

BRIDGING THE SKILLS GAP



LINCOLN TECH®

Stronger and Better

Lincoln entered 2021 with great momentum and success, and despite the continuing challenges of the pandemic, we ended the year stronger financially and better prepared to reach our potential.





Largest Provider of Automotive and Skilled Trade Graduates in the East



Based on IPEDS (Integrated Postsecondary Education Data System) data collected for 2020 graduates.

Drivers of Organic Demand for Training

Supply

- Societal pressure to go to college
- Elimination of Vo-Tec programs

GAP

Demand

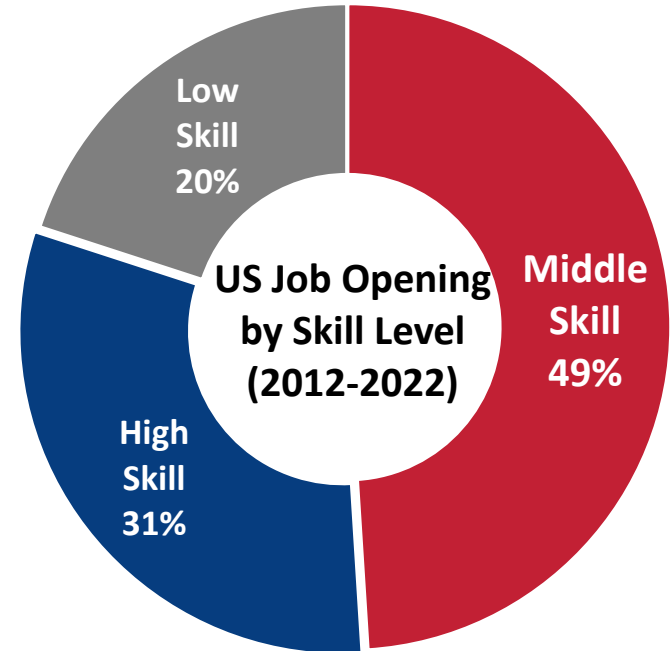
- Silver Tsunami – aging baby-boomers retiring from the workplace
- Growing skepticism of the value of college
- Employers struggle to find interested candidates
- Simple jobs have become more complex with technology
- Strong demand in healthcare, manufacturing and construction
- Infrastructure spending will exacerbate the shortage
- Less stigma – Essential Workers

Demand for “Middle Skills Training”

Middle-skill jobs, which require education beyond high school but not a four-year degree, make up the largest part of America’s labor market.

(Source: National Skills Coalition)

Lincoln connects employers with entry level trained professionals from the adult, high school and military sectors.



Source: NSC analysis of long-term occupational projections from state labor/employment agency.



2021 : A New Chapter for Lincoln

2015 – 2017
Restructuring



- Pressures throughout industry
- Programs realigned
- Campuses closed
- Cost cutting

2018 – 2020
Turnaround



- Leadership changes
- Positive new student starts
- Enrollment growth
- Return to profitability
- Financing transactions

2021 & beyond
Growth



- Achieve organic growth
- Resources to accelerate growth
- Increase marketing
- Expand and add programs
- Add campuses

Transformational Impact of COVID-19

Pivoted to Online/Blended

- All campuses were closed mid March 2020 & moved to remote services
- Campuses started to re-open in June 2020 with all open by August
- All campus support services offered at the campus and remotely
- Lincoln finished 2020 financially stronger than 2019

Strong 2020 Results

- Revenue grew by 7.2% to \$293.0 million and starts increased 10.7%
- EBITDA grew by 66.1% to \$22.2 million
- Cash increased and debt declined to end the year net cash +
- Started 2021 with 1,034 more students

2021 Operations

- Met or exceeded 2021 guidance
- Cash and cash equivalents as of 12/31/2021: ~\$80M
- No debt outstanding as of 12/31/2021; \$11M available under revolving line of credit
- Monetized real estate through a sale-leaseback transaction

2022 and Beyond

- All programs will be blended 25% online / 75% on campus.
- Lincoln's existing operations will be simplified and streamlined
- Additional services will improve graduation and placement rates
- Operating efficiencies should lead to increased profitability

Our Superior Educational Approach

Feedback Integration	<ul style="list-style-type: none">➤ Develop training programs with feedback from employers and key industry associations to understand gaps and needs➤ Integrate industry preferred licensing and certifications into the curriculum➤ Provide robust student support services to ensure strong outcomes
Student Support	
Industrial Infrastructure	<ul style="list-style-type: none">➤ Build labs and shops that replicate the working environment using professional grade equipment and tools➤ Incorporate cutting edge education technology with animations, videos and simulations to make learning active and engaging
Engaging Curriculum	
Graduation and Placement	<ul style="list-style-type: none">➤ Superior graduation rates and placement rates➤ Expect students to meet employability standards for appearance, attendance and professional attitude while in school➤ Offer an accelerated program with multiple entry points to allow students to graduate quickly and enter the workforce earlier
Employment Assistance	

Growing Base of Industry Partners

- Positions Lincoln as long-term solutions provider for both entry level technicians and advanced workforce training
- Employers appreciate the technical and soft skills of our students
- Partners provide validation of the quality of our education
- Co-branding opportunities with elite partners helps attract new students
- Partners provide better job opportunities for our graduates



Compliance Stats

90/10 Rule : This rule caps the percentage of revenue that a proprietary institution can receive from federal financial aid sources at 90%; the other 10% of revenue must come from alternative sources.

CDR : It is the percentage of a school's borrowers who enter repayment on certain Federal Family Education Loan (FFEL) Program or William D. Ford Federal Direct Loan (Direct Loan) Program loans during a particular federal fiscal year (FY), October 1st to September 30th, and default or meet other specified conditions prior to the end of the second following fiscal year.

Composite Score : the DOE composite score reflects the overall financial health of an institution. The score can be anywhere along the scale from negative 1.0 to positive 3.0. If an institution receives a score greater than or equal to 1.5, the institution is considered financially responsible.

Metrics	FY 2021				FY 2020			
	Company Overall	New Britain OPEID	Indianapolis OPEID	Iselin OPEID	Company Overall	New Britain OPEID	Indianapolis OPEID	Iselin OPEID
90/10	75%	77%	72%	80%	77%	79%	74%	83%
90/10*	82%	82%	82%	83%	85%	85%	84%	85%
CDR**	9.8%	10.3%	11.3%	6.6%	10.1%	10.8%	11.0%	8.0%
Composite Score	3.0				2.6			

➤ This data is the annual data submitted to ACCSC for completion and employment rates for programs offered as of July 1, 2021

Total Students Available for Grad.	Total Grads	Completion Percentage	Grads. Available for Employment	Total Employed	Employment Percentage
12,602	8,292	66%	8,009	6,401	80%

* Currently veteran's educational benefits is not included as part of the 90% limit, however, if it was included, the Company's ratio would remain below 90% as shown in the adjusted ratio.

** 2018 cohort reported in FY21, 2017 cohort reported in FY20.

Experienced Management Team (Years at Lincoln)



Scott Shaw
President and CEO
(21)



Brian Meyers
EVP, CFO & Treasurer
(19)



Stephen Buchenot
EVP of Campus
Operations (29)



Chad Nyce
EVP, Chief Innovation
Officer (2)



Alexandra Luster
EVP, General counsel &
Secretary (27)



Stephen Ace
SVP of Human Resources
(14)



Susan English
SVP of Career Services &
Industry Partners (37)



Francis Giglio
SVP of Compliance and
Regulatory (18)



James Rasmussen
SVP Admissions
(15)



Tayfun Selen
SVP Administration and
Real Estate (11)

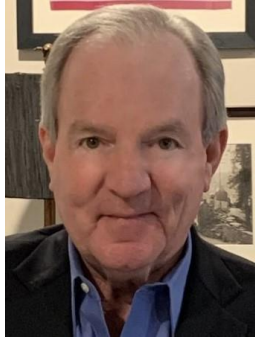


Peter Tahinos
SVP of Marketing
(7)



Val Thomas
SVP & Chief Information
Officer (12)

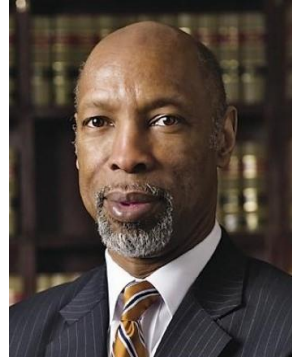
Board of Directors



J. Barry Morrow
Non-Executive Chairman,
Lincoln Educational
Services; Founder &
Chief Executive Officer,
BK Capital Group



John A. Bartholdson
Co-Founder & Partner,
Juniper Investment Co.
LLC



Dr. Michael A. Plater
Former University
President, Strayer
University



James J. Burke, Jr.
Founder & Managing
Partner, JJB Capital
Partners LLC



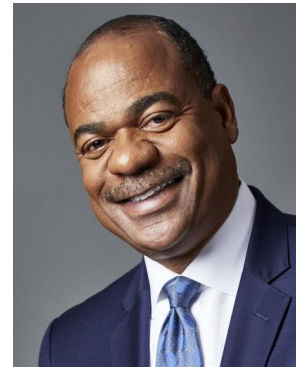
Kevin M. Carney
Former Executive Vice
President & Chief
Financial Officer,
Web.com Group Inc.



Ronald E. Harbour
Senior Advisor, Global
Automotive Manufacturing
Practice, Oliver Wyman Co.



Felecia Pryor
Chief Human Resources
Officer, BorgWarner



Carlton Rose
President, Global Fleet
Maintenance &
Engineering, UPS; 1981
Lincoln Tech Graduate



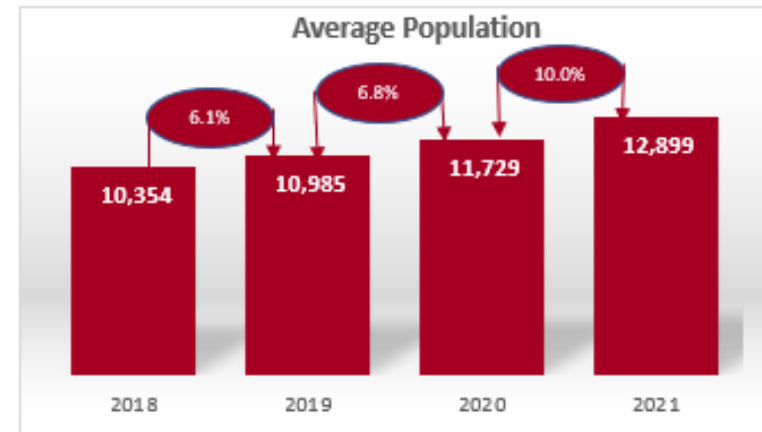
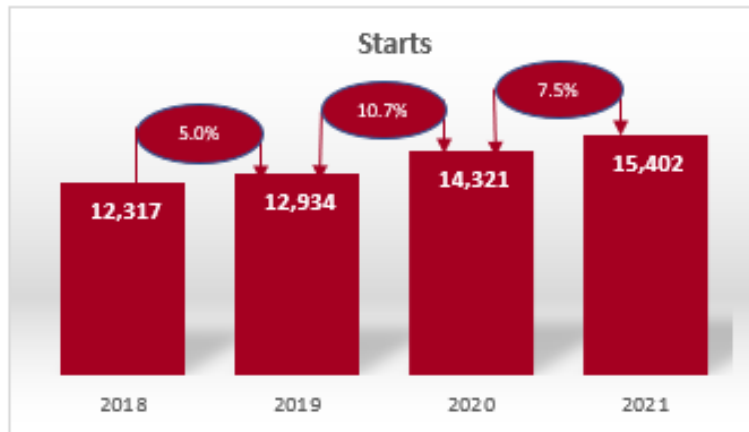
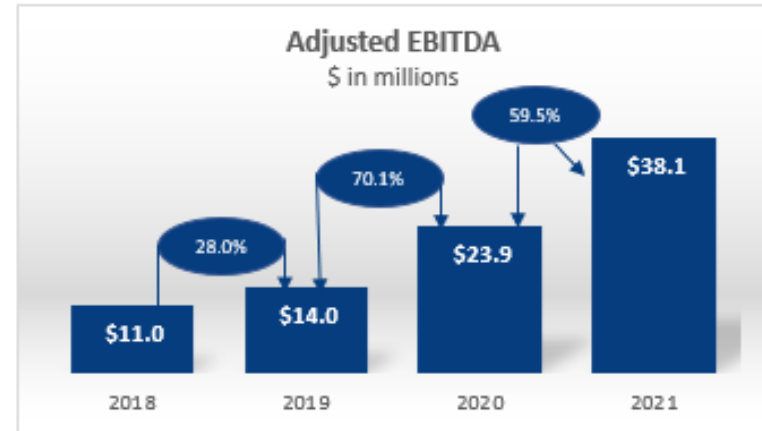
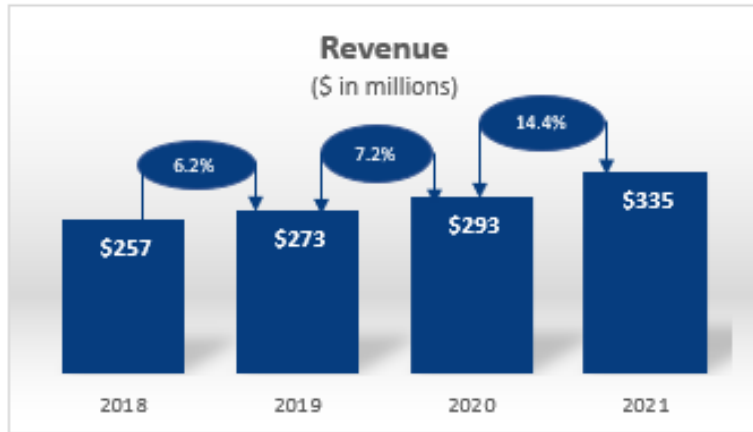
Scott M. Shaw
President & Chief
Executive Officer, Lincoln
Educational Services

Financial Review



Profitability 2018 – 2021

(Continuing Operations)

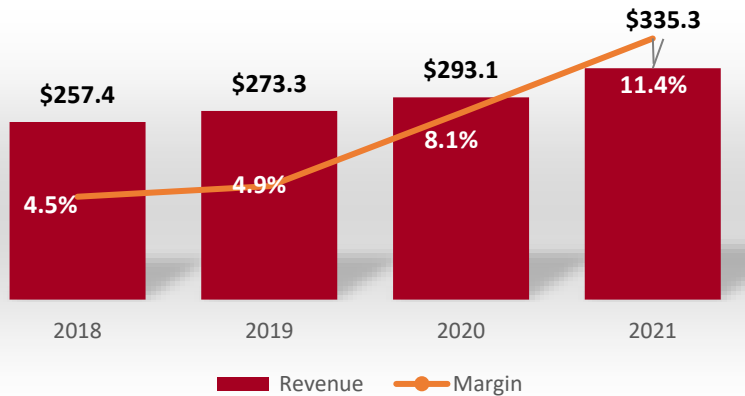


Total Operations (\$ in millions)

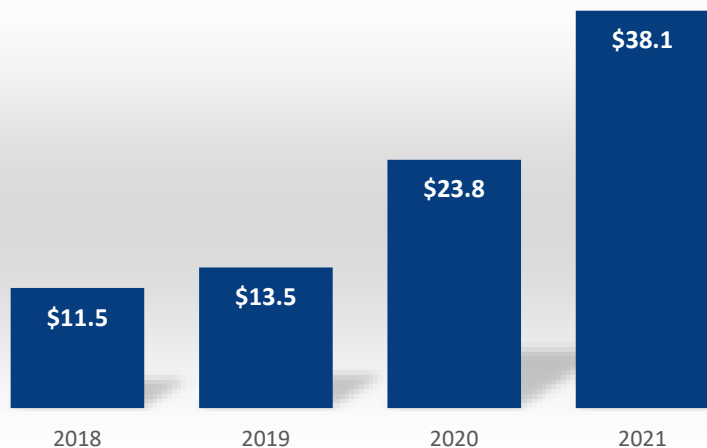
- Approximately 13,100 students enrolled at 22 campuses as of 12/31/2021
- Key metrics such as revenue and average population continue to grow

- Approximately 2,700 student starts for the quarter ending 12/31/2021
- Average population grew approximately 650 vs. PY for the three months ending 12/31/2021

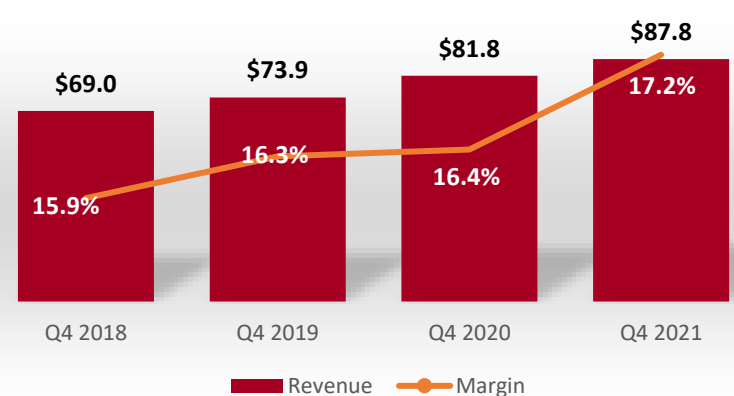
YTD Dec Revenue & Margin



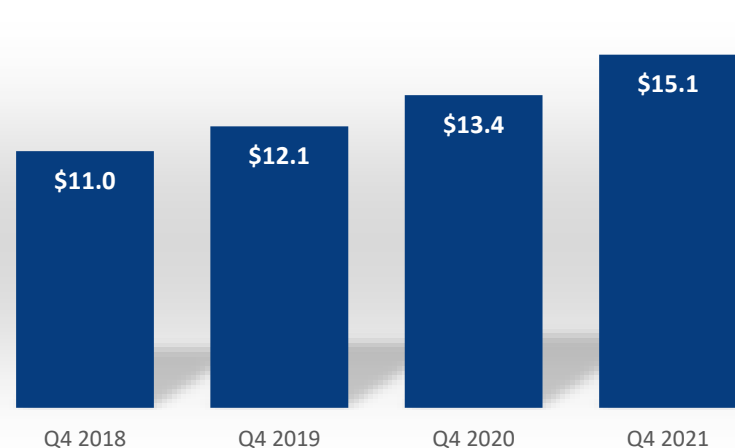
YTD Dec Adj. EBITDA



Q4 Revenue & Margin



Q4 Adj. EBITDA



Refer to appendix for adjusted EBITDA Reconciliation

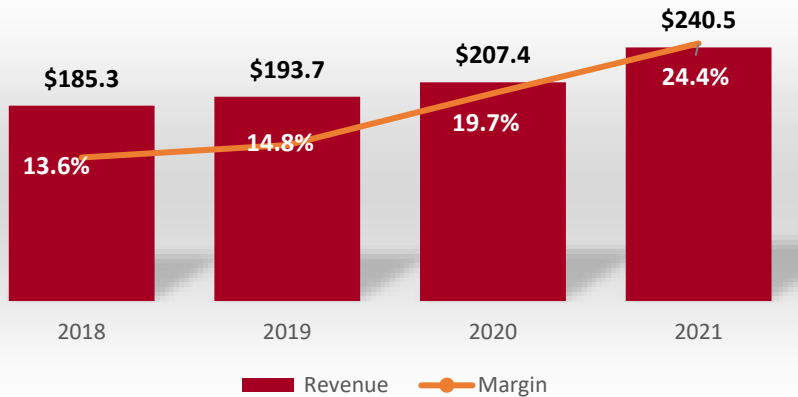
Transportation and Skilled Trades (\$ in millions)



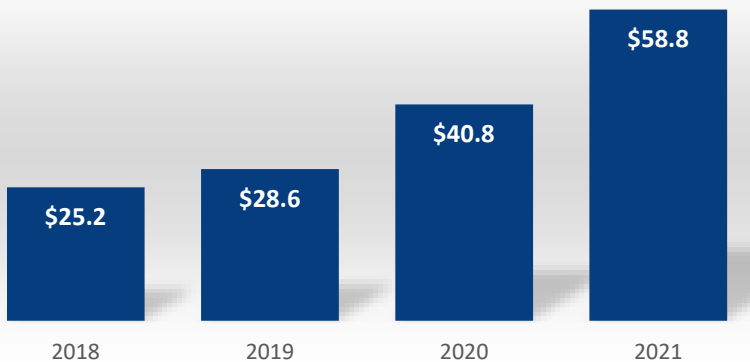
- Approximately 10,300 starts for the twelve months ending 12/31/2021
- Average Population increased by approximately 650 students YTD December 2021

- Approximately 8,650 students enrolled at 13 campuses as of 12/31/2021
- Average Population increased by approximately 550 students for the three months ending 12/31/2021

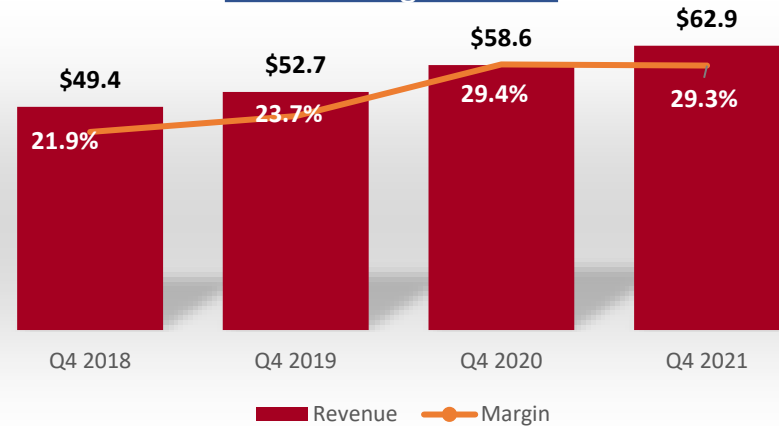
YTD Dec Revenue & Margin



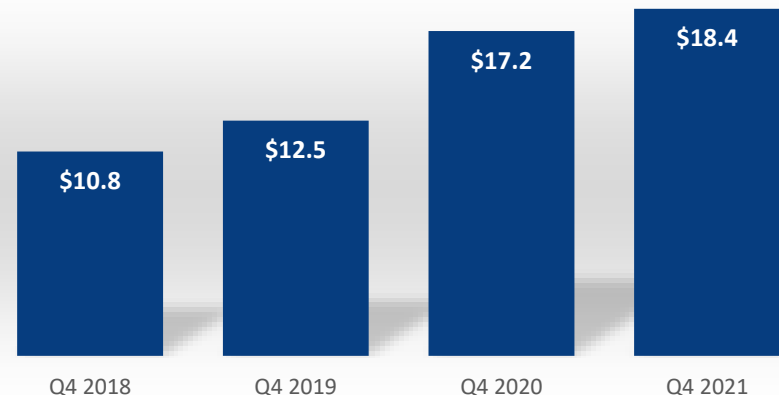
YTD Adj. EBITDA



Q4 Revenue & Margin



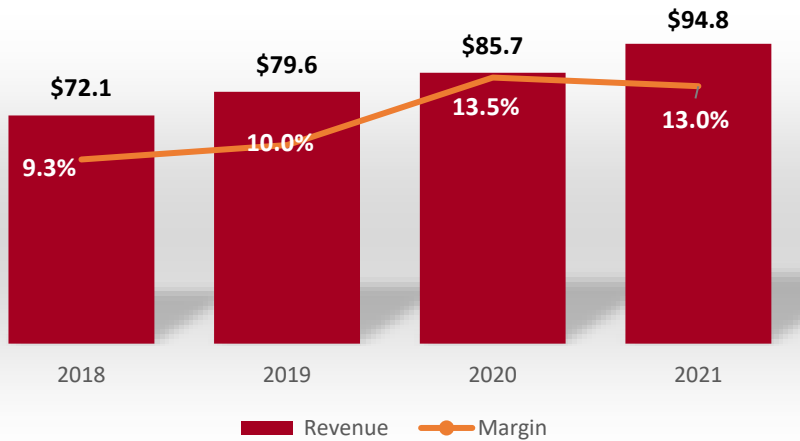
Q4 Adj. EBITDA



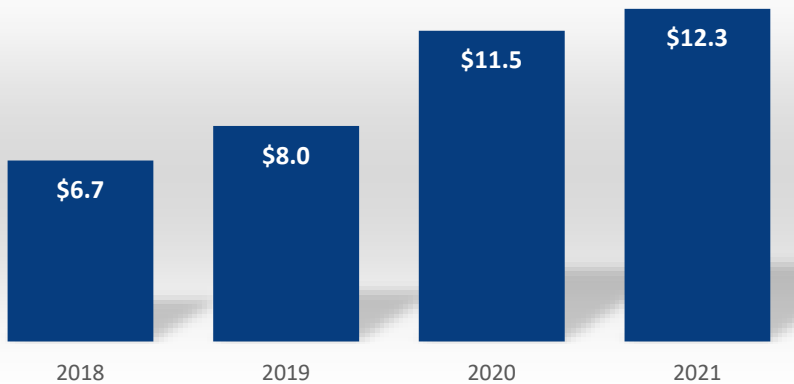
Healthcare and Other Professions (\$ in millions)

- Approximately 5,100 starts for the Twelve months ending 12/31/2021
- Average population increased by approximately 200 students as of 12/31/2021
- Approximately 4,500 students enrolled at 9 campuses for the three months ending 12/31/2021
- Average Population increased by approximately 100 students for the three months ending 12/31/2021

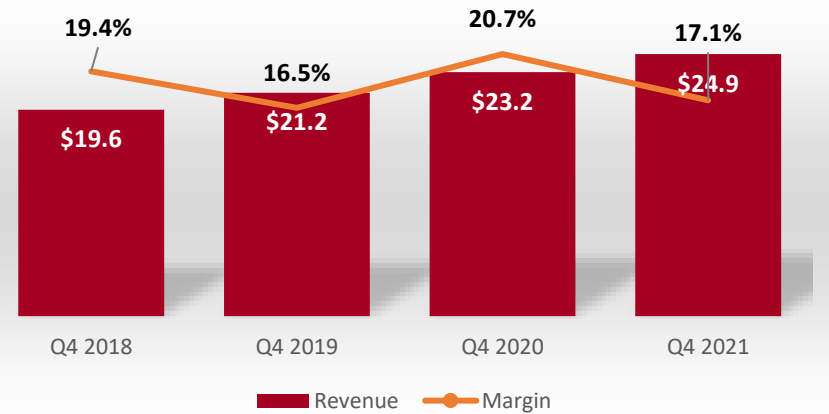
YTD Dec Revenue & Margin



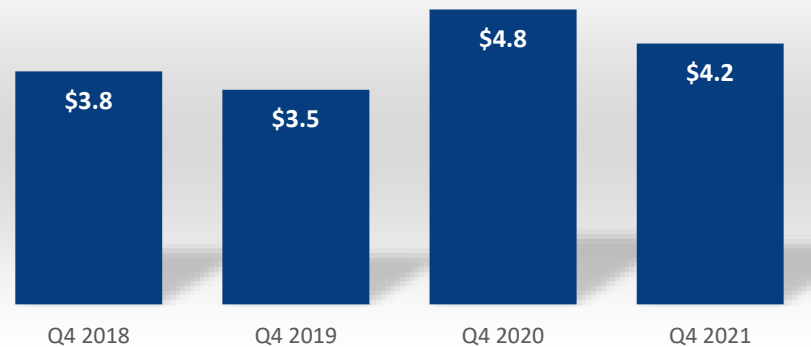
YTD Dec Adj. EBITDA



Q4 Revenue & Margin



Q4 Adj. EBITDA



Refer to appendix for adjusted EBITDA Reconciliation

Balance Sheet & Cash Flow Summaries

Balance Sheet

	December 31,		
	2021	2020	2019
Total Assets	\$ 295,299	\$ 245,190	\$ 194,763
Total Liabilities	\$ 153,899	\$ 142,141	\$ 139,633
Series A Convertible Preferred Stock	11,982	11,982	11,982
Total Stockholders Equity	129,418	91,067	43,148
Total Liabilities, Stock, and Preferred	295,299	245,190	194,763

Net Cash

	December 31,		
	2021	2020	2019
Cash & Restricted Cash	\$ 83,307	\$ 38,026	\$ 38,644
Total Debt	-	17,212	34,028
Net Cash	\$ 83,307	\$ 20,814	\$ 4,616

Cash Flow Summary

	December 31,		
	2021	2020	2019
Net Cash Provided by (Used in) Operating Activities	\$ 27,447	\$ 23,485	\$ 988
Capital Expenditures	(7,531)	(5,580)	(5,385)
Free Cash Flow	\$ 19,916	\$ 17,905	\$ (4,397)

**Thank You for
Attending our 2022
Shareholders
Meeting**