



# LAUREATE INVESTOR PRESENTATION

February 23, 2023



**LAUREATE**  
EDUCATION INC<sup>®</sup>



# Forward Looking Statements



This presentation includes statements that express Laureate’s opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results and therefore are, or may be deemed to be, “forward-looking statements” within the meaning of the federal securities laws, which involve risks and uncertainties. Laureate’s actual results may vary significantly from the results anticipated in these forward-looking statements. You can identify forward-looking statements because they contain words such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “plans,” “estimates” or “anticipates” or similar expressions that concern our strategy, plans or intentions. All statements we make relating to guidance (including, but not limited to, total enrollments, revenues, and Adjusted EBITDA), and all statements we make relating to our current growth strategy and other future plans, strategies or transactions that may be identified, explored or implemented and any litigation or dispute resulting from any completed transaction are forward-looking statements. In addition, we, through our senior management, from time to time make forward-looking public statements concerning our expected future operations and performance and other developments. All of these forward-looking statements are subject to risks and uncertainties that may change at any time, including with respect to our current growth strategy and the impact of any completed divestiture or separation transaction on our remaining businesses. Accordingly, our actual results may differ materially from those we expected. We derive most of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and, of course, it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations are disclosed in our Annual Report on Form 10-K filed with the SEC on February 23, 2023, our Quarterly Reports on Form 10-Q filed and to be filed with the SEC and other filings made with the SEC. These forward-looking statements speak only as of the time of this release and we do not undertake to publicly update or revise them, whether as a result of new information, future events or otherwise, except as required by law.

In addition, this presentation contains various operating data, including market share and market position, that are based on internal company data and management estimates. While management believes that our internal company research is reliable and the definitions of our markets which are used herein are appropriate, neither such research nor these definitions have been verified by an independent source and there are inherent challenges and limitations involved in compiling data across various geographies and from various sources, including those discussed under “Industry and Market Data” in Laureate’s filings with the SEC.

# Presentation of Non-GAAP Measures



In addition to the results provided in accordance with U.S. generally accepted accounting principles (GAAP) throughout this press release, Laureate provides the non-GAAP measurements of Adjusted EBITDA and its related margin, Adjusted EBITDA to Unlevered Free Cash Flow Conversion, total debt, net of cash and cash equivalents (or net debt), and Free Cash Flow. We have included these non-GAAP measurements because they are key measures used by our management and board of directors to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget and to develop short- and long-term operational plans.

Adjusted EBITDA consists of income (loss) from continuing operations, adjusted for the items included in the accompanying reconciliation. The exclusion of certain expenses in calculating Adjusted EBITDA can provide a useful measure for period-to-period comparisons of our core business. Additionally, Adjusted EBITDA is a key input into the formula used by the compensation committee of our board of directors and our Chief Executive Officer in connection with the payment of incentive compensation to our executive officers and other members of our management team. Accordingly, we believe that Adjusted EBITDA and Adjusted EBITDA margin, which is calculated by dividing Adjusted EBITDA by revenue, provide useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and board of directors.

Adjusted EBITDA to Unlevered Free Cash Flow Conversion consists of Unlevered Free Cash Flow (which is defined as cash flows from operating activities, less capital expenditures, plus net cash interest expense) divided by Adjusted EBITDA. Adjusted EBITDA to Unlevered Free Cash Flow provides useful information to investors and others in understanding and evaluating our ability to generate cash flows.

Total debt, net of cash and cash equivalents (or net debt) consists total cash and cash equivalents, less total gross debt. Net debt provides a useful indicator about Laureate's leverage and liquidity.

Free Cash Flow consists of operating cash flow minus capital expenditures. Free Cash Flow provides a useful indicator about Laureate's ability to fund its operations and repay its debts.

Laureate's calculations of Adjusted EBITDA and its related margin, Adjusted EBITDA to Unlevered Free Cash Flow Conversion, total debt, net of cash and cash equivalents (or net debt), and Free Cash Flow are not necessarily comparable to calculations performed by other companies and reported as similarly titled measures. These non-GAAP measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results. Adjusted EBITDA and Free Cash Flow are reconciled from their respective GAAP measures in the attached tables "Non-GAAP Reconciliation."

We evaluate our results of operations on both an as reported and an organic constant currency basis. The organic constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates, acquisitions and divestitures, and other items. We believe that providing organic constant currency information provides valuable supplemental information regarding our results of operations, consistent with how we evaluate our performance. We calculate organic constant currency amounts using the change from prior-period average foreign exchange rates to current-period average foreign exchange rates, as applied to local-currency operating results for the current period, and then exclude the impact of acquisitions and divestitures and other items described in the accompanying presentation



**Eilif Serck-Hanssen**

President and Chief Executive Officer



**Rick Buskirk**

Senior Vice President and Chief Financial Officer



**Marcelo Cardoso**

Executive Vice President and Chief  
Operating Officer



**Adam Morse**

Senior Vice President Corporate  
Finance and Treasurer



# Laureate Snapshot



5

Learning Institutions



Mexico and Peru Operations



35,000

Faculty and Staff



423,000

Students



50+

Campuses



Revenue

**\$1.24 Billion**

( 50% Mexico / 50% Peru )



Campus-based, Online and Hybrid Learning



Digital Leadership and EdTech Businesses



Undergraduate, Graduate and Specialized Degree Programs



High single digit growth momentum



Adjusted EBITDA Margin

**27%**

Cash accretive business model with strong balance sheet



**~100%** Private Pay



# Company Profile

- A U.S. listed company (Nasdaq: LAUR), incorporated as a Public Benefit Corporation (PBC). Laureate was the first PBC to go public on any stock exchange in the world.
- A mission-driven company, committed to achieving the highest stands of conduct, quality, and impact.
- Operating at scale in two emerging markets, Mexico and Peru, both with attractive growth opportunities.
- Optimized at a country level, with a lean corporate structure.
- Demonstrated leadership in both markets across a range of areas, including digital education, health sciences, academic quality, and organizational culture and capability.
- Opportunities for growth and new revenue streams, including developing an EdTech accelerator to monetize and scale.



## *Our Vision*

Improve the lives of students  
and communities.



## *Our Mission*

Deliver affordable, high-quality education **to prepare students for successful careers and lifelong achievement**, while building pride, trust, and respect in our communities.





# **Our Values**

## **Trust**

*We work to earn and maintain the trust of all our stakeholders.*

## **Inclusiveness**

*We create safe environments where diversity is valued.*

## **Transparency**

*We are committed to being transparent in all we do.*

## **Integrity**

*We do what is right and we deliver on what we promise.*

## **Performance**

*Individually and collectively, we deliver outstanding results without compromising our integrity.*





# Laureate Mexico and Peru



# Attractive Market Opportunities in Mexico & Peru



*Attractive markets with significant growth opportunities  
Participation rates growing and still well below developed markets*

	Mexico	Peru	Combined
Population	129 million	32 million	161 million
Higher Education Students (000s)	5,058	1,811	6,869
Higher Education Gross Participation Rate <sup>1</sup>	34%	52%	37%
Market Share for Private Institutions <sup>2</sup>	42%	73%	54%

Sources: UNESCO, World Bank, Secretaría de Educación Pública, National Superintendent of Higher Education. Data as of year-end 2021.

(1) Defined as total enrollments as compared to 18-24 year old population.

(2) Private institution market share in higher education; for Mexico and Combined includes all states in which UVM or UNITEC have operations (total private market share for all of Mexico is 36%); for Peru based on total country.

# Growth in Middle Class Driving Higher Participation Rates



## Strong Economic Incentives

(Average wage premium for those with a tertiary education<sup>1</sup>)



## Significantly Underpenetrated by Participation

(Higher education participation rates<sup>2</sup>)



Growth in Higher Education



Growth in Middle Class

(1) Peru data is not published by UNESCO.

(2) Defined as total enrollments as compared to 18-24 year old population. Latest data published.

Sources: UNESCO, World Bank, Secretaría de Educación Pública, National Superintendent of Higher Education.

# Leading University Portfolio in Mexico & Peru



	Brand		Founded	Enrollment @ 12/31/22	Market Segment	QS Stars™ Overall	Ratings/Rankings
Mexico	 <b>Universidad del Valle de México (UVM)</b>		1960	103,700	Premium/Traditional	★★★★	<ul style="list-style-type: none"> <li>Ranked Top 10 university in Mexico</li> <li>5-Stars rated by QS Stars™ in categories of Employability &amp; Inclusiveness</li> </ul>
	 <b>Universidad Tecnológica de México (UNITEC)</b>		1966	119,100	Value/Teaching	★★★	<ul style="list-style-type: none"> <li>Largest private university in Mexico</li> <li>5-Stars rated by QS Stars™ in categories of Employability &amp; Inclusiveness</li> </ul>
Peru	 <b>Universidad Peruana de Ciencias Aplicadas (UPC)</b>		1994	69,000	Premium/Traditional	★★★★	<ul style="list-style-type: none"> <li>Ranked Top 5 university in Peru</li> <li>5-Stars rated by QS Stars™ in categories of Employability &amp; Inclusiveness</li> </ul>
	 <b>Universidad Privada del Norte (UPN)</b>		1994	112,100	Value/Teaching	★★★★	<ul style="list-style-type: none"> <li>3rd largest private university in Peru</li> <li>5-Stars rated by QS Stars™ in categories of Employability &amp; Inclusiveness</li> </ul>
	 <b>CIBERTEC</b>		1983	19,100	Technical/Vocational		<ul style="list-style-type: none"> <li>2nd largest private technical/vocational institute in Peru</li> </ul>

# Health Science Programs

- Health Sciences programs validate institutional quality and provide a halo effect for each institution.
- Medicine and other Health Sciences represent 19% of our student population.
- Free and low-cost health clinics provide essential public health benefits.
- Students and faculty played a critical role in the response to the COVID-19 pandemic.

13

Medical Schools

7

Dental Schools

4

Veterinary Schools

9,200

Medical School  
Students

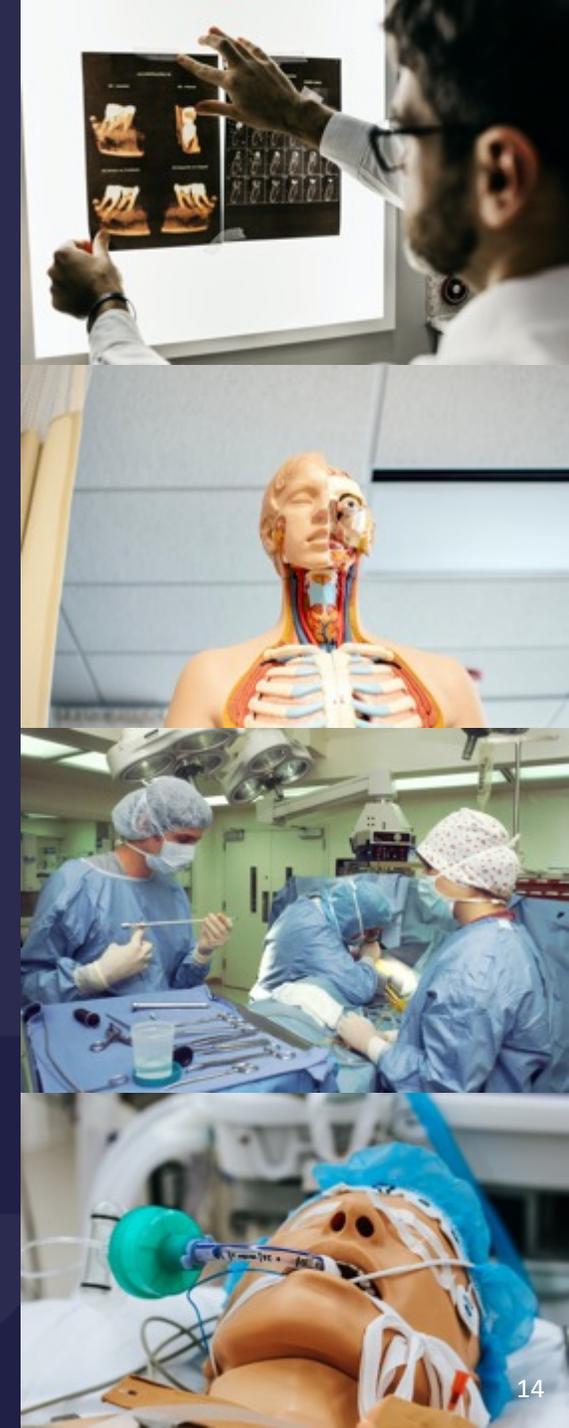
2,400

Dental School  
Students

1,700

Veterinary School  
Students

Related programs include students enrolled in **nursing, physical therapy, rehabilitation, psychology, sociology, nutrition, sports medicine and health management**



# Our Campuses – Mexico

- Strong presence across Mexico's most important markets.
- Nationwide footprint – in 15 of the 20 most populated cities in Mexico.



Universidad del Valle de México (UVM)



Universidad Tecnológica de México (UNITEC)



# Our Campuses – Peru

- Extensive presence in Lima (14 of 19 campuses located in Lima).
- Opportunities to expand in other cities.



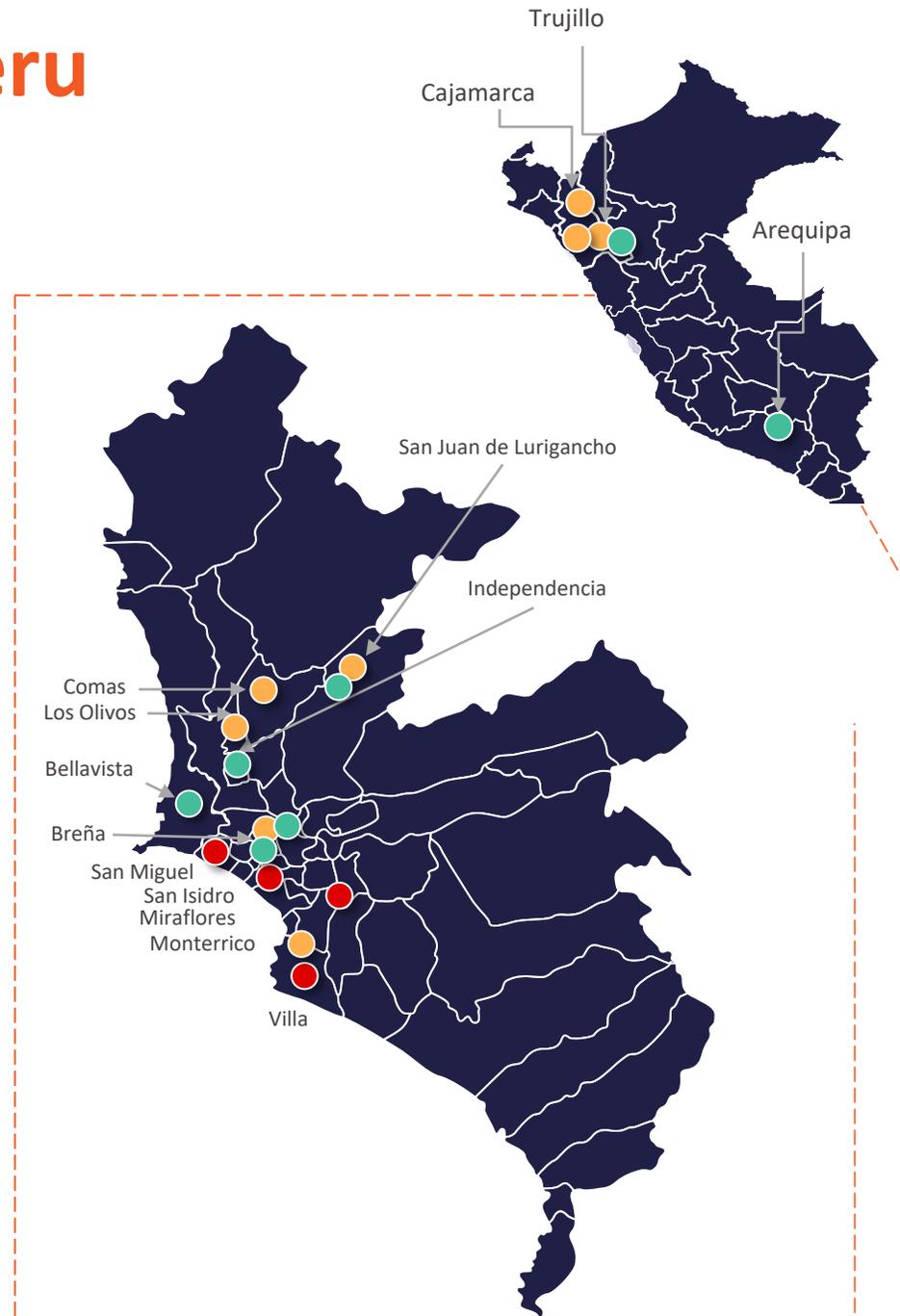
Universidad Peruana de Ciencias Aplicadas (UPC)



Universidad Privada del Norte (UPN)



CIBERTEC



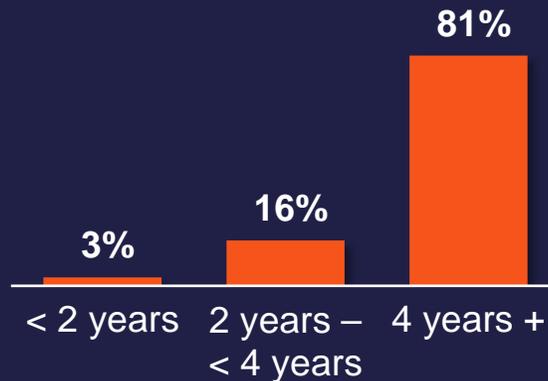
# Attractive Business Model – Strong Recurring Revenue

*Long program length, stable retention and private pay model provides predictable revenue streams*



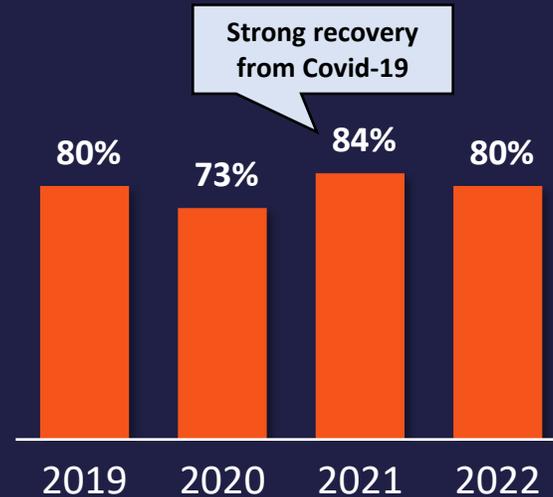
## Long Program Length

(% of total students by program length)



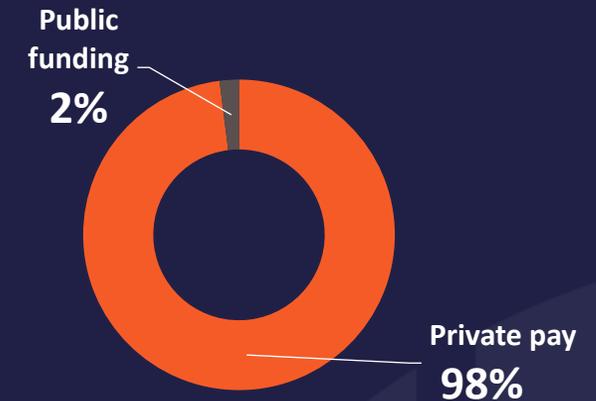
- Majority of academic programs offered last between 4-5 years.
- **Over 80%** of students enrolled in programs at least 4 years in duration.

## Stable Student Retention<sup>1</sup>



- Historical annual student retention rate of **~79%**.
- Strong visibility into future revenue streams.

## Private Pay Model



- **Private Pay Model** validates value proposition to students.
- **No exposure** to government student loans.

(1) Defined as proportion of prior year returning students returning in the current year (excluding graduating students); excluding new students.

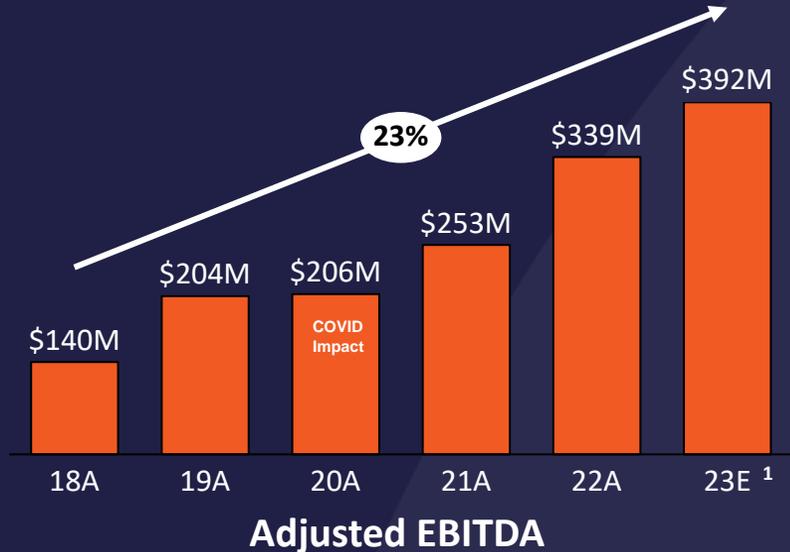
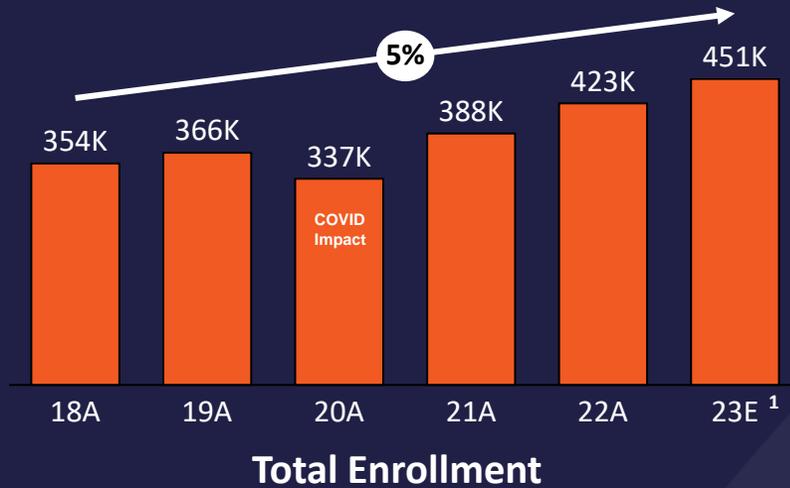


# Growth Accelerators



# New Laureate has Significantly Improved its Financial Characteristics

## Growth Agenda Working and Expected to Continue



Metric	Target Profile: Within Next 3-5 years
New Enrollments	5% - 7% CAGR (compound annual growth rate)
Total Enrollments	
Revenue	8% - 10% CAGR (FXN)
Adjusted EBITDA	Low Teens CAGR (FXN)
Adjusted EBITDA Margin	30%+
Capex as % of Revenue	<5% of Revenue
Adj EBITDA to Unlevered FCF Conversion <sup>2</sup>	50%
Net Debt	Dependent on Capital Structure Decisions

NOTE: Foreign Currency Neutral or constant currency (FXN).

(1) Based on actual FX rates for January, and spot FX rates (local currency per US dollar) of MXN 18.59 & PEN 3.86 for February through December 2023. FX impact may change based on fluctuations in currency rates in future periods. Data shown and growth rates are based on mid-point of 2023 guidance. Amounts presented in whole numbers may be rounded.

(2) Unlevered Free Cash Flow (FCF) defined as Cash From Operations, less capital expenditures, plus net cash interest expense. Adjusted EBITDA to Unlevered Free Cash Flow Conversion defined as Unlevered Free Cash Flow divided by Adjusted EBITDA.

# Focused Growth Agenda with Operational and Academic Excellence



## Strategic Priorities for 2023 & Beyond

Priority	Objective	Target Profile: Within Next 3-5 years	
Growth	Sustainably lift organic revenue growth rate from drivers identified on the following page	Total Enrollment CAGR:	5% - 7%
		Revenue CAGR (FXN):	8% - 10%
Digital Penetration	Leverage leadership in Online and Hybrid delivery for capital light growth	% Hours Taught Online:	40% - 60%
		Capex as % Revenue:	<5%
Operational Excellence	Expand margins through Mexico optimization & efficient corporate structure	Adjusted EBITDA CAGR (FXN):	Low Teens
		Adjusted EBITDA Margin:	30%+
		Adjusted EBITDA to Unlevered FCF Conversion <sup>1</sup> :	50%
Academic Excellence	Commitment to leadership in educational quality and innovation	Leading academic offerings; key accreditations, recognition and outcomes	

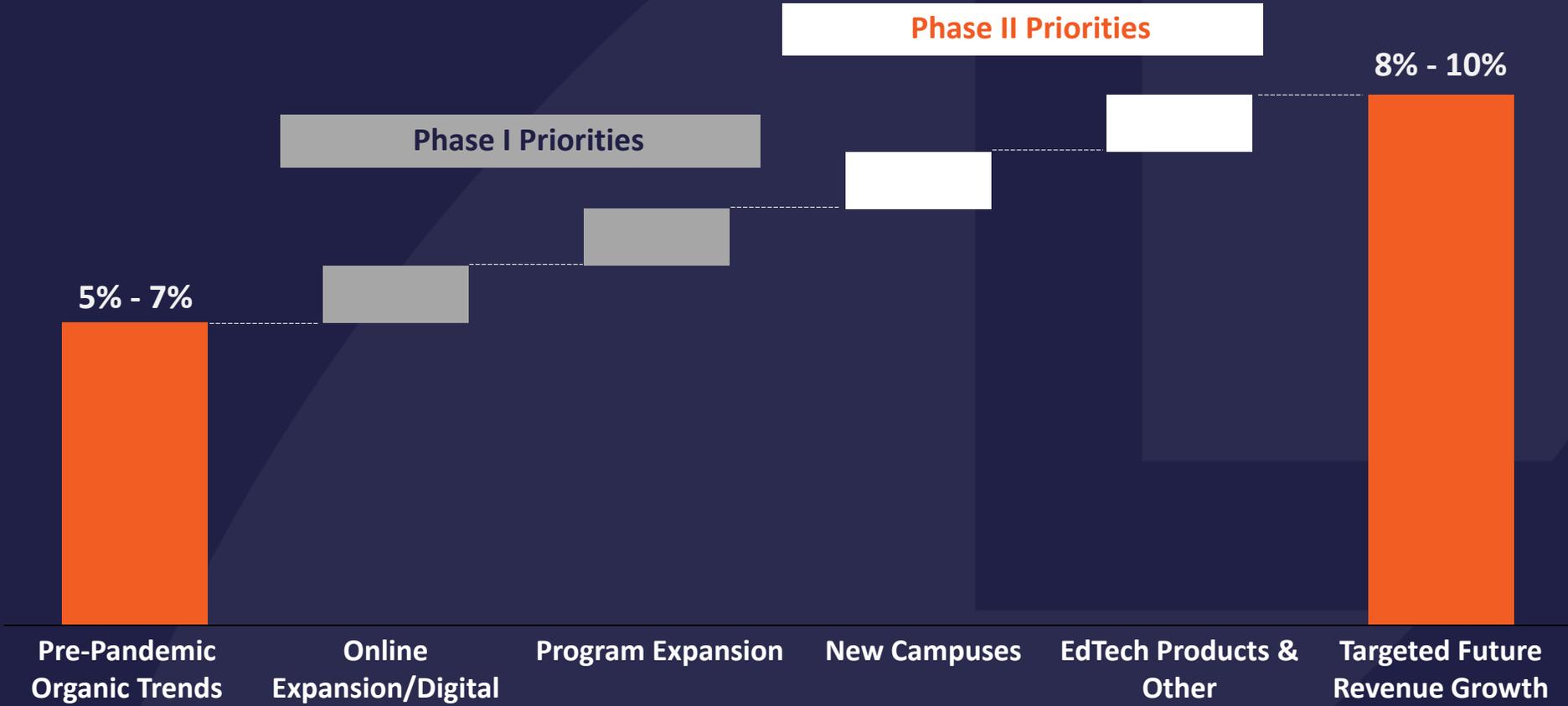
(1) Unlevered Free Cash Flow (FCF) defined as Cash From Operations, less capital expenditures, plus net cash interest expense. Adjusted EBITDA to Unlevered Free Cash Flow Conversion defined as Unlevered Free Cash Flow divided by Adjusted EBITDA.

# Multiple Drivers for Revenue Growth



*Majority of Growth Initiatives are Capital Light Given Digital Focus  
All Growth Investments to be Funded by Internal Cash Flow Generation*

## Revenue Growth Targets Over Next 3-5 Years



# Leadership in Digital Education

- Latin America is one of the most important and **fastest-growing** educational technology markets **globally**, and we are well positioned to continue to increase our market share.
- Digital education is a critical enabler of our mission to deliver **affordable, accessible, high-quality education**, and a key driver of our future growth strategy.
- Our leading brands and best-in-class digital learning assets place us in a **unique market position**.
- The COVID-19 pandemic accelerated digitization of education worldwide. **Our hybrid strategy**, introduced in 2015, ensured we were well prepared and continued to operate as a market leader during this challenging period.
- In a post-COVID environment, we're seeing **accelerated acceptance of learning online** from students, parents and regulators.



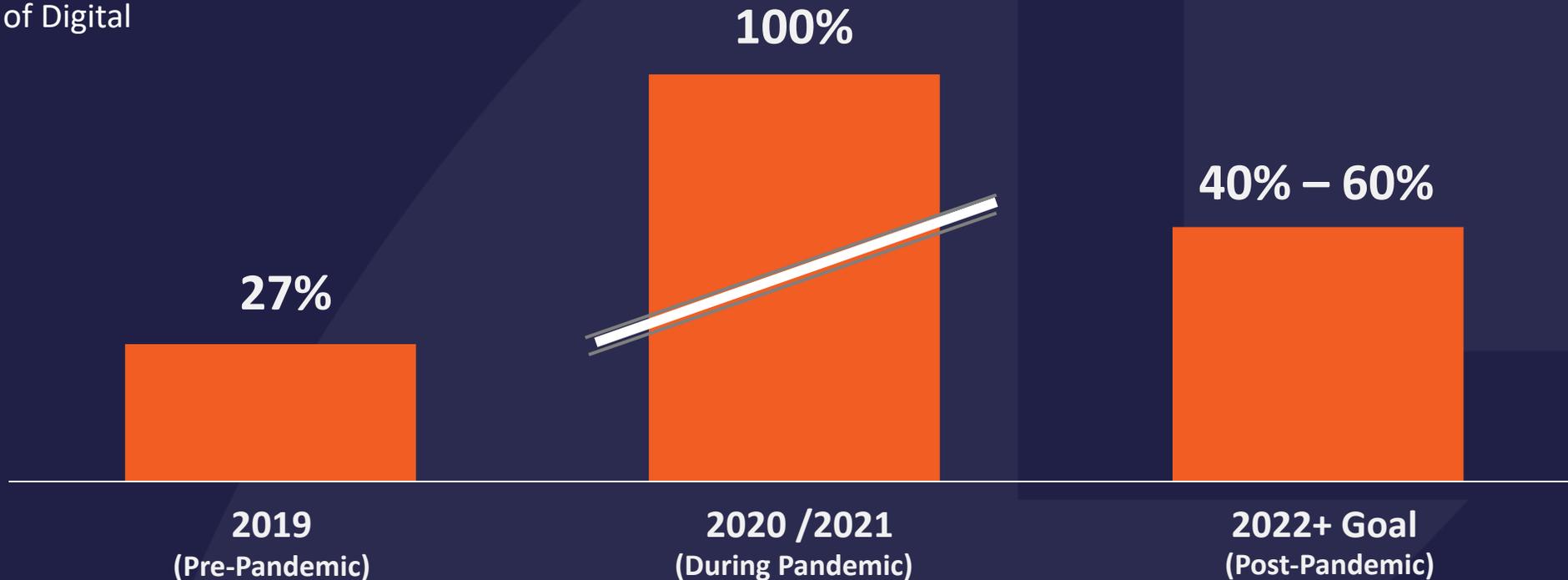
# Digital Learning During Pandemic Accelerated Capital Light Operating Model



*Omnichannel Distribution Model Key to Unlock Incremental Growth Opportunities*

Laureate expects to enable significant growth, without large-scale investments in campus expansions, through increased mix of Digital Learning.

## Percentage of Teaching Hours Delivered Online

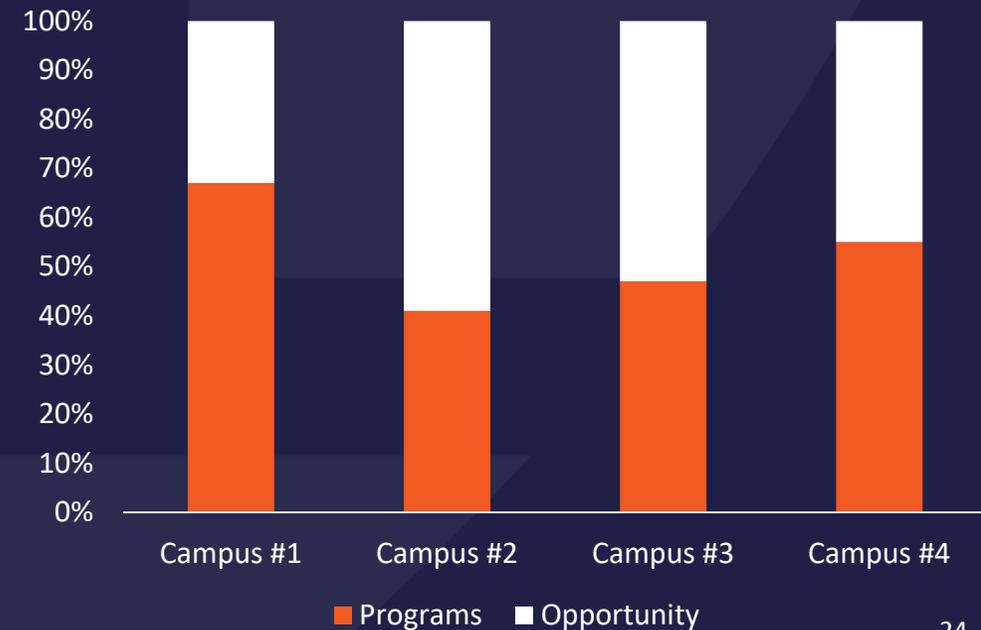


# Program Expansion in Mexico and Peru



- Opportunity to penetrate all our campuses with full suite of product offerings.
- Many campuses are at below 50% program penetration; significant ability to expand enrollments without having to add physical seat capacity due to hybrid/online.
- Proven ability to lift-and-shift with successful new program introduction throughout our campus platforms in Mexico and Peru.
- Strong focus on Health Sciences vertical.

Case study of our strategy to lift-and-shift successful programs to all campuses





# Financial Overview and Outlook

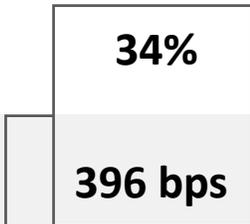


# FY 2022 Results – Financial Summary



*Strong Operating Performance in FY 2022*  
*Adjusted EBITDA Margin at Historic High for Laureate*

(\$ in millions) (Enrollments rounded to the nearest thousand)	FY '22	Variance Vs. FY '21		Notes
	Results	As Reported	Organic/CC <sup>1</sup>	
<b>New Enrollment</b>	<b>219K</b>	<b>13%</b>	<b>13%</b>	<ul style="list-style-type: none"> <li>• Strong intakes during 2022</li> <li>• Mexico +16%, Peru +8%</li> </ul>
<b>Total Enrollment</b>	<b>423K</b>	<b>9%</b>	<b>9%</b>	<ul style="list-style-type: none"> <li>• Mexico +9%, Peru +8%</li> </ul>
<b>Revenue</b>	<b>\$1,242</b>	<b>14%</b>	<b>13%</b>	<ul style="list-style-type: none"> <li>• Driven by enrollment volume growth and price/mix</li> </ul>
<b>Adj. EBITDA</b>	<b>\$339</b>	<b>34%</b>	<b>25%</b>	<ul style="list-style-type: none"> <li>• Reduction in corporate G&amp;A, operating leverage</li> </ul>
<b>Adj. EBITDA margin</b>	<b>27.3%</b>	<b>396 bps</b>	<b>260 bps</b>	



Y-o-Y results favorably impacted by \$13M non-cash FAS5 charge in Q1 2021

(1) Organic Constant Currency (CC) Operations excludes the period-over-period impact from currency fluctuations (if applicable), acquisitions and divestitures, and other items. Other items include the impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets.

# Capitalization Overview



*Over \$2 Billion of Capital Returned to Shareholders in the Past Two Years  
Through Cash Distributions and Stock Buybacks*

## *Strong Balance Sheet Position*

<b>(\$ and shares in millions)</b>	<b>As of 12/31/22</b>
<b>Gross Debt</b>	<b>\$234</b>
<b>Less: Cash &amp; Cash Equivalents</b>	<b>(\$85)</b>
<b>Net Debt</b>	<b>\$149</b>
<b>Total Shares Outstanding</b>	<b>157.0</b>

# 2023 Outlook



## *Continued Growth Momentum Expected for FY 2023*

<b>(\$ in millions) (Enrollments rounded to the nearest thousand)</b>	<b>Current FY 2023 Outlook<sup>1</sup></b>
<b>Total Enrollment</b>	<b>447K – 455K</b>
<b>Revenue</b>	<b>\$1,372 – \$1,397</b>
<b>Adjusted EBITDA</b>	<b>\$387 – \$397</b>

(1) As provided on February 23, 2023. Outlook is based on actual FX rates for January, and spot FX rates (local currency per US dollar) of MXN 18.59 & PEN 3.86 for February through December 2023. FX impact may change based on fluctuations in currency rates in future periods. Amounts presented in whole numbers may be rounded.

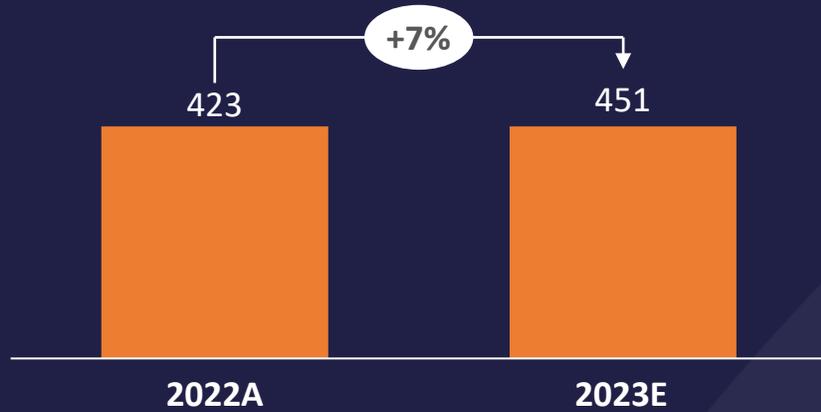
Note: An outlook for 2023 net income and reconciliation of the forward-looking 2023 Adjusted EBITDA outlook to projected net income is not being provided as the company does not currently have sufficient data to accurately estimate the variables and individual adjustments for such outlook and reconciliation. Due to this uncertainty, the company cannot reconcile Adjusted EBITDA to projected net income without unreasonable effort.

# 2023 Outlook<sup>1</sup>



## Strong Top Line Growth With Continued Margin Expansion

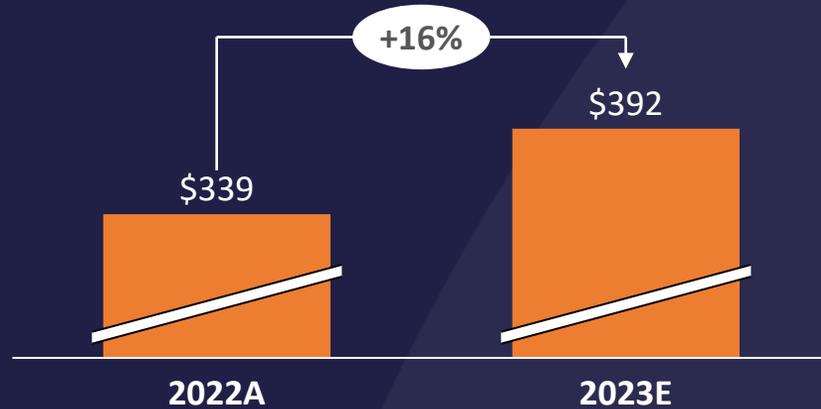
Total Enrollment (000s)



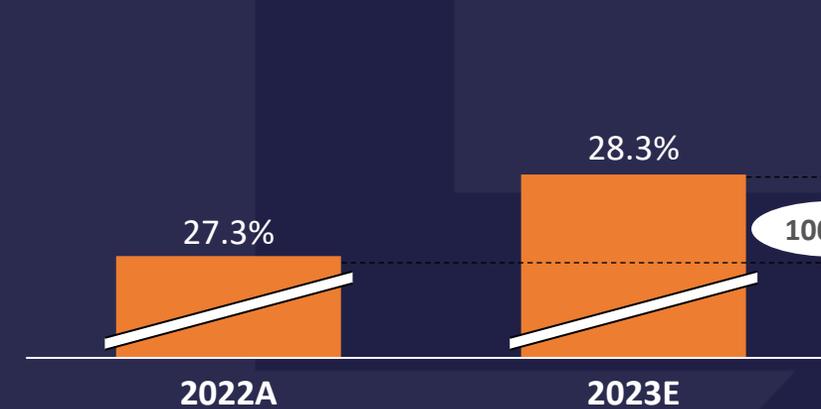
Revenue (\$M)



Adjusted EBITDA (\$M)



Adjusted EBITDA Margin %



(1) Based on actual FX rates for January, and spot FX rates (local currency per US dollar) of MXN 18.59 & PEN 3.86 for February through December 2023. FX impact may change based on fluctuations in currency rates in future periods. Data shown and growth rates are based on mid-point of 2023 guidance. Amounts presented in whole numbers may be rounded.

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# ESG Leadership





*At **Laureate**, we know that when our students succeed, countries prosper, and societies benefit.*



# ESG Leadership



## For more than 22 years ...

Laureate has demonstrated its commitment to operating as a force for good.

## As a Public Benefit Corporation (PBC) ...

we report annually on the impact we are having, and in 2022, our corporate structure and the frameworks we use to evaluate our impact across a range of ESG metrics will continue to evolve.

## Our mission ...

along with our track record, make us a proud contributor to the growing ESG movement.

## 2022 Laureate Impact Highlights

Scholarships and discounts  
**USD \$324 million**

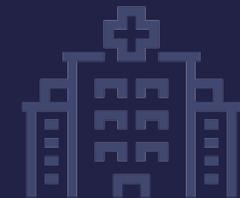


**44,000 +**

People assisted with free or low-cost medical and dental services

**161,000 +**

Free or low-cost medical and dental services provided



Student volunteering **988,000 + hours**





**LAUREATE**  
EDUCATION INC<sup>®</sup>



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# APPENDIX

# Financial Tables



## Non-GAAP Reconciliation

The following table reconciles (Loss) income from continuing operations to Adjusted EBITDA and Adjusted EBITDA margin:

<i>IN MILLIONS</i>	For the three months ended December 31,			For the year ended December 31,		
	2022	2021	Change	2022	2021	Change
<b>Income (loss) from continuing operations</b>	\$ 34.9	\$ 7.7	\$ 27.2	\$ 60.7	\$ (283.1)	\$ 343.8
Plus:						
Equity in net income of affiliates, net of tax	(0.2)	—	(0.2)	(0.3)	—	(0.3)
Income tax expense (benefit)	26.2	(28.6)	54.8	185.4	145.6	39.8
Income (loss) from continuing operations before income taxes and equity in net income of affiliates	60.9	(20.9)	81.8	245.9	(137.5)	383.4
Plus:						
Loss (gain) on disposal of subsidiaries, net	0.1	(0.3)	0.4	(1.4)	0.6	(2.0)
Foreign currency exchange loss (gain), net	14.5	5.0	9.5	17.4	(13.8)	31.2
Other (income) expense, net	(0.4)	1.6	(2.0)	(0.8)	1.7	(2.5)
Loss on derivatives	—	—	—	—	24.5	(24.5)
Loss on debt extinguishment	—	—	—	—	77.9	(77.9)
Interest expense	4.8	5.5	(0.7)	16.4	46.3	(29.9)
Interest income	(1.9)	(1.9)	—	(7.6)	(4.4)	(3.2)
Operating income (loss)	78.0	(11.0)	89.0	270.0	(4.6)	274.6
Plus:						
Depreciation and amortization	15.5	25.6	(10.1)	59.1	101.2	(42.1)
<b>EBITDA</b>	<b>93.5</b>	<b>14.6</b>	<b>78.9</b>	<b>329.1</b>	<b>96.6</b>	<b>232.5</b>
Plus:						
Share-based compensation expense <sup>(3)</sup>	1.8	2.9	(1.1)	8.8	8.9	(0.1)
Loss on impairment of assets <sup>(4)</sup>	—	5.3	(5.3)	0.1	72.5	(72.4)
EiP implementation expenses <sup>(5)</sup>	(0.5)	37.9	(38.4)	0.8	75.4	(74.6)
<b>Adjusted EBITDA</b>	<b>\$ 94.8</b>	<b>\$ 60.7</b>	<b>\$ 34.1</b>	<b>\$ 338.9</b>	<b>\$ 253.4</b>	<b>\$ 85.5</b>
Revenues	\$ 346.3	\$ 296.7	\$ 49.6	\$ 1,242.3	\$ 1,086.7	\$ 155.6
Income (loss) from continuing operations margin	10.1 %	2.6 %	748 bps	4.9 %	(26.1) %	3,094 bps
<b>Adjusted EBITDA margin</b>	<b>27.4 %</b>	<b>20.5 %</b>	<b>692 bps</b>	<b>27.3 %</b>	<b>23.3 %</b>	<b>396 bps</b>

<sup>(3)</sup> Represents non-cash, share-based compensation expense pursuant to the provisions of ASC Topic 718, "Stock Compensation."

<sup>(4)</sup> Represents non-cash charges related to impairments of long-lived assets.

<sup>(5)</sup> Excellence-in-Process (EiP) implementation expenses are related to our enterprise-wide initiative to optimize and standardize Laureate's processes, creating vertical integration of procurement, information technology, finance, accounting and human resources. It included the establishment of regional shared services organizations (SSOs), as well as improvements to the Company's system of internal controls over financial reporting. The EiP initiative also included other back- and mid-office areas, as well as certain student-facing activities, expenses associated with streamlining the organizational structure, an enterprise-wide program aimed at revenue growth, and certain non-recurring costs incurred in connection with the dispositions. The EiP initiative was completed as of December 31, 2021, except for certain EiP expenses related to the run out of programs that began in prior periods.

Note: Dollars in millions, and may not sum to total due to rounding.

# Financial Tables



## Non-GAAP Reconciliation

The following table reconciles (Loss) income from continuing operations to Adjusted EBITDA and Adjusted EBITDA margin:

<i>IN MILLIONS</i>	<b>For the year ended December 31,</b>		
	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Loss from continuing operations</b>	\$ (320.6)	\$ (150.5)	\$ (191.3)
Plus:			
Equity in net income of affiliates, net of tax	(0.2)	(0.2)	—
Income tax (benefit) expense	(130.1)	31.0	71.2
Loss from continuing operations before income taxes and equity in net income of affiliates	(450.8)	(119.7)	(120.1)
Plus:			
Loss on sale of subsidiaries, net	7.3	20.4	—
Foreign currency exchange (gain) loss, net	(13.5)	8.1	(0.7)
Other expense (income), net	2.4	(8.9)	(10.6)
Loss (gain) on derivatives	26.0	(8.3)	(88.5)
Loss on debt extinguishment	0.6	22.6	7.5
Interest expense	100.9	125.0	188.4
Interest income	(2.2)	(3.3)	(2.8)
Operating (loss) income	(329.3)	36.0	(26.8)
Plus:			
Depreciation and amortization	83.1	82.0	84.6
<b>EBITDA</b>	<b>(246.2)</b>	<b>118.0</b>	<b>57.8</b>
Plus:			
Share-based compensation expense <sup>(6)</sup>	10.2	10.3	6.6
Loss on impairment of assets <sup>(7)</sup>	352.0	0.2	—
EiP expenses <sup>(8)</sup>	89.6	75.0	75.2
Adjusted EBITDA	\$ 205.7	\$ 203.6	\$ 139.6
Revenue	\$ 1,024.9	\$ 1,212.1	\$ 1,144.6
Loss from continuing operations margin	(31.3)%	(12.4)%	(16.7)%
Adjusted EBITDA margin	20.1 %	16.8 %	12.2 %

<sup>(6)</sup> Represents non-cash, share-based compensation expense pursuant to the provisions of ASC Topic 718, "Stock Compensation."

<sup>(7)</sup> Represents non-cash charges related to impairments of long-lived assets.

<sup>(8)</sup> Excellence-in-Process (EiP) implementation expenses are related to our enterprise-wide initiative to optimize and standardize Laureate's processes, creating vertical integration of procurement, information technology, finance, accounting and human resources. It included the establishment of regional shared services organizations (SSOs), as well as improvements to the Company's system of internal controls over financial reporting. The EiP initiative also included other back- and mid-office areas, as well as certain student-facing activities, expenses associated with streamlining the organizational structure, an enterprise-wide program aimed at revenue growth, and certain non-recurring costs incurred in connection with the dispositions. The EiP initiative was completed as of December 31, 2021, except for certain EiP expenses related to the run out of programs that began in prior periods.

Note: Dollars in millions, and may not sum to total due to rounding.