



# ADTALEM

GLOBAL EDUCATION

## First Quarter 2025 Earnings

OCTOBER 29, 2024

# Safe Harbor

## CAUTIONARY DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this presentation 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. Forward-looking statements generally can be identified by the use of forward-looking terminology 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 risks 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.

# A Force for Good

## **Purpose driven organization**

committed to student and societal outcomes

## **Creating shareholder value**

Growth with Purpose strategy  
delivering long-term growth

## **Systemically important**

component of the U.S. healthcare system,  
training care providers



5 like-kind institutions

27 campuses

Robust online delivery capabilities



All post-secondary higher education

>90k students  
~150 programs<sup>1</sup>



All with a center of gravity in healthcare

~90% of student enrollment is healthcare focused

# Growth with Purpose

## Growth with Purpose strategy

Driving organic revenue growth

Marketing

Enrollment

Retention

Pricing

Programs

Expanding Access to Underserved Communities

Ongoing Commitment to Outstanding Student Outcomes

# Q1 2025 Performance

Total enrollment growth YoY: +11.2%

**\$417.4 million**

Revenue  
+13.2% vs. prior year

**23.2%**

Adj. EBITDA<sup>1</sup> margin  
+140 bps vs. prior year

**\$1.29**

Adj. EPS<sup>1</sup>  
+38.7% vs. prior year

## Growth with Purpose delivering accelerated total enrollment and operational excellence

- **Chamberlain:** 39.0k students
  - *Second straight year of record total enrollment; leveraging scale & national footprint with a full breadth of nursing programs & modalities*
- **Walden:** 46.0k students
  - *Sustained momentum in total enrollment growth levels; scaling offerings, leveraging enhanced digital platform through investments in student experience & brand, flexibility designed for working adults through part-time, self-paced, and Tempo Learning<sup>®</sup> competency-based programs*
- **Med/Vet:** 5.2k students
  - *Vet: Operating at near capacity*
  - *Med: Remediation plans on track, sequentially improved total enrollment YoY trend Q4 '24 to Q1 '25*

# Q1 2025 Highlights

## Revenue & Adj. EPS<sup>1</sup> ahead of expectations

- Fifth straight quarter of total enrollment YoY growth with sequential improvement, second straight quarter of double-digit percentage growth YoY
- Investing in student experience through technology, modernization of higher education

## Financial strength

- Trailing twelve months free cash flow<sup>1</sup> \$243 million
- Repurchased \$34 million of shares in Q1 '25
- Repriced \$253 million Term Loan B on Aug. 21, 2024, reducing interest rate by 75 bps
- Cash and equivalents \$265 million, as of Sept. 30, 2024

## Growth with Purpose

### Programs:

- **Chamberlain:** Partnered with the Oncology Nursing Society to expand Practice Ready. Specialty Focused.<sup>TM</sup> (PRSF) offering
- **Walden & Chamberlain:** Adtalem established a partnership with Hippocratic AI to develop new curriculum focused on training healthcare professionals in the use of AI technologies
- **Ross University School of Veterinary Medicine:** ranked third for the most graduates placed in the highly sought after Veterinary Internship and Residency Matching Program<sup>TM</sup> (VIRMP) for 2024

### Marketing:

- Optimized brand campaigns and channel mix, enterprise Q1 '25 inquiries up YoY

### Enrollment & Retention:

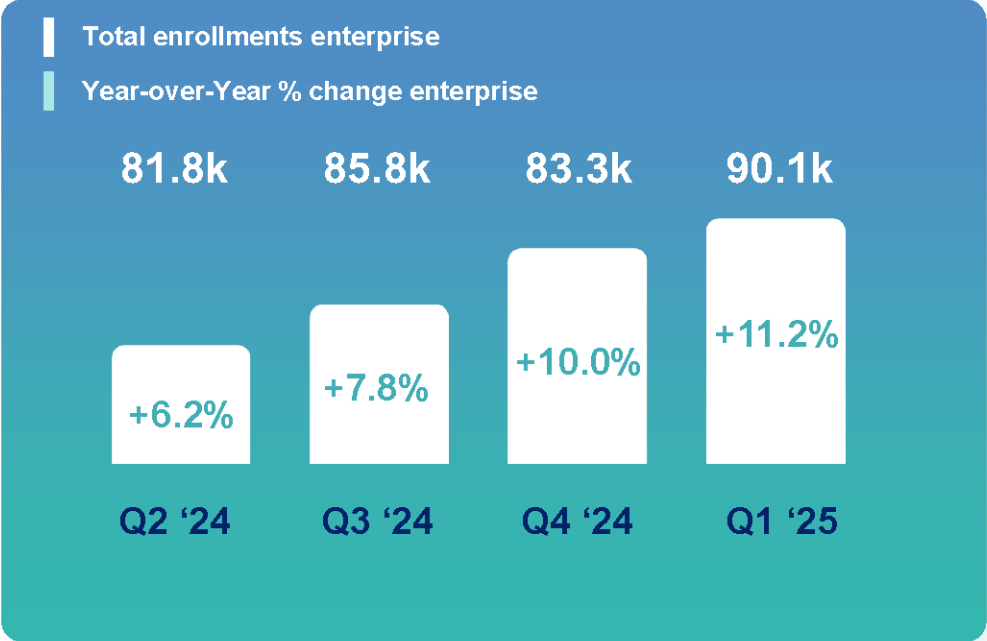
- Methodically and swiftly implementing AI, leveraging Walden's AI learnings; Chamberlain is expanding its generative AI-enabled tutor, Nurse Ally, to additional programs

# Accelerating Total Enrollment Trends

Chamberlain: seventh straight quarter of YoY total enrollment growth in pre-licensure & post-licensure programs

Walden: fifth straight quarter of YoY total enrollment growth

Continue to deliver enhanced student outcomes, maintained high persistence levels



**Year-over-Year % change**

	Q4 '24	Q1 '25
Chamberlain:	+10.4%	+11.7%
Walden:	+11.3%	+12.2%
Med/Vet:	-2.9%	-0.7%

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

# Enterprise Performance

Growth with Purpose strategy improving key areas of value creation

Revenue growth and efficiencies generating operational leverage

Operational leverage greater than increased level of investments

	Q1 '25	Q1 '24	Δ vs. Q1 '24
<i>\$ in Millions, except per share data</i>			
<b>Revenue</b>	<b>\$417.4</b>	<b>\$368.8</b>	<b>+13.2%</b>
<b>Adj. EBITDA<sup>1</sup></b>	<b>\$96.7</b>	<b>\$80.5</b>	<b>+20.1%</b>
<b>% Margin<sup>1</sup></b>	<b>23.2%</b>	<b>21.8%</b>	<b>+140 bps</b>
<b>Adj. EPS<sup>1</sup></b>	<b>\$1.29</b>	<b>\$0.93</b>	<b>+38.7%</b>
<b>Total Enrollment<sup>2</sup></b>	<b>90,140</b>	<b>81,073</b>	<b>+11.2%</b>

## Total Enrollment +11.2%

- Improvement of +120 basis points compared to Q4 '24 YoY

## Adj. EBITDA<sup>1</sup> margin +140 bps

- Revenue growth and operational efficiencies generating leverage; operating leverage outpaced investments in Growth with Purpose strategic initiatives, and other general expenses

## Adj. EPS<sup>1</sup> +38.7%

- Repurchased 462k shares in Q1 '25

# Chamberlain Performance

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

<i>\$ in Millions</i>	Q1 '25	Q1 '24	Δ vs. Q1 '24
<b>Revenue</b>	<b>\$167.9</b>	<b>\$142.6</b>	<b>+17.8%</b>
<b>Adj. EBITDA<sup>1</sup></b>	<b>\$37.0</b>	<b>\$31.5</b>	<b>+17.2%</b>
<i>% Margin<sup>1</sup></i>	<i>22.0%</i>	<i>22.1%</i>	<i>(10) bps</i>
<b>Total Enrollment<sup>2</sup></b>	<b>38,987</b>	<b>34,889</b>	<b>+11.7%</b>

## Q1 '25 vs. Q1 '24:

- Pre-licensure: BSN Online option, offered in 36 states, >2,000 students currently enrolled
- Post-licensure: growth in MSN, specifically Psychiatric-Mental Health & Family Nurse Practitioner

## Total Enrollment +11.7%

- Growth in pre-licensure & post-licensure nursing programs

## Adj. EBITDA<sup>1</sup> margin (10) bps

- Revenue growth and operational efficiencies generating leverage; offset by investments in marketing, student support from growth in enrollment and to enhance academic outcomes, and other expense

# Walden Performance

Robust total enrollment growth & continued strength in new enrollment demand  
High persistence

<i>\$ in Millions</i>	Q1 '25	Q1 '24	Δ vs. Q1 '24
<b>Revenue</b>	<b>\$161.5</b>	<b>\$141.6</b>	<b>+14.1%</b>
<b>Adj. EBITDA<sup>1</sup></b>	<b>\$47.8</b>	<b>\$35.1</b>	<b>+35.9%</b>
<i>% Margin<sup>1</sup></i>	29.6%	24.8%	480 bps
<b>Total Enrollment<sup>2</sup></b>	45,979	40,975	+12.2%

## Q1 '25 vs. Q1 '24:

- Total enrollment led by social behavioral health and nursing programs
- New enrollment has eclipsed pre-pandemic levels

## Total Enrollment +12.2%

- Growth in healthcare & non-healthcare programs

## Adj. EBITDA<sup>1</sup> margin +480 bps

- Revenue growth and operational efficiencies generating leverage; operational leverage outpaced additional student support from strong growth in new enrollment

# Medical & Veterinary Performance

Vet maintaining leading position

Med operational remediation plans delivering sequential improvement in total enrollment YoY

<i>\$ in Millions</i>	Q1 '25	Q1 '24	Δ vs. Q1 '24
<b>Revenue</b>	<b>\$88.0</b>	<b>\$84.6</b>	<b>+3.9%</b>
<b>Adj. EBITDA<sup>1</sup></b>	<b>\$19.2</b>	<b>\$19.1</b>	<b>+0.7%</b>
<i>% Margin<sup>1</sup></i>	21.8%	22.5%	(70) bps
<b>Total Enrollment<sup>2</sup></b>	5,174	5,209	(0.7)%

## Medical schools' operational remediation plans on-track:

- Maintained focus on operational efficiency, specifically academic support and enrollment experience
- Continued improvement in total enrollment trends

## Total Enrollment (0.7)%

- *Vet: RUSVM operating at near capacity*
- *Med: sequential improvement in total enrollment trends*

## Adj. EBITDA<sup>1</sup> margin (70) bps

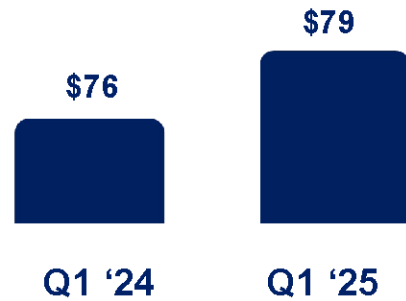
- *Revenue growth offset by student support investments and other costs*

# Cash Flow

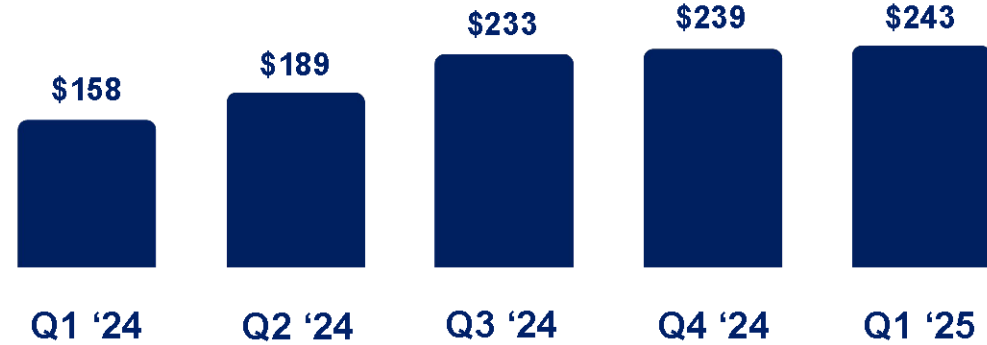
Continued healthy cash generation and disciplined capital allocation

\$ in Millions

## Three Months



## Trailing Twelve Months



Operating Cash Flow<sup>1</sup>

Capital Expenditure

Free Cash Flow<sup>2</sup>

\$86	\$89
(\$10)	(\$10)
<b>\$76</b>	<b>\$79</b>

\$189	\$228	\$277	\$288	\$292
(\$31)	(\$39)	(\$44)	(\$49)	(\$49)
<b>\$158</b>	<b>\$189</b>	<b>\$233</b>	<b>\$239</b>	<b>\$243</b>

# FY 2025 Guidance

Raising Revenue and Adj. EPS Outlook

**Revenue**                    \$1,690m - \$1,730m

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**Adj. EPS<sup>1</sup>**                    \$5.75 - \$5.95

## Underlying Themes

Revenue growth higher in 1H '25 vs. 2H '25;  
Q1 '25 momentum persisting into Q2 '25

+100 bps adj. EBITDA margin expansion

Operational leverage greater than  
investments in organic growth

Continued strong cash flow &  
capital deployment

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

A systemically important component of the U.S. healthcare system, with a clear growth roadmap and meaningful shareholder value creation opportunities

### **Transformed Portfolio, Positioned Well as a Leading Healthcare Educator**

In a growing, structurally attractive industry with durable demand trends

### **Creating Long-Term Value with Growth with Purpose Strategy**

Focused on accelerating organic total enrollment growth and efficiency

### **Executing with Operational Excellence**

Creating the ability to sustainably invest in accretive growth opportunities while delivering long-term margin expansion

### **Strong and Stable Financial Profile**

With a healthy balance sheet, cash generative model, and an attractive capital allocation philosophy

### **Greater Scale Driving a Greater Purpose**

Committed to student and societal outcomes

# Disciplined Capital Allocation Philosophy

## Student Growth

Growth with Purpose to invest back into our institutions and capabilities to reach optimal capacity

## Return Excess Cash

\$178 million remaining on our Board-authorized \$300 million share repurchase program through January 2027<sup>1</sup>

## Financial Strength

Thoughtfully reduce long-term financial obligations to maximize flexibility and balance sheet strength  
Repriced \$253 million Term Loan B on Aug. 21, 2024, reducing interest rate by 75 bps

## Opportunistic M&A

Opportunities to enhance our student outcomes through capabilities and technology  
Focused on tuck-ins to horizontally expand into in-demand healthcare education markets

# Appendix

# 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 restructuring expense, business integration expense, amortization of acquired intangible assets, litigation reserve, debt modification costs, and loss from discontinued operations.

*Adjusted earnings per share (most comparable GAAP measure: diluted earnings per share)* – Measure of Adtalem's diluted earnings per share adjusted for restructuring expense, business integration expense, amortization of acquired intangible assets, litigation reserve, debt modification costs, and loss from discontinued operations.

*Adjusted operating income (most comparable GAAP measure: operating income)* – Measure of Adtalem's operating income adjusted for restructuring expense, business integration expense, amortization of acquired intangible assets, litigation reserve, and debt modification costs. 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 loss from discontinued operations, interest expense, other income, net, provision for income taxes, depreciation, amortization of acquired intangible assets, amortization of cloud computing implementation assets, stock-based compensation, restructuring expense, business integration expense, litigation reserve, and debt modification costs. This measure is applied on a consolidated and segment basis, depending on the context of the discussion. Provision for income taxes, interest expense, and other income, net is not recorded at the reportable segments, and therefore, the segment adjusted EBITDA reconciliations begin with operating income.

*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:

- Restructuring expense primarily related to workforce reductions, costs to exit certain course offerings, and prior real estate consolidations at Adtalem's home office. We do not include normal, recurring, cash operating expenses in our restructuring expense.
- Business 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 integration expense.
- Amortization of acquired intangible assets.
- Amortization of cloud computing implementation assets.
- Reserves related to significant litigation and debt modification costs related to refinancing our Term Loan B loan.
- Loss from discontinued operations includes expense from ongoing litigation costs and settlements related to the DeVry University and Carrington College divestitures.

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

(unaudited)  
(in thousands)

	Three Months Ended September 30,			
	2024	2023	Increase/(Decrease)	
			\$	%
<b>Chamberlain:</b>				
Operating income (GAAP)	\$ 25,974	\$ 24,324	\$ 1,650	6.8 %
Restructuring expense	1,858	—	1,858	
Adjusted operating income (non-GAAP)	<u>\$ 27,832</u>	<u>\$ 24,324</u>	<u>\$ 3,508</u>	14.4 %
Operating margin (GAAP)	15.5 %	17.1 %		
Operating margin (non-GAAP)	16.6 %	17.1 %		
<b>Walden:</b>				
Operating income (GAAP)	\$ 39,837	\$ 1,938	\$ 37,899	1,955.6 %
Amortization of acquired intangible assets	2,805	10,677	(7,872)	
Litigation reserve	—	18,500	(18,500)	
Adjusted operating income (non-GAAP)	<u>\$ 42,642</u>	<u>\$ 31,115</u>	<u>\$ 11,527</u>	37.0 %
Operating margin (GAAP)	24.7 %	1.4 %		
Operating margin (non-GAAP)	26.4 %	22.0 %		
<b>Medical and Veterinary:</b>				
Operating income (GAAP)	\$ 14,671	\$ 14,363	\$ 308	2.1 %
Restructuring expense	59	114	(55)	
Adjusted operating income (non-GAAP)	<u>\$ 14,730</u>	<u>\$ 14,477</u>	<u>\$ 253</u>	1.7 %
Operating margin (GAAP)	16.7 %	17.0 %		
Operating margin (non-GAAP)	16.7 %	17.1 %		

## Non-GAAP Adjusted Operating by Segment Disclosure (2/2)

(unaudited)  
(in thousands)

	Three Months Ended September 30,			
	2024	2023	Increase/(Decrease)	
			\$	%
<b>Home Office:</b>				
Operating loss (GAAP)	\$ (10,244)	\$ (12,431)	\$ 2,187	17.6 %
Restructuring expense	177	562	(385)	
Business integration expense	—	5,262	(5,262)	
Debt modification costs	712	—	712	
Adjusted operating loss (non-GAAP)	<u>\$ (9,355)</u>	<u>\$ (6,607)</u>	<u>\$ (2,748)</u>	(41.6)%
<b>Adtalem Global Education:</b>				
Operating income (GAAP)	\$ 70,238	\$ 28,194	\$ 42,044	149.1 %
Restructuring expense	2,094	676	1,418	
Business integration expense	—	5,262	(5,262)	
Amortization of acquired intangible assets	2,805	10,677	(7,872)	
Litigation reserve	—	18,500	(18,500)	
Debt modification costs	712	—	712	
Adjusted operating income (non-GAAP)	<u>\$ 75,849</u>	<u>\$ 63,309</u>	<u>\$ 12,540</u>	19.8 %
Operating margin (GAAP)	16.8 %	7.6 %		
Operating margin (non-GAAP)	18.2 %	17.2 %		

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

(unaudited)  
(in thousands)

	Three Months Ended September 30,			
	2024	2023	Increase/(Decrease)	
			\$	%
<b>Chamberlain:</b>				
Operating income (GAAP)	\$ 25,974	\$ 24,324	\$ 1,650	6.8 %
Restructuring expense	1,858	—	1,858	
Depreciation	5,368	4,116	1,252	
Amortization of cloud computing implementation assets	652	200	452	
Stock-based compensation	3,119	2,907	212	
Adjusted EBITDA (non-GAAP)	<u>\$ 36,971</u>	<u>\$ 31,547</u>	<u>\$ 5,424</u>	17.2 %
Adjusted EBITDA margin (non-GAAP)	22.0 %	22.1 %		
<b>Walden:</b>				
Operating income (GAAP)	\$ 39,837	\$ 1,938	\$ 37,899	1,955.6 %
Amortization of acquired intangible assets	2,805	10,677	(7,872)	
Litigation reserve	—	18,500	(18,500)	
Depreciation	1,682	1,974	(292)	
Amortization of cloud computing implementation assets	701	188	513	
Stock-based compensation	2,740	1,864	876	
Adjusted EBITDA (non-GAAP)	<u>\$ 47,765</u>	<u>\$ 35,141</u>	<u>\$ 12,624</u>	35.9 %
Adjusted EBITDA margin (non-GAAP)	29.6 %	24.8 %		
<b>Medical and Veterinary:</b>				
Operating income (GAAP)	\$ 14,671	\$ 14,363	\$ 308	2.1 %
Restructuring expense	59	114	(55)	
Depreciation	2,569	2,892	(323)	
Amortization of cloud computing implementation assets	283	52	231	
Stock-based compensation	1,607	1,640	(33)	
Adjusted EBITDA (non-GAAP)	<u>\$ 19,189</u>	<u>\$ 19,061</u>	<u>\$ 128</u>	0.7 %
Adjusted EBITDA margin (non-GAAP)	21.8 %	22.5 %		

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

(unaudited)  
(in thousands)

	Three Months Ended September 30,			
	2024	2023	Increase/(Decrease)	
			\$	%
<b>Home Office:</b>				
Operating loss (GAAP)	\$ (10,244)	\$ (12,431)	\$ 2,187	17.6 %
Restructuring expense	177	562	(385)	
Business integration expense	—	5,262	(5,262)	
Debt modification costs	712	—	712	
Depreciation	184	356	(172)	
Stock-based compensation	1,985	1,044	941	
Adjusted EBITDA (non-GAAP)	<u>\$ (7,186)</u>	<u>\$ (5,207)</u>	<u>\$ (1,979)</u>	(38.0)%
<b>Adtalem Global Education:</b>				
Net income (GAAP)	\$ 46,165	\$ 10,646	\$ 35,519	333.6 %
Loss from discontinued operations	80	1,313	(1,233)	
Interest expense	14,482	15,657	(1,175)	
Other income, net	(2,646)	(2,214)	(432)	
Provision for income taxes	12,157	2,792	9,365	
Operating income (GAAP)	<u>70,238</u>	<u>28,194</u>	<u>42,044</u>	
Depreciation and amortization	14,244	20,455	(6,211)	
Stock-based compensation	9,451	7,455	1,996	
Restructuring expense	2,094	676	1,418	
Business integration expense	—	5,262	(5,262)	
Litigation reserve	—	18,500	(18,500)	
Debt modification costs	712	—	712	
Adjusted EBITDA (non-GAAP)	<u>\$ 96,739</u>	<u>\$ 80,542</u>	<u>\$ 16,197</u>	20.1 %
Adjusted EBITDA margin (non-GAAP)	23.2 %	21.8 %		

# Non-GAAP Earnings Disclosure

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

	Three Months Ended September 30,	
	2024	2023
Net income (GAAP)	\$ 46,165	\$ 10,646
Restructuring expense	2,094	676
Business integration expense	—	5,262
Amortization of acquired intangible assets	2,805	10,677
Litigation reserve and debt modification costs	712	18,500
Income tax impact on non-GAAP adjustments <sup>(1)</sup>	(1,332)	(7,693)
Loss from discontinued operations	80	1,313
Adjusted net income (non-GAAP)	<u>\$ 50,524</u>	<u>\$ 39,381</u>

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

	Three Months Ended September 30,	
	2024	2023
Diluted earnings per share (GAAP)	\$ 1.18	\$ 0.25
Effect on diluted earnings per share:		
Restructuring expense	0.05	0.02
Business integration expense	-	0.12
Amortization of acquired intangible assets	0.07	0.25
Litigation reserve and debt modification costs	0.02	0.44
Income tax impact on non-GAAP adjustments <sup>(1)</sup>	(0.03)	(0.18)
Loss from discontinued operations	0.00	0.03
Adjusted earnings per share (non-GAAP)	<u>\$ 1.29</u>	<u>\$ 0.93</u>
Diluted shares used in non-GAAP EPS calculation	39,109	42,184

Note: May not sum due to rounding.

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

# Non-GAAP Free Cash Flow Disclosure

(unaudited)  
(in thousands)

	Three Months Ended		Twelve Months Ended				
	FY24	FY25	FY24	FY24	FY24	FY24	FY25
	Q1	Q1	Q1	Q2	Q3	Q4	Q1
Net cash provided by operating activities-continuing operations (GAAP)	\$ 86,114	\$ 89,567	\$ 189,501	\$ 227,600	\$ 276,843	\$ 288,367	\$ 291,820
Capital expenditures	(10,434)	(10,414)	(31,070)	(38,713)	(44,137)	(48,893)	(48,873)
Free cash flow (non-GAAP)	\$ 75,680	\$ 79,153	\$ 158,431	\$ 188,887	\$ 232,706	\$ 239,474	\$ 242,947

# Non-GAAP Net Leverage Disclosure

(unaudited)  
(in thousands)

	<u>Twelve Months Ended</u> <u>September 30, 2024</u>	
<b>Adtalem Global Education:</b>		
Net income (GAAP)	\$	172,296
Income from discontinued operations		(297)
Interest expense		62,484
Other income, net		(10,974)
Provision for income taxes		35,589
Depreciation and amortization		72,241
Stock-based compensation		27,943
Restructuring expense		3,288
Business integration expense		28,953
Loss on assets held for sale		647
Debt modification costs		1,560
Adjusted EBITDA (non-GAAP)	<u>\$</u>	<u>393,730</u>
		<u>September 30, 2024</u>
Long-term debt	\$	658,283
Less: Cash and cash equivalents		(264,798)
Net debt (non-GAAP)	<u>\$</u>	<u>393,485</u>
Net leverage (non-GAAP)		1.0 x