

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): May 6, 2021

LINCOLN EDUCATIONAL SERVICES CORPORATION

(Exact Name of Registrant as Specified in Charter)

New Jersey

(State or Other Jurisdiction of Incorporation)

000-51371

(Commission File Number)

57-1150621

(IRS Employer Identification No.)

200 Executive Drive, Suite 340, West Orange, New Jersey 07052

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (973) 736-9340

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock No Par Value	LINC	NASDAQ

On May 6, 2021, Lincoln Educational Services Corporation (the “Company”) held its 2021 Annual Meeting of Shareholders (the “Annual Meeting”) virtually via live webcast. A total of 26,988,965 shares of common stock \$0.01 par value per share (the “Common Stock”) each of which is entitled to one vote, and a total of 12,700 shares of the Company’s Series A convertible Preferred Stock, no par value per share (the “Preferred Stock”) each of which was entitled to 423.729 votes per share representing the number of shares of Common Stock into which each share of Preferred Stock is convertible, were issued and outstanding and entitled to vote as of March 8, 2021 the record date for the Annual Meeting. There were 22,713,689 shares of Common Stock and 12,700 shares of Preferred Stock represented in person or by proxy at the Annual Meeting constituting a quorum (representing approximately 96.1% of the voting power of the Company’s outstanding capital stock). With respect to Proposal 1, holders of Common Stock and Series A Preferred Stock voted together as a single class with the holders of Series A Preferred Stock voting on an as-converted basis on the election of James J. Burke, Jr., Kevin M. Carney, Celia H. Currin, Ronald E. Harbour, J. Barry Morrow, Michael A. Plater, Carlton E. Rose and Scott M. Shaw (eight of the nine director nominees), while the holders of Series A Preferred Stock, voting separately as a class, voted on the election of John A. Bartholdson. Proposals 2 and 3 were voted on by the holders of Common Stock and Series A Preferred Stock voting together as a single class with the holders of Series A Preferred Stock voting on an as-converted basis. Each of the proposals was approved by the requisite vote of the Company’s shareholders. Set forth below are the proposal acted upon by the shareholders at the Annual Meeting as further described in the Company’s definitive proxy statement on Schedule 14A filed with the Securities and Exchange Commission (the “SEC”) on March 26, 2021 and the final voting results for each proposal:

Proposal Number 1: To elect the following 9 individuals named in the Company’s proxy statement as directors of the Company for a one-year term which will expire at the 2021 Annual Meeting of Shareholders and until their successors are duly elected and qualified. Each nominee for director was elected by a vote of the shareholders as follows:

<u>Nominee</u>	<u>Votes For</u>	<u>Votes Withheld</u>	<u>Broker Non-Votes</u>
John A. Bartholdson*	5,381,358	0	0
James J. Burke, Jr.	23,823,812	625,848	3,645,387
Kevin M. Carney	24,360,235	89,425	3,645,387
Celia H. Currin	23,860,083	589,577	3,645,387
Ronald E. Harbour	24,358,180	91,480	3,645,387
J. Barry Morrow	24,360,844	88,816	3,645,387
Michael A. Plater	24,352,754	96,906	3,645,387
Carlton E. Rose	24,353,354	96,306	3,645,387
Scott M. Shaw	24,361,235	88,425	3,645,387

*The holders of Series A Preferred Stock, voting separately as a class, voted on the election of John A. Bartholdson.

Proposal Number 2: To approve, on a non-binding advisory basis, the compensation of our named executive officers as disclosed in the Company’s proxy statement. The proposal was approved by a vote of the shareholders as follows:

<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>	<u>Broker Non-Votes</u>
23,769,090	517,631	162,939	3,645,387

Proposal Number 3: To ratify the appointment of Deloitte & Touche LLP as the Company’s independent registered public accounting firm for the year ending December 31, 2021. The proposal was approved by a vote of the shareholders as follows:

<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>	<u>Broker Non-Votes</u>
27,898,267	14,439	182,341	-0-

Item 7.01 Regulation FD Disclosure.

On May 6, 2021, the Company presented additional background information on the Company and on its strategic plan (the “Shareholder Presentation”) during its Annual Meeting of Shareholders held virtually. A copy of the Shareholder Presentation, which is available on the Company’s website at www.lincolntech.edu under the tab “Investor Relations,” is attached hereto as Exhibit 99.1, and is incorporated herein by reference. The information in this Item 7.01 and the attached exhibit shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act except as shall be expressly stated by specific reference in such filing

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Exhibit Title</u>
99.1	Company’s Management Presentation at the 2021 Annual Meeting of Shareholders

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LINCOLN EDUCATIONAL SERVICES CORPORATION

Date: May 6, 2021

By: /s/ Alexandra M. Luster

Name: Alexandra M. Luster

Title: General Counsel



WELCOME



Lincoln Educational Services Corporation 2021 Annual Meeting of Shareholders



BRIDGING THE SKILLS GAP



LINCOLN TECH®

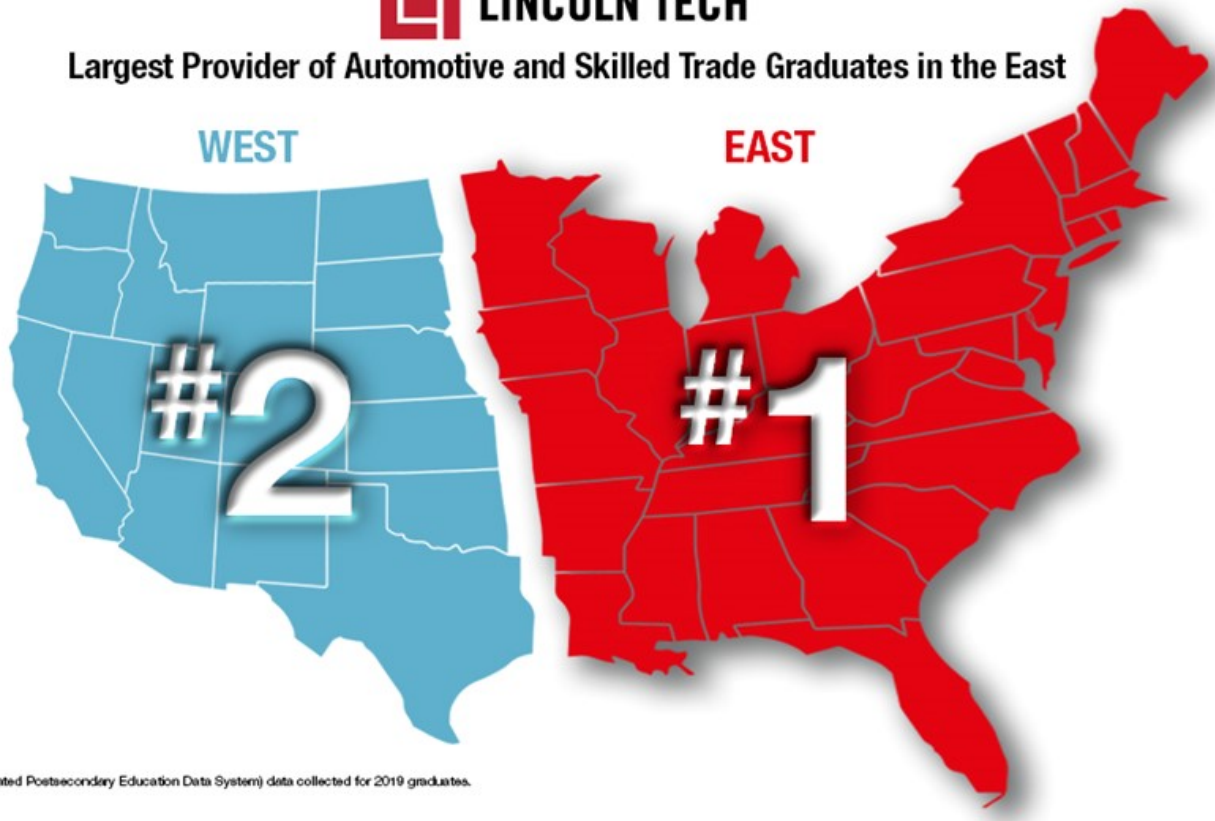
Stronger and Better

Lincoln entered 2020 with great momentum and success, and despite the challenges of the pandemic, we ended the year stronger financially and better prepared to reach our potential.



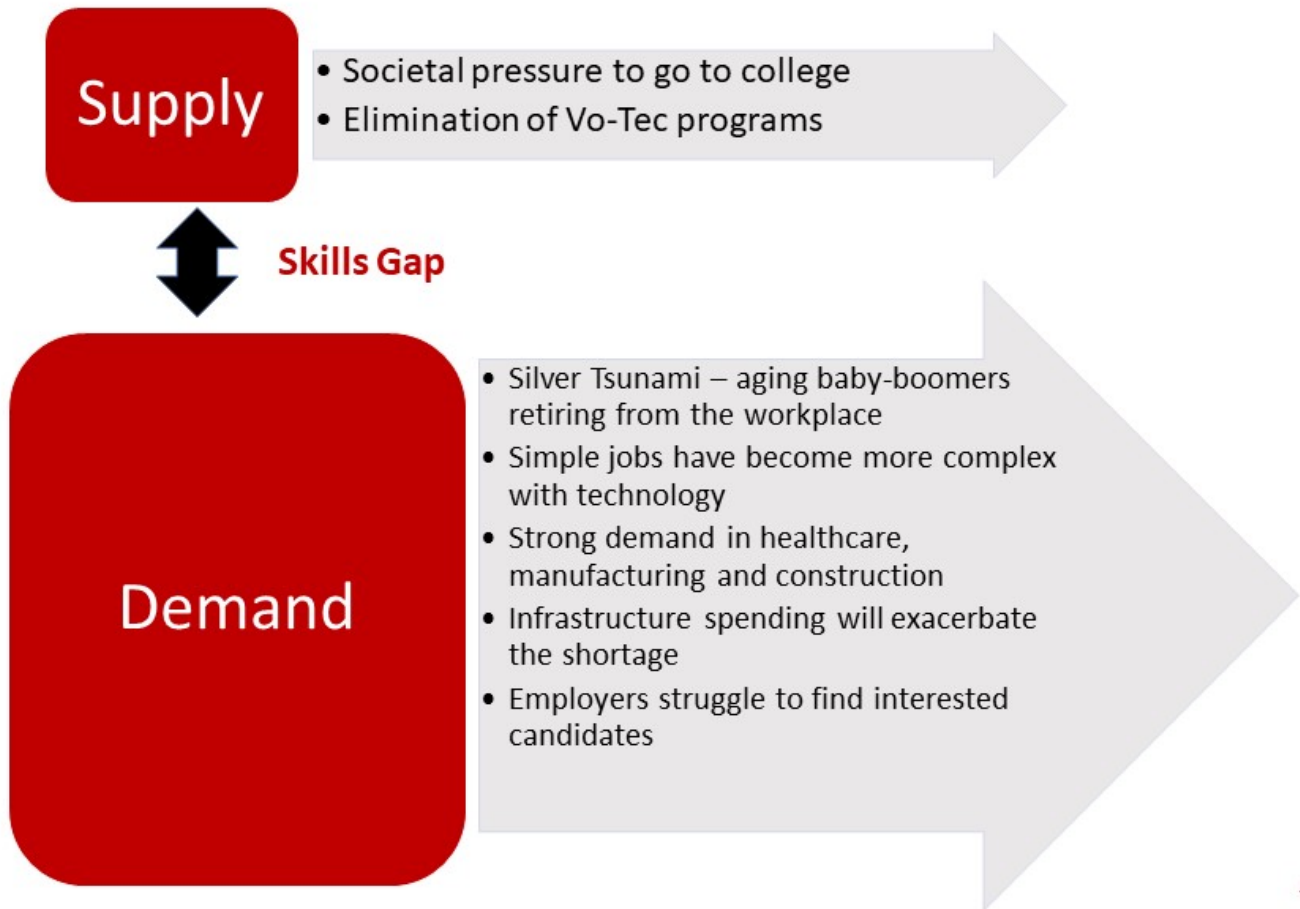
 LINCOLN TECH®

Largest Provider of Automotive and Skilled Trade Graduates in the East



Based on IPEDS (Integrated Postsecondary Education Data System) data collected for 2019 graduates.

Drivers of Organic Demand for Training



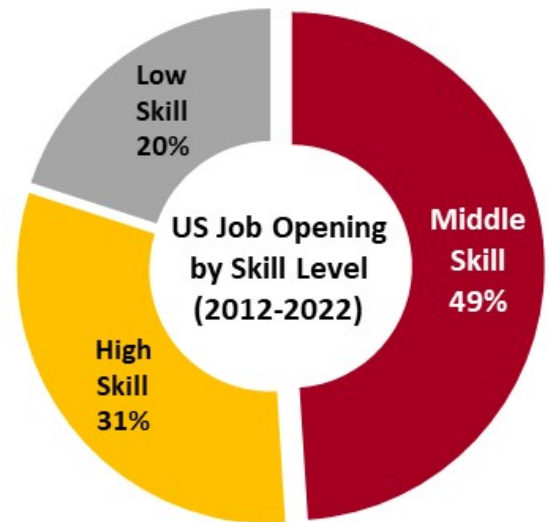
Demand for “Middle Skills Training”

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)

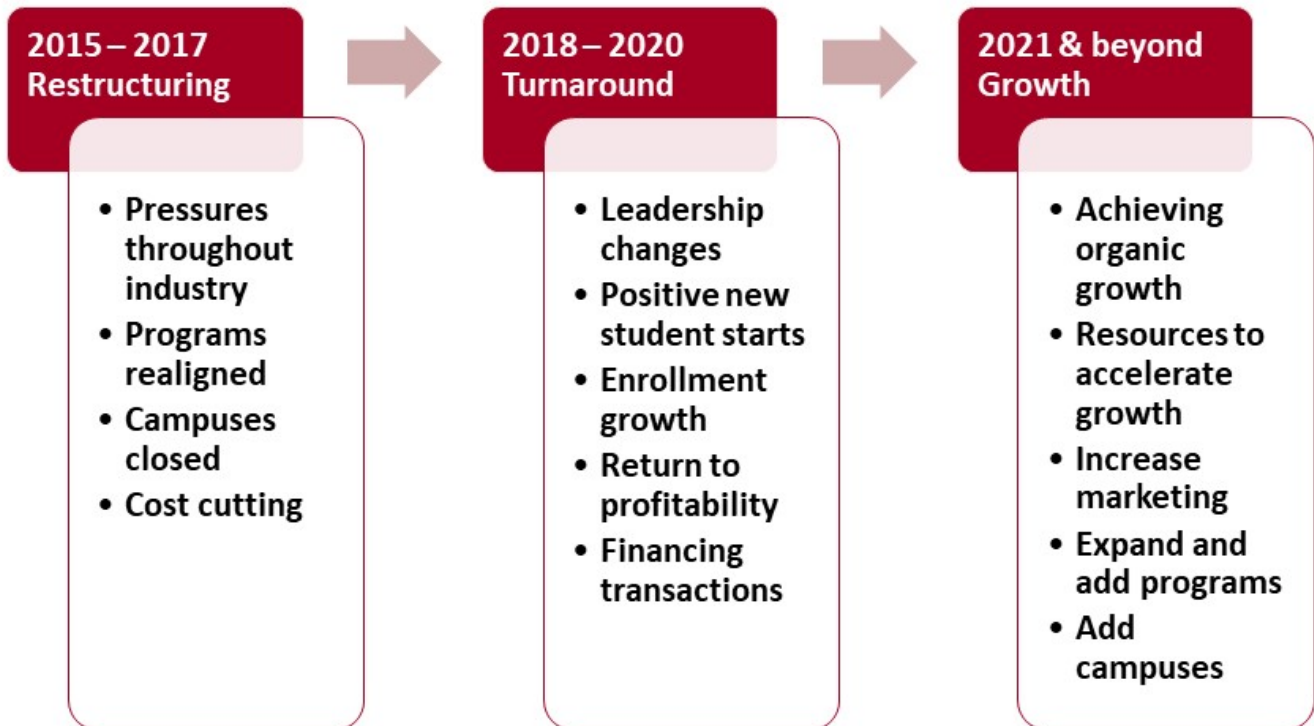
Lincoln connects employers with entry level trained professionals from the adult, high school and military sectors.

- Growing skepticism of the value of college
- Less stigma – Essential Workers



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

Entering 2021 : A New Chapter for Lincoln



Transformational Impact of COVID-19

Pivoted to Online/Blended

- All campuses were closed mid March & moved to remote services
- Campuses started to re-open in May 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 65.6% to \$22.2 million
- Cash increased and debt declined to end the year net cash +
- Started 2021 with 1,034 more students

2021 Operations

- Expect to operate with the current social distancing rules
- New student starts should remain strong
- Improving online delivery to enhance student engagement
- Launching 4 new programs to increase growth

2022 and Beyond

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

Lincoln's Workforce Solution Differentiator— Not your local Community College

- Superior graduation rates and placement rates
- 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
- Expect students to meet employability standards for appearance, attendance and professional attitude while in school
- 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
- Offer an accelerated program with multiple entry points to allow students to graduate quickly and enter the workforce earlier
- Provide robust student support services to ensure strong outcomes

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



Experienced Management Team (Years at Lincoln)



Scott Shaw
President and CEO
(20)



Brian Meyers
EVP, CFO & Treasurer
(18)



Stephen Buchenot
EVP of Campus
Operations (28)



Chad Nyce
EVP, Chief Innovation
Officer (1)



Alexandra Luster
SVP, General Counsel &
Secretary (26)



Stephen Ace
SVP of Human Resources
(13)



Ami Bhandari
SVP of Education and
Corporate Strategy (18)



Susan English
SVP of Career Services &
Industry Partners (36)



Francis Giglio
SVP of Compliance and
Regulatory (17)



James Rasmussen
SVP Admissions
(14)



Tayfun Selen
SVP Administration and
Real Estate (10)



Peter Tahinos
SVP of Marketing
(6)



Val Thomas
SVP & Chief Information
Officer (11)

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



Peter S. Burgess
Former Business
Advisory Partner,
Arthur Anderson LLP



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.



Celia H. Currin
Former Marketing
Executive, Dow Jones &
Wall Street Journal



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



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



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



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

Financial Review



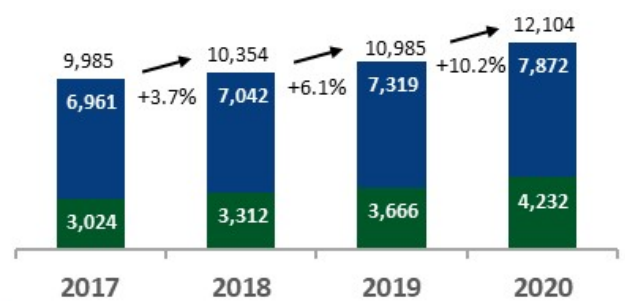
Pro Forma Operations Annual Revenue, Starts, & Average Population* (\$ in millions)

■ Transportation
■ HOPS

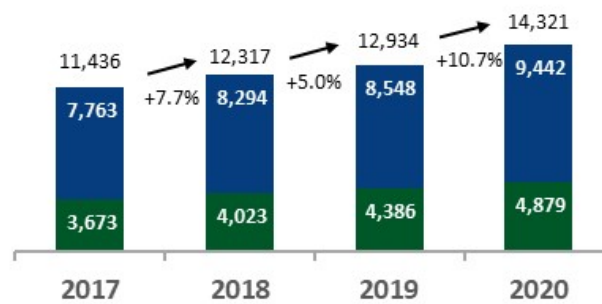
Revenue



Average Population



Starts

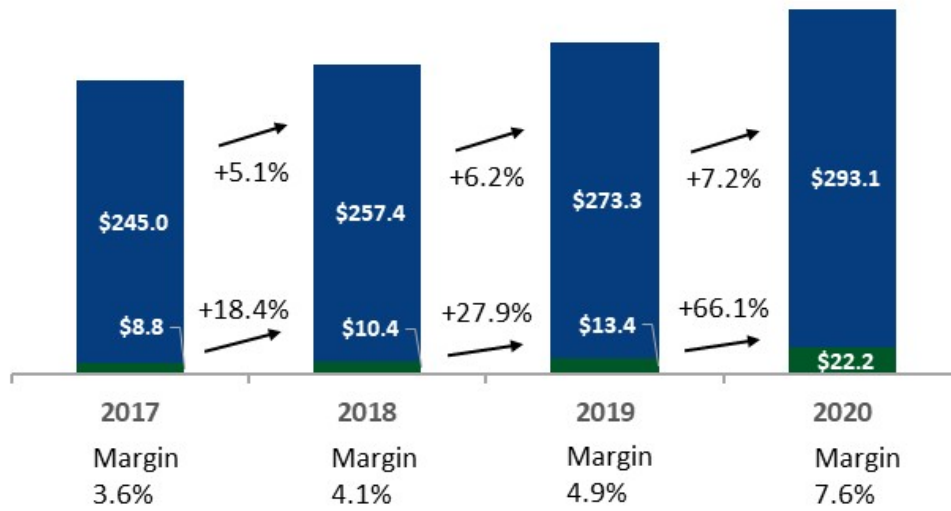


* 2017 & 2018 exclude transitional segment (closed schools) and are presented as pro forma operations.

Pro Forma Operations (\$ in millions)

- Approximately 12,300 students enrolled at 22 campuses as of 12/31/2020
- Key metrics such as revenue, average population continue to grow

■ Revenue
■ EBITDA



* 2017 & 2018 exclude transitional segment (closed schools) and are presented as pro forma operations. Refer to appendix.

Transportation and Skilled Trades (\$ in millions)

- Approximately 7,900 students enrolled at 13 campuses as of 12/31/2020
- High demand for training in Automotive, Diesel, HVAC, CNC, Welding, Electrical
- Growing list of industry partners

■ Revenue
■ EBITDA



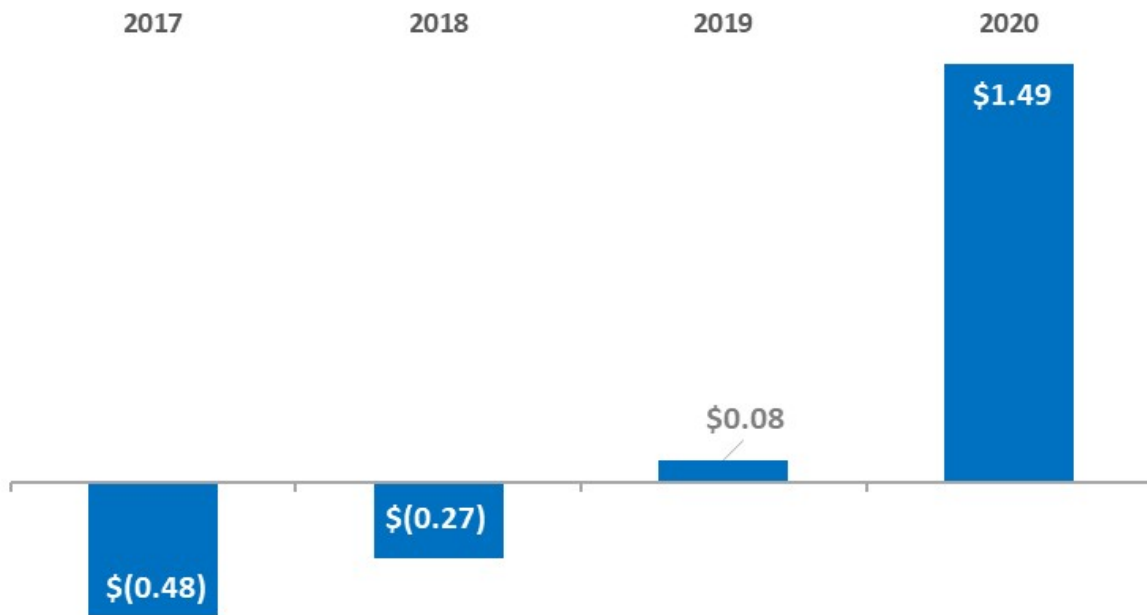
Healthcare and Other Professions (\$ in millions)

- Approximately 4,400 students at 9 campuses as of 12/31/2020
- Growing demand for healthcare professionals
- Strong demand by students especially for Licensed Practical Nursing

■ Revenue
■ EBITDA



Earnings Per Share



Balance Sheet & Cash Flow Summaries

Balance Sheet

	December 31,		
	2020	2019	2018
Total Assets	\$ 245,190	\$ 194,763	\$ 146,038
Total Liabilities	\$ 142,141	\$ 139,633	\$ 106,172
Series A Convertible Preferred Stock	11,982	11,982	-
Total Stockholders Equity	91,067	43,148	39,866
Total Liabilities, Stock, and Preferred	245,190	194,763	146,038

Net Cash (Debt)

	December 31,		
	2020	2019	2018
Cash & Restricted Cash	\$ 38,026	\$ 38,644	\$ 45,946
Total Debt	17,212	34,028	48,769
Net Cash (Debt)	\$ 20,814	\$ 4,616	\$ (2,823)

Cash Flow Summary

	December 31,		
	2020	2019	2018
Net Cash Provided by (Used in) Operating Activities	\$ 23,485	\$ 988	\$ (1,694)
Capital Expenditures	(5,580)	(5,385)	(4,697)
Free Cash Flow	\$ 17,905	\$ (4,397)	\$ (6,391)

Cautionary Statement

Statements made during this Annual Meeting regarding Lincoln's business, operations, results and future prospects that are not historical facts may be "forward-looking statements" that involve risks and uncertainties. Forward-looking statements should not be viewed as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause such differences include, but are not limited to, our failure to comply with the extensive regulatory framework applicable to our industry or our failure to obtain timely regulatory approvals, as required; our success in updating and expanding the content of existing programs and developing new programs in a cost-effective manner or on a timely basis; risks associated with changes in applicable federal laws and regulations, including pending rulemaking by the U.S. Department of Education; uncertainties regarding our ability to comply with federal laws and regulations regarding the 90/10 rule and cohort default rates; risks associated with the opening of new campuses; risks associated with integration of acquired schools; industry competition; our ability to execute our growth strategies; conditions and trends in our industry; the COVID-19 pandemic and its impact on our business and the U.S. and global economies; general economic conditions; and other factors discussed in our annual report on Form 10-K for the year ended December 31, 2020. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in Lincoln's Annual Report on Form 10-K for the year ended December 31, 2020. All forward-looking statements are qualified in their entirety by this cautionary statement, and Lincoln undertakes no obligation to revise or update the remarks made to reflect events or circumstances after the date of the 2021 Annual Meeting of Shareholders.

Thank You for Attending our 2021 Shareholders Meeting