

Lisa Wardell:

(Crowd clapping). Thank you, John. Good afternoon. Thank you for being here today. We are really excited to talk to you about everything that Adtalem Global Education has going on. And we're here to talk about the long term. And for those of you who are checking your iPhone's, it's all a good reminder that we should all think about the markets and our investments in the long term and not just on a daily basis today. So, very well-positioned to do that for Adtalem as we go into today. But first, just a really brief look at where we have come, literally 12 months from today, right here in this building, when we had our 2018 Investor Day. And at that time, we had DeVry University and Carrington both in the portfolio and we're still in the traditional U.S. post-secondary space outside of medical and healthcare.

At that time, you will recall, we had lots going on as it related to how we're going to drive growth in Chamberlain, in the medical and vet schools, and all of the Title IV U.S. post-secondary schools outside of the traditional DeVry and Carrington, and there was really some conversation around, you know, that's where we need to focus and invest, and at that time Kathy Boden Holland was introduced to this team to be the person who was looking after that entire vertical, I believe it was day one and a half, day one of her role. And so she's going to come in and talk about that year.

For those of you who have been with us for a bit, you recognize that we had the hurricane, our relocation, temporary relocation's, of our schools. We were still working through that. That has been completed and some great stuff coming out of that in addition to just these moves to Barbados and the move back to Saint Martin. And then, we really positioned ourselves and thought about last year, what do we need to do and be going forward so that we can have long-term growth, and over the last year we have thought about that as a team and as a vertical, new vertical structure, and you're going to hear about that today.

The fundamental message of today is that our organizational structure, our talent changes, our talent upscaling across the portfolio, our ability to think about the business, not just as our very, very profitable and beneficial institutions and companies, but as a broad group beyond a portfolio of different companies coming together, is going to allow us to accelerate our revenue growth over the planning horizon and that's what we're going to talk about today and that's what all of last year has been, to help us prepare for.

So, what do we mean by that? Why do you want to be in this stock and why do you want to stay in this stock for the long term? There's a couple of things. The first is that we really have leading positions in the markets that we serve. And when we think about our brands and when we think about our products within our brands, we're at the cutting edge of what that looks like in medical education and what that looks like in healthcare education. What that looks like in financial services and you'll really see the progression of AKM's and Becker as we talk through the financial services positioning today. Mehul will

take us through that. And then also in Brazil, as we think about what the brands are and what we're offering to that market. We're talking about brands that are able to be first in the market. We're talking about cities where we are number one and number two academic providers across our thirteen institutions ... thirteen cities where we have institutions. And of course, the online and distance learning, which Thiago will talk about.

The second is that if you look across to the mission based organization, I've always said that this is a differentiator for us and it is a differentiator for us not only as an educator, but financially, because our academic outcomes have a direct correlation to the incremental revenue that we can drive from our employer partners, whether that be hospital systems, financial services providers looking for their employees to be upscaled, et cetera. What we haven't done is really message that in the marketplace the way that we need to. And right now, we have the ability to do that, because we have the right to win in those markets and we have the positioning that's needed for employers to take notice and look at us as a solutions provider, and Steve is going to talk a little bit more about that.

I'll talk about my team and how we streamlined the structure. We'll go through that. And then as I've been saying for several calls now, and here you'll really get the meat of it, is that we have a lot of runway for substantial, organic growth. And that comes from our strong cashflow generation, it comes from a product and program development and development channels and pipelines throughout all of our verticals and you will hear some of the examples today. and then just in general, as we think about the markets where we are growing, we are not repositioning ourselves because you know, what we used to do has become stale and we have to think of something new. There's lots of companies that have to do that. You know, you can look at retail as an example, certain areas of that. What we're doing is taking what we've always done, that educate piece, that debris offering piece, the ability to upscale and help students get from one place to the other and we're using that to broaden our strategy to provide solutions to employers and you'll hear about that today.

The other thing I wanted to touch on in this sort of how are we going to grow scenario is that we have diversity not only within the institutions with programs and products, but we also have three very distinct, different verticals that allow for very diverse revenue within them. So, some of us some of the businesses I know ones that are investors, are very familiar with. I'll use Chamberlain University as an example, right? We look at those enrollments, you're going to hear all of the things that Chamberlain is doing today. So, have no fear, you will have that. But if you look at the medical and healthcare vertical, we're really growing across all of our institutions there, and in fact looking at other ways that we will commercialize things that are of value within our vertical and our chain that we just had not looked at that way before. Financial services, we know that AKM's was bought and it was brought into the

portfolio to grow. It has been doing just that, but then as you look at Becker, for those of you who have been with us for awhile, Becker has really repositioned itself and has an ability to grow in a way that has not done for the last certainly several quarters if not years.

And then if you look at Brazil, we've been talking for a bit about distance learning. Here, that would be the widen-online. See how small that sliver is. That's a brand new incremental market for us, and while we'll talk today a little bit about the controllables versus the non-controllables. In Brazil, we know you want to hear that. We know that you want to hear about how we're positioning and Thiago's going to take us through that. I do want to make sure that everybody here understands that we really do ... It is not a monolith in Brazil and that there are several places within the Brazil portfolio where our brands really do carry the day and allow us to price in a way that is not sensitive to some of the pricing that's going on in the market. So, I mentioned already, we are one of the largest medical and healthcare tertiary education providers globally. When you ... You'll hear some of the stats today about the number of nurses who came out of Chamberlain, the number of physicians that we're providing to the U.S. market and the Canadian market annually particularly those who are practicing in low resource areas and as primary care physicians.

You'll hear about our positioning with the veterinarian school and the DVM's that we produce in a market where there are simply not enough graduates to meet the demand globally, not just here in the U.S. I mentioned Brazil and where we rank there. the great thing about the academic institutions in Brazil is that they are nationally ranked. Everybody is ranked the same way, um whether that is public, private, or otherwise. And we hold strong positions there. And then in financial services, the same with Becker, people know the Becker brand, we're excited about what we're doing with the Becker brand and frankly really reinvigorating that. Mehul will take us through that. but AKM's is the gold standard and it is providing us an ability within governance, risk, and compliance to expand our offerings, and you'll hear about that too. and then I'd be remiss if I didn't come back to the education mission that we serve. And so, for us, as I said, academic student outcomes drive financial performance.

That's always going to be the case for us, but as we think about going into our new era of being more agile, being more nimble, thinking about having teams who are sales focused. It's okay to say sales and student in the same sentence. There are things that aren't going to change. Our teach values will not change. We will always have teamwork, energy, accountability, community, and heart as part of what we do at Adtalem Global Education. Frankly, that's how we attract a lot of the players on the teams that we have now who really make a difference as it relates to how we're serving our students. My team knows that my favorite is A for accountability, but it does not mean that I do not have a heart, just so you know.

So education will always be our mission and what we're doing is using that education mission to drive our differentiation within the new enterprise strategy, which Steve will take you through, which will result in accelerated, organic, consistent revenue growth. We have our ESG strategy on the bottom. I have one message there which is, it's how we do what we do. We have always done it and this past year was our first sustainability report, because we've already ... For the first time, we have brought together all of the things we do in terms of diversity, inclusion and waste energy and all of these things we do at our institution so that we can provide that to investors, another story that we need to do a better job of telling frankly, but it's in our DNA.

So, we've got the right talent and team. We were building a bit last year. We have already built some of the team, but really some of the folks that we have come in over the last year have been phenomenal. I'll talk a little bit about my team. we've got the right cultural focus here, I mentioned. We want ... It's okay for us to want to win and still be in the education business. There's ... It is a business and there's nothing wrong with that, and the bonus of that is we are helping students literally not only change their lives, but change their families lives. We've got a pipeline of product and program creation and commercialization that you will see going throughout the verticals.

The reason that you're going to see it today whereas you may not have seen it as much last Investor Day or the one before is two reasons. One, we have a very, a much more focused team now, because we've streamlined and taken out pieces of the portfolio that were not core, that were not adding to that piece of the story. And two, because we now have vertical leaders who are sitting across the institutions and companies who can be thinking about how do we do things better together? how do we cross-sell? How do we have products that we can use or best practices that we can use both within the vertical and across the verticals. Very, very difficult to ask somebody who's running an institution to think about that 30% or 50% of their time, because what they need to do is make sure that their faculty and their staff and their students have everything that they possibly need. And so now we have this group that's able to think about what are we iterating for, two, three, five, ten years from now.

You'll hear that theme from all of the presidents, the group presidents today. So, we're accelerating our organic growth. We're adding in-demand programs. We're evolving with the education market, which is a lot of why we are developing the strategy that we're developing that Steve will talk about. Our institutions and our companies really need to stay ahead of the curve. Obviously there are no industries that I can think of that are not being changed by technology, but when you really think about education and you think about the for profit market and the not for profit market and how the not for profit institutions really there are winners and losers. They're just like, and will continue to be, just like they are in the for profit market, we believe that we've got the right strategy and the right positioning to be able to be at the forefront

of what's happening. As we focus on financial services, medical healthcare, and business and law. And a big part of that is going to be geographic expansion, but you'll hear about how we're doing that in a very disciplined way within our vertical. So, it's going to be within the AKM's platform that we currently have.

It's going to be within the medical and healthcare platform that we have and it could be new student bases, as we're doing with AUC and you'll hear about that today in the U.K., or it can be new countries as it relates to AKM's, but again, in a product and in a category, an expanding a governance and risk governance, risk and compliance category, where we already play. So, you'll be hearing how that works as we go through the portfolio. We have a strong financial position. You know that this is an organization that has been able to throw off free cashflow. We need to continue to focus on maintaining that strength, because it gives us flexibility. When Steve comes up and talks about M&A and Encores Financial Services, we're able to do that, because we have the balance sheet that allows us to do that.

In order to do that, we recognize that we need strong, consistent margins and as we're thinking about and acting upon getting driving accelerated revenue growth, we always obviously keep that in mind. and that includes just really using our CapX in a way that is accretive to the business over time. Margin expansion is definitely a big part of the success story here, but we also do need to increase our investment, our operating expenses in areas where we could accelerate faster. I think the difference ... I shouldn't even say the difference, but the focus there, though, is an approach of doing that with a disciplined business so that we can really nimbly test and learn what we're doing and, you know, take that to market if it makes sense.

We have a couple of institutions who do that very well and we ... Chamberlain is an example of that, and we are moving that best practice across across the portfolio. my team. I would say, I'll start at the bottom in the middle here, because Thiago Sayao is the first or the newest member of our team in terms of my leadership team and taking over as group president of Adtalem Brazil. He is not new to our team. He is not new to Brazil. 20 years of experience in Brazil and Thiago came to our group, to Adtalem, through the acquisition of Damazio. So, 2015 for those of you who were here then. So several years with the portfolio. Knows our entire Brazil portfolio quite well, and he will talk to that when he comes here.

All three of our group vertical leads have done this before, and when I say done this before, what do I mean? They have driven organic revenue growth in an accelerated way. So, for Thiago tenfold and the business that he started with in Brazil. Mehul, as some of you may know already, at Apollo Global in the education industry to boot, and then Kathy in a different industry in financial services but certainly really from sort of ground up, scratch product to something of significance in the couple hundred million range. So, these are not folks who are figuring out how to grow revenue, top revenue for the first

time at Adtalem Global, although we will all be as helpful as we can as they move through that.

You know, Patrick and I have been in these seats three years next week. So, I don't think many of you need much introduction there. Steve Beard joined us as general council and had some capacity that we wanted to put to use and in January Steve while he remains the general council, became the chief operating officer of the organization. It has created a tremendous fire power for us as we think about our corporate development. As we think about M&A. for corporate development, there really is this notion, and you will hear this throughout today, that we need to be able to partner in an effective way, sometimes with people we're also competitors with. That happens in every industry, but education, for some reason we just don't seem to be able to do it. we can do that and we are doing it and you'll hear about some of it today. There's plenty to go around and lots of complementary things there.

And then just partnering with nonprofit academic institutions and as we think about our employers that we serve they really need to be more of our partners which means, we need to listen to what they need and be responsive to the market versus pushing products and kind of seeing if they work. And so, that's what I mean by the corporate development piece and Steve will hold that and is already making great strides there as well as the M&A and helping as it relates to the operational acumen of the business as we grow. Obviously there's growing pains, et cetera, and he is able to help pinch it along with me and give us some capacity to go out and really start having more conversations with the folks who are going to help us move the organic revenue growth needle. So, that is the that's the team.

So, with that, I don't really get to say any of the really exciting things. In fact, I've been trying not to use examples as I'm talking, because I know what everyone's going to talk about and they're going to say, "Why'd you steal my thunder?" But I will tell you, there is some thunder there. So, you picked the right day, hopefully not there, but here you picked the right day to come and to hear about Adtalem's future. We are poised for growth, as you know. We have been through so ... We have definitely demonstrated crisis management, whether those are natural disasters you know, in institutions that need to be out of the portfolio in a you know, in a way that is ... Was really stressful for the team, et cetera, et cetera, and now we're going to show you that in fact we also understand how to drive accelerated growth in really excited markets where we have what we need in terms of platform, talent, and portfolio.