)	(27,861)	(26,029)	(29,914)	(31,054)	(33,539)
Free cash flow (non-GAAP)	$ 98,235	$ 70,262	$ 227,191	$ 199,218	$ 196,058	$ 132,948	$ 68,316

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Outlook Disclosure

(unaudited)
(in thousands, except per share data)

	Year Ended June 30, 2023
Expected earnings per share, diluted (GAAP)	$ 2.14 to 2.29
Expected effects on diluted earnings per share:	
Restructuring expense	0.38
Integration costs	0.77
Estimated incremental integration costs	0.15
Estimated intangible amortization	1.33
Gain on sale of assets	(0.29)
Write-off of debt discount and issuance costs, gain on extinguishment of debt, and investment impairment	0.20
Net tax benefit related to a valuation allowance release	(0.13)
Estimated income tax impact on non-GAAP adjustments(1)	(0.65)
Net loss from discontinued operations	0.15
Expected adjusted earnings per share, diluted (non-GAAP)(2)	$ 4.05 to 4.20
Diluted shares used in EPS calculation	46,089

(1) Represents the estimated income tax impact of non-GAAP continuing operations adjustments that is recognized in our GAAP financial statements.

(2) The outlook provided above does not reflect the potential impact of any business or asset acquisitions or dispositions that may occur during the remainder of fiscal year 2023. The expected effects on diluted earnings per share ("EPS") of (1) the estimated intangible amortization and (2) the estimated incremental integration costs are estimates related to the Walden University acquisition and certain costs related to growth transformation initiatives. The effects on diluted EPS of restructuring expense, integration costs, gain on sale of assets, write-off of debt discount and issuance costs, gain on extinguishment of debt, investment impairment, net tax benefit related to a valuation allowance release, and loss from discontinued operations includes the results realized through March 31, 2023. We are not able to further estimate certain special items for the full fiscal year. Additional charges to these special items, or additional special items not currently identified, which may occur during the remainder of fiscal year 2023, would impact the GAAP expected EPS provided above.

Non-GAAP Net Leverage Disclosure

(unaudited)
(in thousands)

	Twelve Months Ended March 31, 2023
Adtalem Global Education:	
Net income (GAAP)	$ 77,860
Net income from discontinued operations	1,479
Interest expense	67,247
Other income, net	(1,974)
Provision for income taxes	29,964
Depreciation and amortization	114,964
Stock-based compensation	14,915
Restructuring expense	26,335
Business acquisition and integration expense	47,363
Gain on sale of assets	(13,317)
Adjusted EBITDA (non-GAAP)	$ 364,836

	March 31, 2023
Long-term debt	$ 708,283
Less: Cash and cash equivalents	(315,373)
Net debt (non-GAAP)	$ 392,910
Net leverage (non-GAAP)	1.1 x

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