

# Welcome to Investor Day 2025!

*November 2025*

American Public Education Inc. Do Not Distribute.

# Angela Selden

## President and CEO, American Public Education, Inc.



Angela Selden was appointed President and CEO of APEI in September 2019.

With her father an Air Force veteran who used the GI Bill to complete his education and subsequently lead HR for a VA hospital, and her mother, a lifelong educator, APEI's purpose of "Educating Those in Service to Others" spoke to her.

Earlier in her career, Ms. Selden served as CEO of multiple high-growth private-equity backed technology and services companies.

Ms. Selden began her career at Accenture, where she spent 18 years executing growth strategies and business transformation initiatives for Fortune 500 companies.

# APEI is
# Higher Education's Best Kept Secret!

apei AMERICAN PUBLIC EDUCATION, INC.

# FORWARD-LOOKING STATEMENTS

Statements made in this presentation regarding American Public Education, Inc. or its subsidiary institutions ("APEI" or the "Company") that are not historical facts are forward-looking statements based on current expectations, assumptions, estimates and projections about APEI and the postsecondary education industry. In some cases, forward looking statements can be identified by words such as "anticipate," "believe," "seek," "could," "estimate," "expect," "intend," "may," "plan," "potentially," "project," "should," "will," "would," and similar words or their opposites.

Forward-looking statements include, without limitation, statements regarding expectations and projections for financial growth, registrations, enrollments, demand, revenues, net income, earnings per share, EBITDA, adjusted EBITDA, adjusted EBITDA margin, free cash flow yield, and capital expenditures, and plans with respect to and future impacts of recent, current and future initiatives and strategies, including the planned combination of American Public University System, Rasmussen University and Hondros College of Nursing into one consolidated institution, RU Health+ and its online and on-ground programs, campus and program expansions and the timing and costs relating to such expansions, cost optimization, expansion into the U.S. non-military market, and technological enhancements. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Such risks and uncertainties include, among others, risks related to: the Company's failure to comply with regulatory and accrediting agency requirements, including the "90/10 Rule", and to maintain institutional accreditation and the impacts of any actions the Company may take to prevent or correct such failure; changes in the postsecondary education regulatory environment as a result of U.S. federal elections, including any changes by or as a result of actions of the current administration to the operations of the U.S. Department of Education or changes to or the elimination or implementation of laws, regulations, standards, policies, and practices; potential or actual government shutdowns, including the recent U.S federal government shutdown, uncertainties in the estimated impacts of the shutdown on APEI and its prospective and current students, and APEI's inability to mitigate these impacts; government budget and federal workforce uncertainty; the impact, timing, and projected benefits of the planned combination the Company's dependence on the effectiveness of its ability to attract students who persist in its subsidiary institutions' programs; declines in enrollments at the Company's subsidiary institutions; the Company's inability to effectively brand or market its subsidiary institutions and its subsidiary institutions' programs; the Company's inability to maintain strong relationships with the military and maintain course registrations and enrollments from military students; the loss or disruption of the Company's ability to receive funds under Title IV or tuition assistance programs or the reduction, elimination, or suspension of federal funds; adverse effects of changes the Company makes to improve the student experience and enhance the ability to identify and enroll students who are likely to succeed; the Company's need to successfully adjust to future market demands including updating existing programs and developing new programs; the Company's loss of eligibility to participate in Title IV programs or ability to process Title IV financial aid; economic and market conditions and changes in interest rates; difficulties involving acquisitions; the Company's indebtedness, including the refinancing thereof; the Company's dependence on and the need to continue to invest in its technology infrastructure, including with respect to third-party vendors; the inability to recognize the intended benefits of the Company's cost savings and reduction and revenue generating efforts; the Company's ability to manage and limit its exposure to bad debt; and the risk factors described in the risk factor section and elsewhere in the Company's most recent annual report on Form 10-K and quarterly report on Form 10-Q and in the Company's other SEC filings.

You should not place undue reliance on any forward-looking statements. The Company undertakes no obligation to update publicly any forward-looking statements for any reason, unless required by law, even if new information becomes available or other events occur in the future.

American Public Education Inc. Do Not Distribute.

# APEI Remains
# Higher Education's Best Kept Secret!

# Our Purpose Remains Clear.
# We Educate Those in Service to Others.

# The Careers We Support Rely on Human Judgment, Compassion and Presence.
# AI-Resilient Qualities.

# We Are Only at the Beginning of Our Next Chapter.

**Purpose, Resilience and Discipline Have Delivered Results that Earn Us the Right to Be Here Today.**

# APEI.
# A Mission that Matters.
# A Company that Compounds Value Over Time.

# APEI and Our Institutions Today

APEI and its three subsidiary institutions
Transform Lives, Advance Careers and Improve Communities.

We provide purpose-built, accessible and affordable post-secondary education to over 108,000 students annually.

Active-duty military, veterans, military families, new nurses, existing nurses and health professionals, all have demonstrated stable, long-term demand for education.




apei
AMERICAN PUBLIC EDUCATION, INC.

| NASDAQ: APEI | |
|---|---|
| Share Price[1] | $33.43 |
| Market Cap[1] | $605.13M |
| 2024 Revenue | $624.6M |
| 2024 Adj. EBITDA[3] | $72.3M |
| Cash[2] | $193.1M |
| Debt[2] | $96.4M |
| Shares Outstanding[2] | 18.1M |

1. As of November 18, 2025
2. As of September 30, 2025
3. Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as severance, and non-cash expenses, such as stock compensation) is a non-GAAP financial measure. Please refer to Appendix for GAAP to non-GAAP reconciliation.

# APEI Offers a Compelling Investment Thesis

Our platforms are purpose-built to educate those who serve

We are strengthening our business by simplifying operations through consolidation



We prioritize execution that delivers continuous improvement in student outcomes

Our planned efforts to explore new markets and add programs to expand TAM are underway

We have a demonstrated recent track record of performance that builds the base for future growth

Our strong balance sheet and disciplined capital allocation aim to drive shareholder value

American Public University System | AMU | RASMUSSEN UNIVERSITY | HONDROS COLLEGE OF NURSING

# Our Balanced Revenue Mix

## Growth Story Just Getting Started

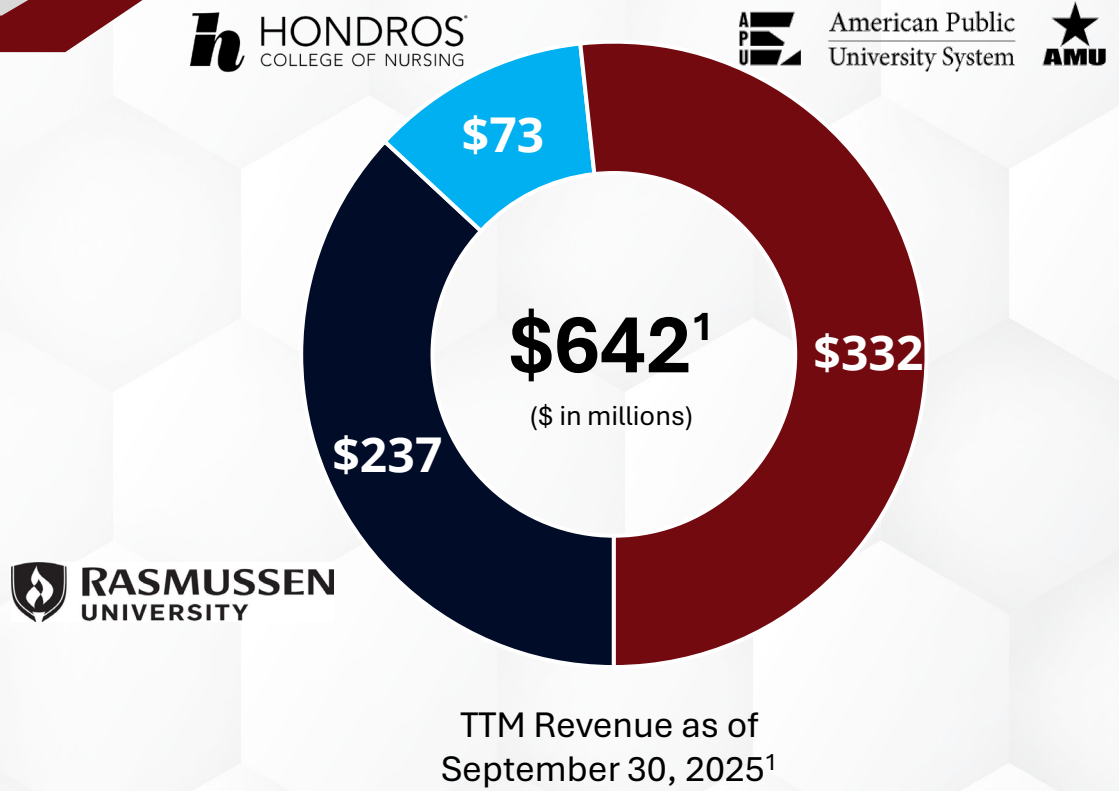
American Public University System AMU | RASMUSSEN UNIVERSITY | HONDROS COLLEGE OF NURSING

**Educator of Active-Duty Military, Veterans and their Families**

- #1 educator of active-duty military and veterans
- Fully online
- Over 200 degree and certificate programs
- ~89,000 students being educated in 80 countries
- 160,000 alumni

**Multi-state Nursing and Health Sciences Platform**

- Leading educator of new nurses (ADN, LPN, BSN)
- Online and 26 campuses
- Over 60 degree and certificate programs
  - Full ladder of Nursing
  - 20 Health Sciences
- ~20,000 students



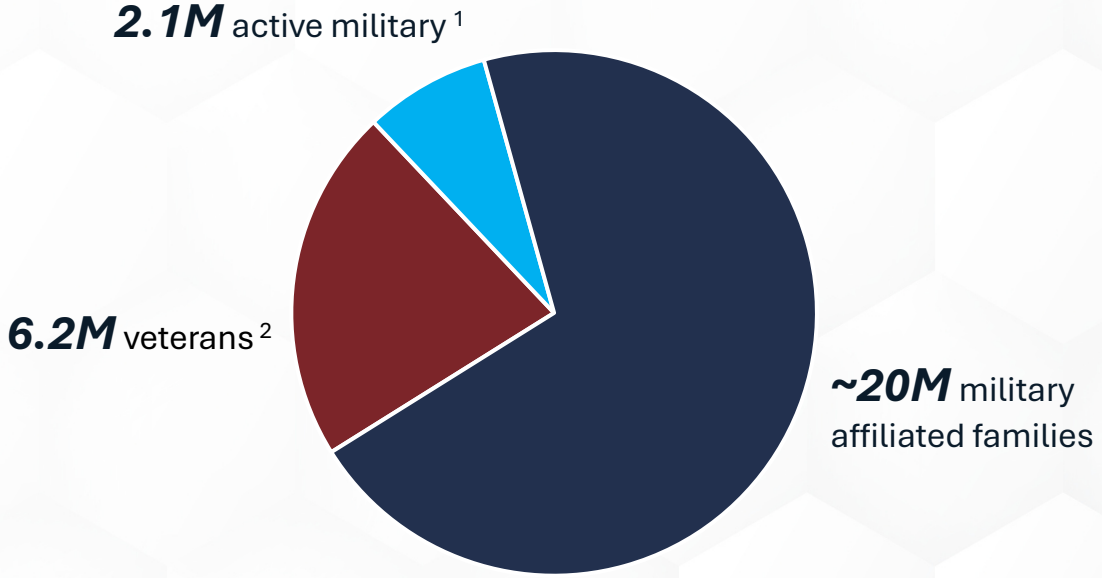

TTM Revenue as of September 30, 2025[1]

1. Excludes GSUSA revenue of $13M

# Why Military, Veterans and Families

APUS supports the U.S. military's recruitment promise to active-duty personnel to fund education to enhance skills and career opportunities.

By funding education, the DoD develops its human capital by investing in its service members, creating a more skilled and adaptable workforce.




American Public University System

AMU

## Military Market – Fast Facts

FY2025 budget request included a combined total of $683M for tuition assistance[3]

OBBBA increased TA funding by $100M, funds that were available for use during the government shutdown

U.S. Army met its 2025 active duty recruiting goal early and for the first time in 12 years



1. USA Facts - June 2024
2. Forbes - October 2024
3. Congress.gov

# Why APUS is Poised to Win

## APUS Investments

- ✓ **Purpose-built tech platform** allows for scale without additional cost
- ✓ **Monthly starts** and generous transfer credit for military service
- ✓ **Zero out-of-pocket cost** for undergrad active-duty military degrees
- ✓ **Preferred tuition rate for military** and their extended families
- ✓ **Tuition grant for veterans and their extended families**
- ✓ **Career services for life**
- ✓ **Dedicated Military Outreach Teams**

## Unmatched Outcomes

- **~72% of students graduate without APUS-incurred federal student loan debt.[1]**
- **~40% of military students enroll through referral**
- **~30% of active-duty military and veteran graduates come back for a second degree**

American Public University System

AMU



1. The majority of APUS enrollment is military and veteran students, many of whom receive tuition assistance and benefits, possibly decreasing their need for student loan debt; Private non-education loan debt and other forms of personal debt are not considered in the calculation; The calculation includes students who graduated prior to 2006 which is before APUS was approved to offer Financial Aid (students graduating prior to this date would not have been eligible for FSA including student loans); The calculation is degree-specific, meaning it is only calculated on the one degree included in the dataset. Any additional/subsequent degrees achieved at APUS may have incurred student loan debt that is not represented; Student loan debt prior to APUS enrollment or during concurrent enrollment at other institutions is not included; and Includes alumni who graduated with an Associate, Bachelor's or Master's degree only.

# Why Nursing and Healthcare

## U.S. Nursing & Healthcare - Tailwinds[1]

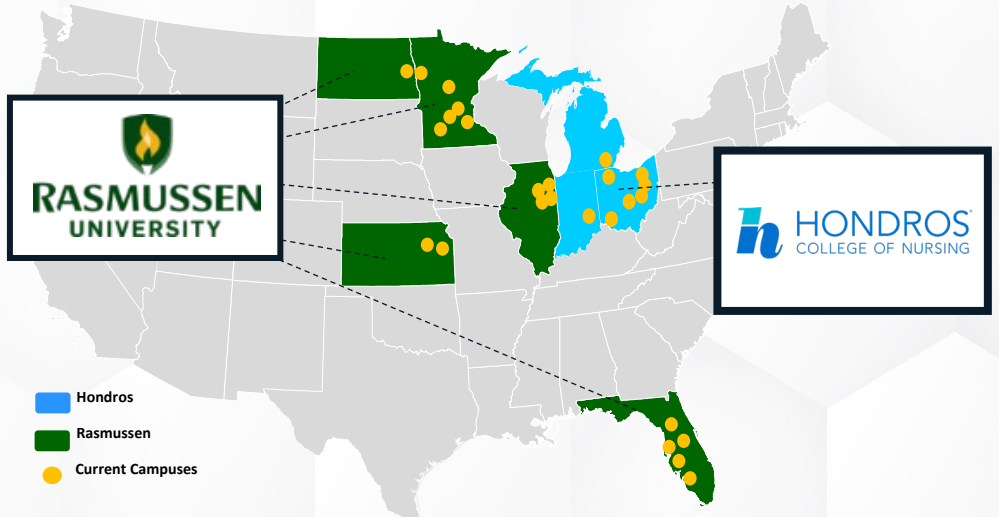
Nursing employment expected to increase 6% annually through 2033

Nursing job openings expected to be ~200,000 each year for next 10 years

Median annual salary for a RN was $93K and LPN was $62K in May 2024

**Rasmussen and HCN are well positioned in a high demand, high return on education investment sectors**

- Leaders in prelicensure nursing in a fragmented industry with substantial market tailwinds highlights long-term growth potential
- State regulated nursing boards limit new market entrants




1. Bureau of Labor Statistics

# Why Rasmussen + HCN are Poised to Win

## RU and HCN Differentiators

- Frictionless **access** and **superior service**
- An **entry point for any student** with full ladder of nursing and allied health degrees
- A jumping off point through its **26 campuses in eight states**

## Growth Opportunity Focus Areas

- Add more students to existing campuses
- Add new campuses and enter new markets
- Add new programs and new partnerships

## Revenue and Cost Synergy Opportunities

- Cross-pollinating 20+ RU Campus and Online Nursing and Health programs to HCN
- Cross-pollinating 40+ RU Online Plus programs to HCN
- $2M of cost savings implemented in Q4'25 with more to follow

RASMUSSEN UNIVERSITY

HONDROS COLLEGE OF NURSING

# But You Knew All of That Already!

# Where We Go From Here...

# Introducing the New APEI!





# New Brand, New Divisions…

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American Public Education, Inc.

APUS Global AMU

Reflects our heritage of educating students today in 80 countries and all 50 states

Extending reach to offer high interest programs in Spanish for US and global markets

Retains the AMU and APU brands for student enrollment

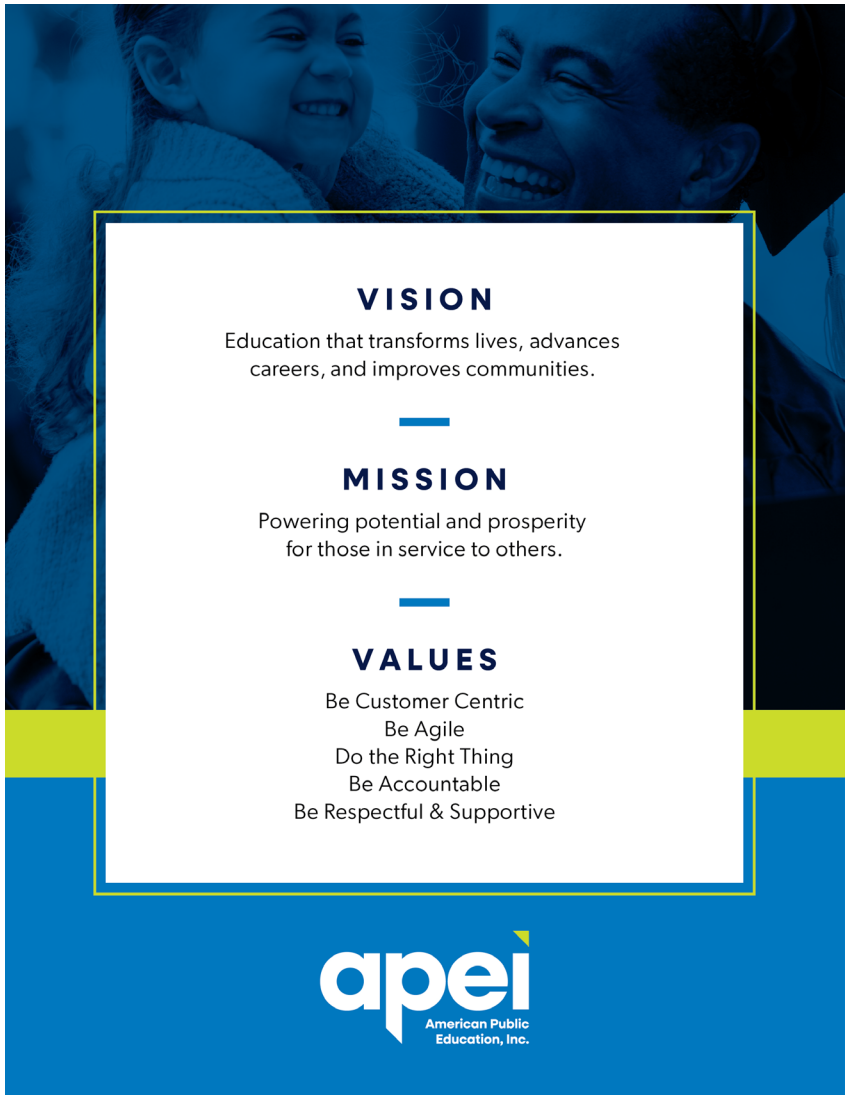
RU Health+

Reflects creation of APEI's Healthcare platform

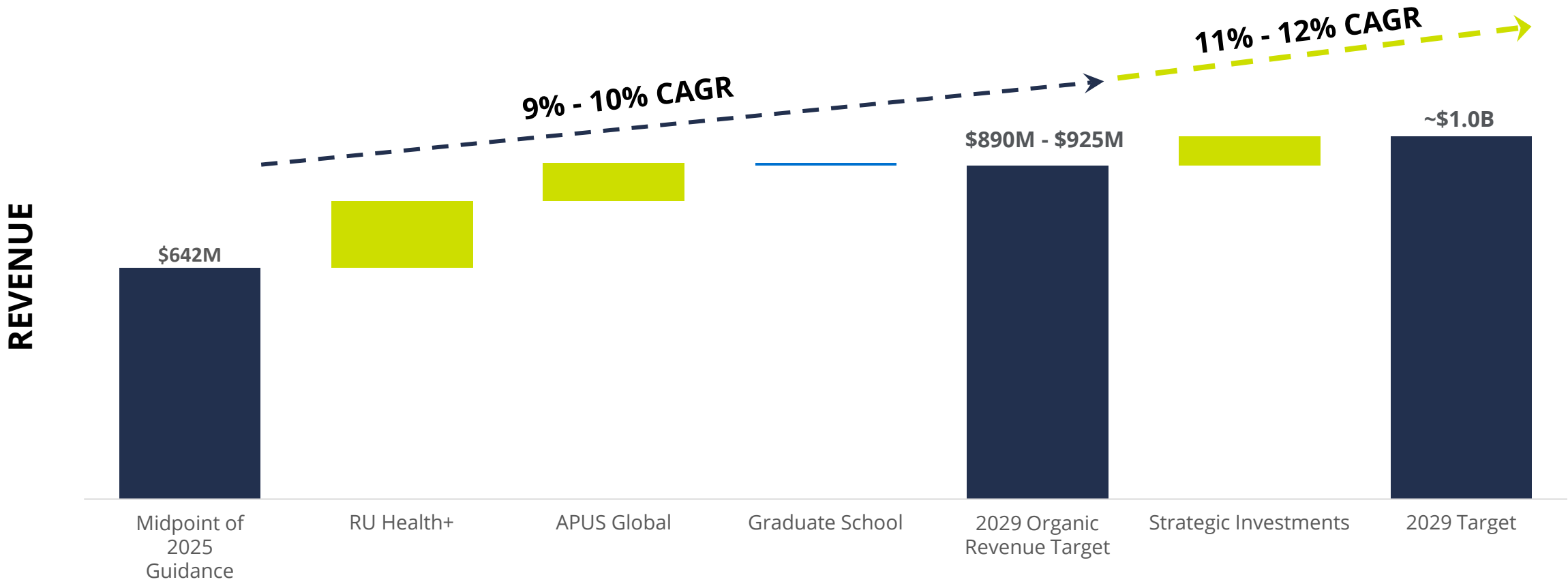
Reflects both healthcare focus and the additional RU programs as "+"

Retains the Rasmussen and Hondros brands for student enrollment

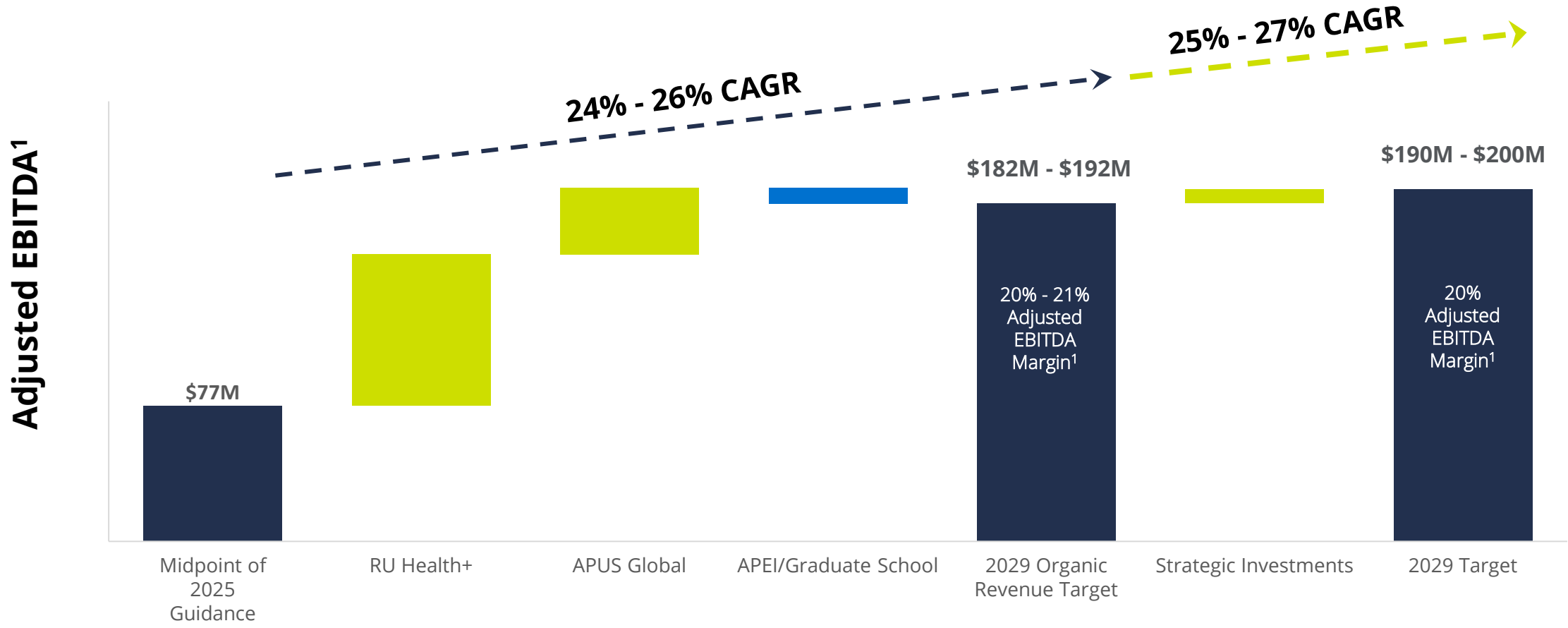
# … But the Same Vision, Mission, and Values



# Our Next Chapter: 2025-2029 Revenue Targets



# Our Next Chapter: 2025-2029 Adjusted EBITDA[1] Target




1. Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as severance, and non-cash expenses, such as stock compensation) and Adjusted EBITDA margin are non-GAAP financial measures. Please refer to Appendix for GAAP to non-GAAP reconciliation.

# Introducing Today's Presenters



Angela Selden
President and CEO
apei American Public Education, Inc.



Ed Codispoti
EVP and CFO
apei American Public Education, Inc.



Nuno Fernandes
President
APUS Global AMU



Mark Arnold
President
RU Health+



Dwayne Bertotto
SVP and COO
RU Health+

# APEI Investor Day 2025 AGENDA

| | | |
|---|---|---|
| 9:00-9:25am | APEI Mission and Market Opportunity | Angela Selden |
| 9:25–9:50am | Introducing APUS Global Division | Nuno Fernandes |
| 9:50-10:30am | Introducing RU Health+ Division | Mark Arnold<br>Dwayne Bertotto |
| 10:30-10:40am | Break | |
| 10:40-11:00am | APEI Financial Outlook | Ed Codispoti |
| 11:00-11:15am | Summary and Conclusions | Angela Selden |
| 11:15-12:00pm | Question and Answer Panel<br>Introducing: Rick Sunderland, Gary Janson, James Kenigsberg, Karmela Gaffney | All |

APUS Global AMU

# Investor Day

November 20, 2025

Nuno Fernandes, President, American Public University System

apei American Public Education, Inc.

# COMMENCEMENT 2025

American Public University System

AMU

# Nuno Fernandes

## President, American Public University System




- From Top 500 global company to higher education, Nuno has built his career on expanding access and opportunity.
- After leading Ilumno—an EdTech network across Latin America—as CMO and later as President & CEO, he joined APUS in 2022 as President.
- Inspired by his father's military service and his parents' journey as first-generation graduates, he is deeply committed to the APUS mission of serving those who serve.

# APUS: Purpose-Built for Military Education

34 Years of Excellence

## Military Workforce

- Founded by U.S. Marine (1991, AMU)
- 25% faculty/staff are military or veterans[1]

## Programs & Achievements

- #1 Provider of higher education to the U.S. military and veterans[2]
- NSA/DHS Cyber Defense Center of Excellence
- 6th, NASA 2024 Lunar Autonomy Challenge[3]

## Recognition

- Only educator twice selected by CCME as Institution of the Year (2012, 2024)
- National Defense Transportation Association (NDTA) Award for defense and transport impact

## Partnerships

- Strong B2B ties in related sectors:
  - Defense: Boeing, Leidos
  - Intelligence: MANTECH
  - Logistics: UPS, FedEx, Daimler
  - Government: CACI, Booz Allen, Amtrak

# Why APUS Wins

## Purpose-Built Solutions for Active-Duty Military, Military Families and Veterans Honoring DoD's Promise to Educate Our Nation's Heroes

### APUS Investments

- **Purpose-built tech platform** allows for scale without additional cost
- **Monthly starts** and generous transfer credit for military service
- **Zero out-of-pocket cost** for undergrad active-duty military degrees[4]
- **Preferred tuition rate for military** and their extended families[5]
- **Tuition grant for veterans and their extended families**[6]
- **Career services for life**
- **Dedicated military outreach teams**

### Unmatched Outcomes

- **72% of students graduate without APUS-incurred federal student loan debt.**[7]
- **~40% of military students enroll through referral**
- **~30% of active-duty military and veteran graduates come back for a second degree***

* Students who completed their first degree with APUS in the last 5 years who then enrolled in a second degree program

# Notable Alumni of APUS's 160,000+ Graduates



## General John D. Caine

22nd Chairman of the Joint Chiefs of Staff

MA, Air Warfare
American Military University

Former AMU Faculty Member



## Nicole Malachowski

Retired US Air Force Officer / First Female Pilot selected to fly as part of the USAF Air Force Demonstration Squadron (the Thunderbirds)

MA, National Security Policy
American Military University



## Dr. James D. Polk

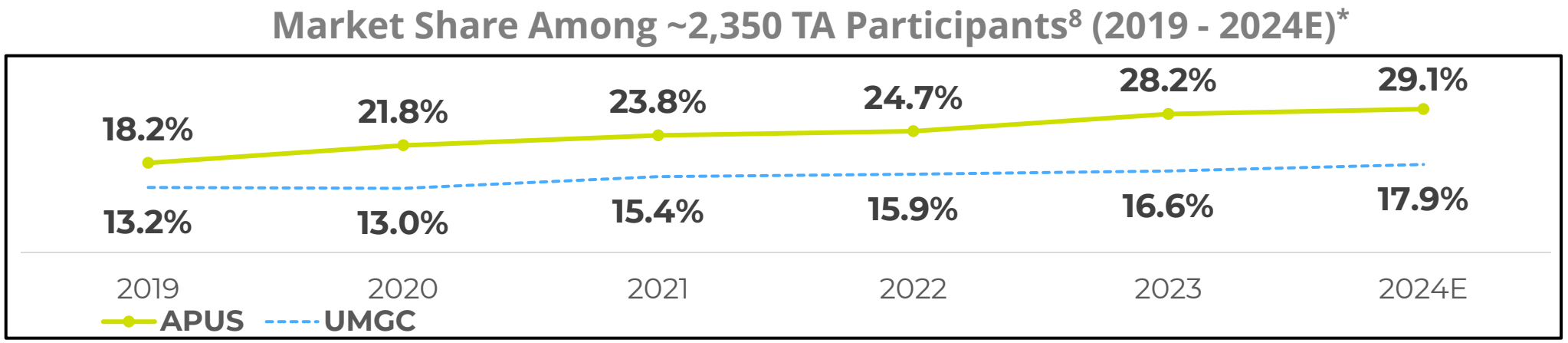
Chief Health and Medical Officer at NASA

MS, Space Studies
American Military University

Former APUS Faculty Member and Trustee

# APUS Market Leadership

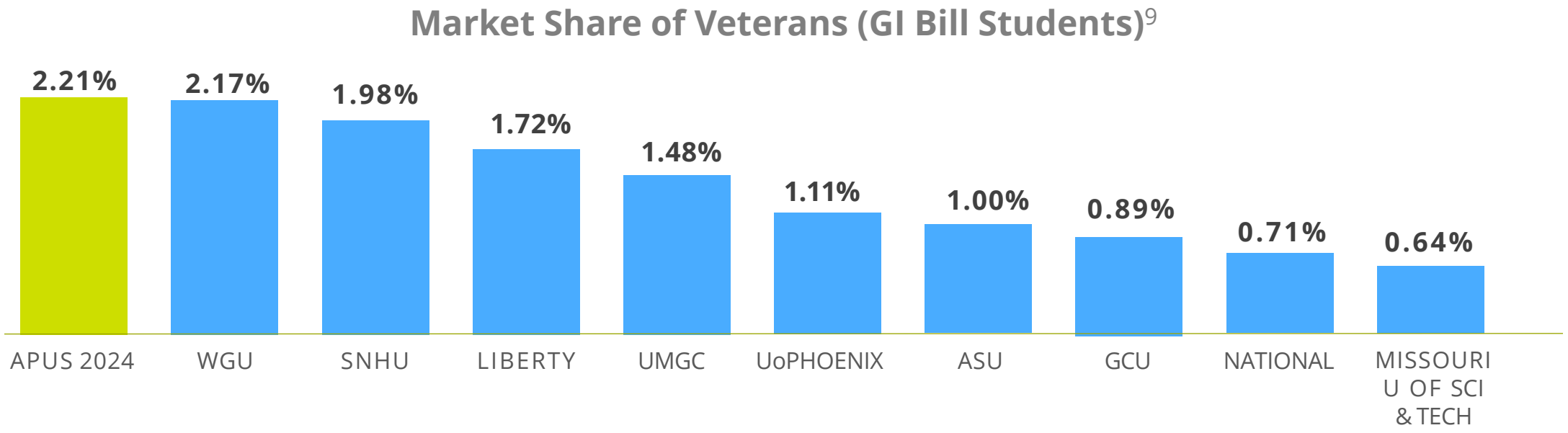
## THE Largest Educator for Active-Duty Military (60% Increase in Market Share)




APUS and University of Maryland Global Campus together have **47% of the total share** among ~2,350 TA-eligible institutions[8]

***2024 market share estimated**
Based on internal data for enlisted personnel (82% of force), with Military Tuition Assistance (TA) participation at 12%.
University of Maryland Global Campus (UMGC) estimates use student info from their website.

# APUS is the Leading Educator for Veterans

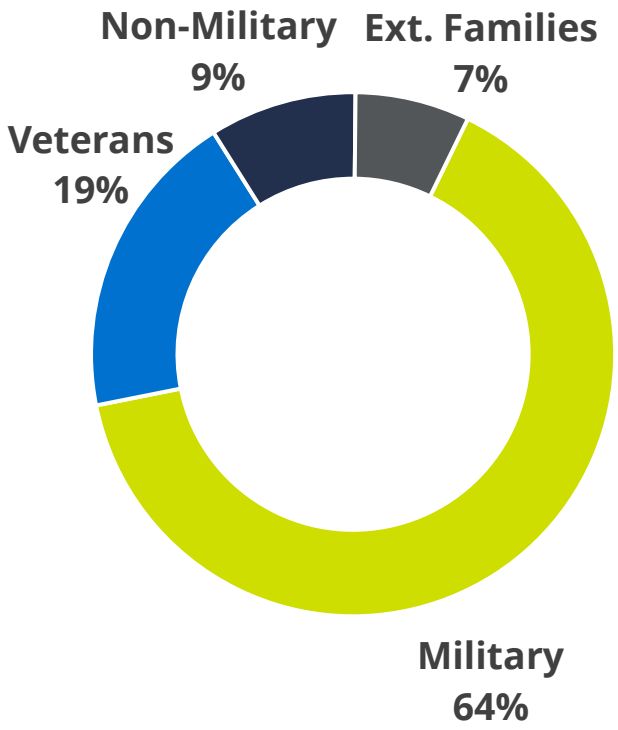



- **6.2 million veterans** do not have a higher education degree[10]

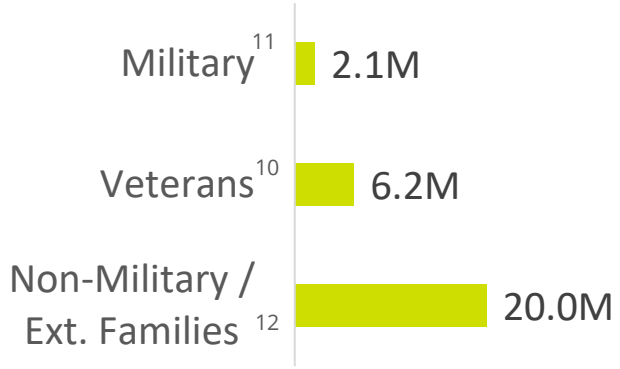
# APUS Fundamentals

## Large Addressable Market, Brand Loyalty, and Core Segment Enrollment Growth

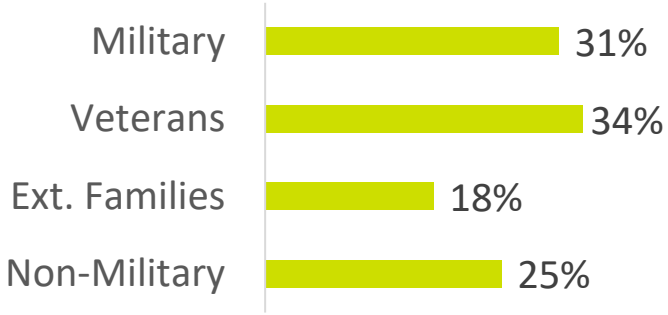
### Student Population



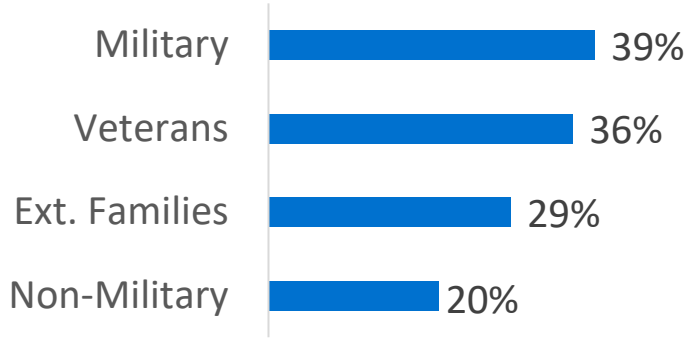

### Total Addressable Market




### % of Students that Come Back for Second Degree*

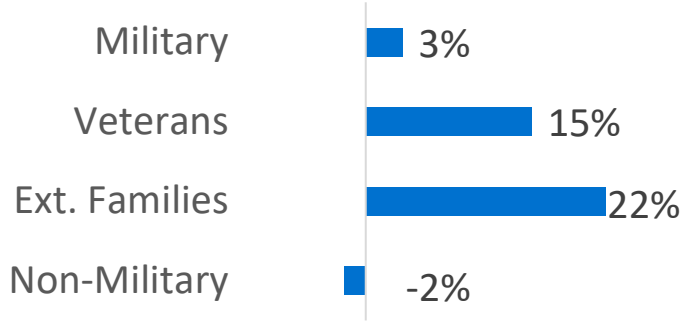



### % Student Referrals




### Total Registration

**Growth Rates YTD SEP ('24 vs '25)**




* Students who completed their first degree with APUS in the last 5 years who then enrolled in a second degree program



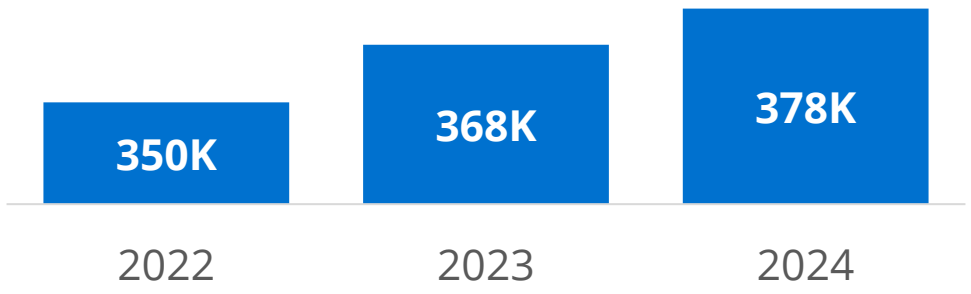

# Today's Three Takeaways

1. Recent Performance and Momentum
2. How APUS Global Wins: Profitable Growth Through the Purpose-Built Model
3. Executing the Four-Year Plan

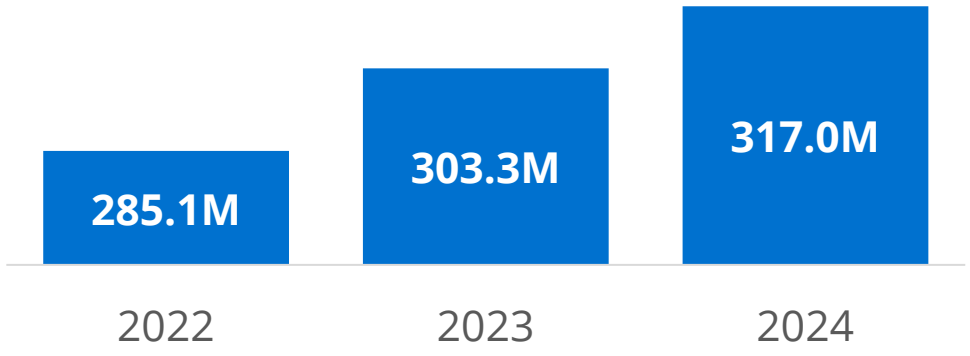
# APUS Financial Highlights: 2022–2024 at-a-Glance

Revenue Grows Faster than Registrations and Adjusted EBITDA* Grows Faster than Revenue

## REGISTRATIONS: + 8% for the period




## REVENUE: + 11% for the period




## ADJ. EBITDA MARGIN *(%)** : + 740 bps for the period




* Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as severance, and non-cash expenses, such as stock compensation) and Adjusted EBITDA margin are non-GAAP financial measures. Please refer to Appendix for GAAP to non-GAAP reconciliation.

# Levers Accelerating APUS's 11% Growth (2022–2024)

New Student Retention [i]

**+270 bps**

Average Course Consumption [ii]

**+11%**

Student NPS vs. Industry [iii]

**65 vs. 32**

Active-Duty Military Growth **10%** [iv]

Veterans Growth **18%** [iv]

**Proving Operational Excellence & Extraordinary Student Satisfaction Can Co-Exist**

i. Retention improvement from 56.5% to 59.2%.
ii. Course consumption is the average number of courses a student takes within a given year (3 years improvement YTD Oct 2023 to 2025 from 4.48 to 4.96).
iii. Net Promoter Score (NPS) measures how likely students are to recommend APUS to others, indicating overall satisfaction and loyalty.
iv. Total Registrations 2022-2024



# Today's Three Takeaways

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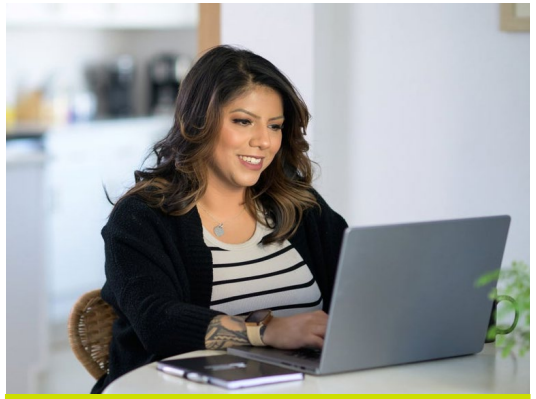
3 Executing the Four-Year Plan

# APUS Global 2026-2029 Growth Strategy

## Five Value Creation Initiatives for Profitable Growth and Cost Optimization



Maximize Active-Duty Military Growth *



Accelerate Growth with Veterans and Military Families



Expand New Degree Programs



Introduce Global Expansion in English and Spanish




Digital Transformation and AI Implementation to Accelerate Scale

* Image Ccourtesy of Department of Defense (DoD). The appearance of DoD visual information does not imply or constitute DoD endorsement.

# Maximize Active-Duty Military Growth



# Maximize Active-Duty Military Growth

## Gain Share from Competitors and Grow the Number of Service Members Using TA




- Expand the Military Outreach Team for deeper geographic coverage with additional staff members by 2029
- Create new programs to address modern military needs (drones, AI, modern warfare, etc.)
- Unlock the full potential of our almost 1M-follower social media network to drive continuous referrals and low acquisition costs
- Annual campaign refresh to amplify TA benefits and usage expansion



# Accelerate Growth with Veterans and Military Families



# Accelerate Growth with Veterans and Military Families




Optimize dedicated marketing resources to promote extended family benefit

Increase veteran grant messaging




Leverage military outreach team to promote extended family benefit

Maximize impact with student and alumni network




Open new marketing channels for demand creation and decision-making maximization

# Expand New Degree Programs



# Expand New Degree Programs

23 High Demand / High Potential Programs and 30 Spanish Translations

| | 2026 | 2027 | 2028 |
|---|---|---|---|
| English | 4 Undergraduate<br>3 Graduate | 2 Undergraduate<br>6 Graduate | 1 Undergraduate<br>7 Graduate |
| Spanish Translation | 12 Graduate | 3 Undergraduate<br>6 Graduate | 6 Undergraduate<br>3 Graduate |

Information contained on this slide is estimated and subject to change.

# Introduce Global Expansion in English and Spanish



# Global Expansion in English and Spanish

## Opportunities Fuel Non-Federal Revenue Diversification

**40+ Years**

Global experience on management team

**English Expansion**

- UK
- Germany
- UAE
- Qatar
- South Africa
- Turkey
- India
- Philippines

**Spanish Expansion**

- Mexico
- Colombia
- Peru
- Ecuador

**U.S. non-military market:**
Mature, low-growth, highly competitive[13]

**Developing countries:**

Online learning growth[13]

**10%-15% annually**

Middle Class expansion[14]

**2x in the next decade**

driving demand for high quality online degrees

Visa barriers reducing new grad students[15]

**-15% by Fall 2025**

fueling shift to credible online options

# Digital Transformation and AI Implementation to Accelerate Scale



# AI-Powered Transformation Across the Lifecycle

Leveraging AI, RPA, and Automation to Scale APUS by Improving Efficiency, Enhancing Quality, and Reducing Delivery Costs

## Marketing & Enrollment

**Value:** Increase conversion and optimize outreach

**Expected Outcomes:**

- Increased conversion
- Faster follow-up and routing
- Improved advisor productivity

## Teaching & Learning

**Value:** Efficiency and quality in course creation and delivery

**Expected Outcomes:**

- Reduced course creation cost
- Increased student to instructor ratio
- Consistent academic quality

## Student Experience

**Value:** Engagement, retention, learning outcomes

**Expected Outcomes:**

- Higher retention
- Measurable boost in satisfaction
- Data-driven student success

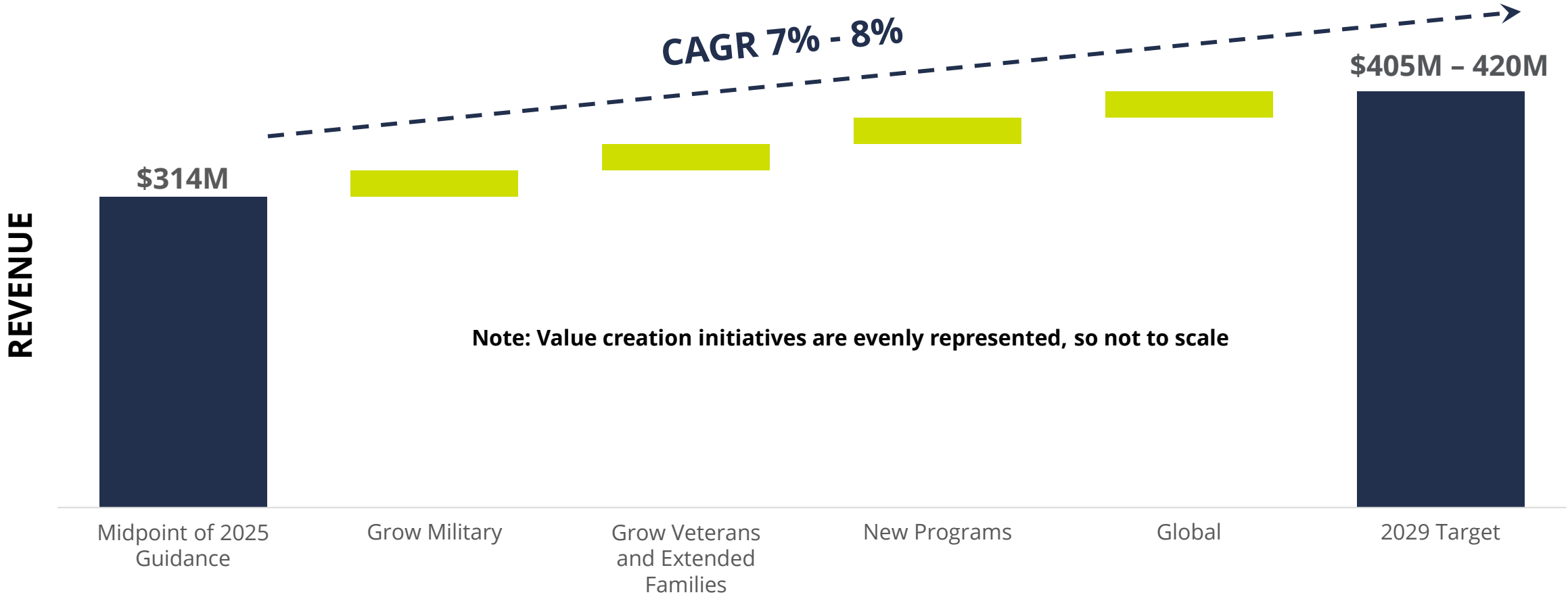


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3. Executing the Four-Year Plan

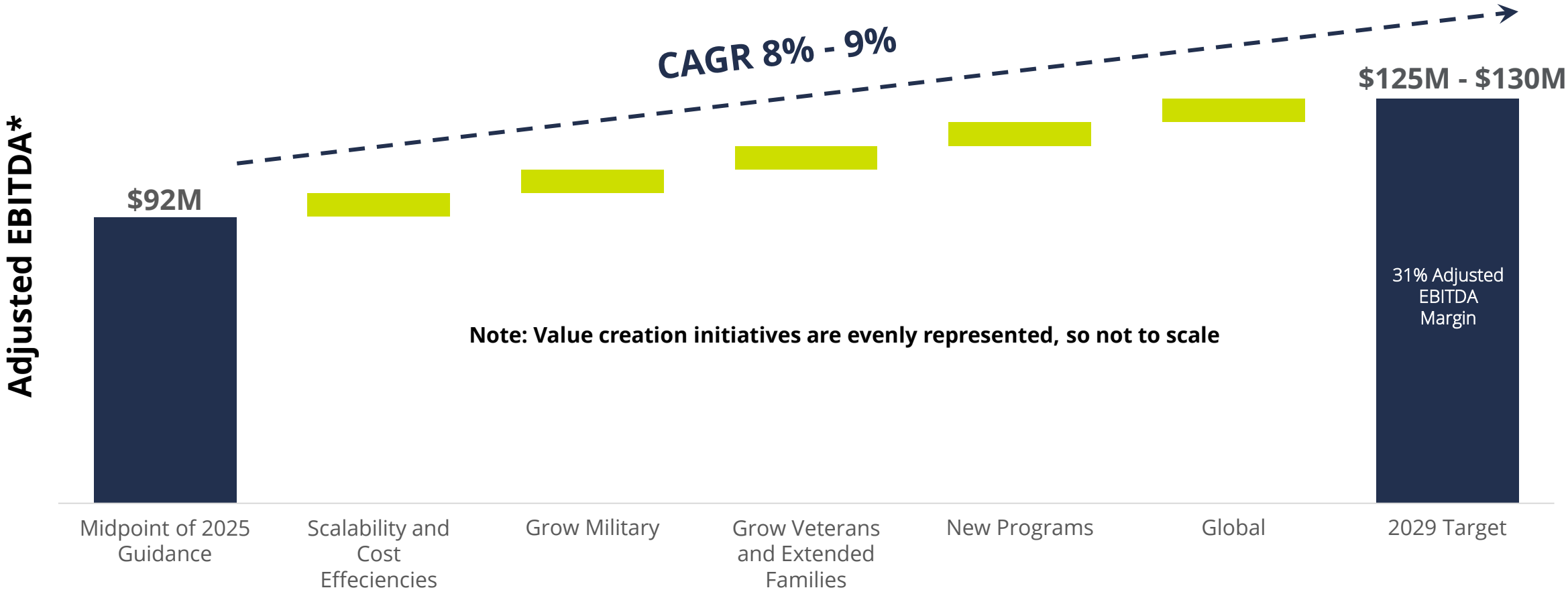
# Impact of Value Creation Initiatives

## Revenue Increases $91M to $106M



# 2025-2029 Adjusted EBITDA* Growth Trajectory

## Impact of Growth Levers and Value Creation Initiatives




* Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as severance, and non-cash expenses, such as stock compensation) and Adjusted EBITDA margin are non-GAAP financial measures. Please refer to Appendix for GAAP to non-GAAP reconciliation.




# Today's Three Takeaways

1. Recent Performance and Momentum
2. How APUS Global Wins: Profitable Growth Through the Purpose-Built Model
3. Executing the Four-Year Plan

APUS Global AMU

# Thank You

NOVEMBER 20, 2025

RU Health+

# Investor Day

November 20, 2025

Mark Arnold, President, Rasmussen University

Dwayne Bertotto, Chief Operations Officer, Rasmussen University

apei American Public Education, Inc.


RASMUSSEN
UNIVERSITY

# Mark Arnold

## President, Rasmussen University



- 20+ years of experience in healthcare services as an executive leader (CEO, COO, CDO), Wall Street research analyst and consultant
- Past 15 years scaling two facility-based, multi-state healthcare organizations in radiology and mental health
- Joined Rasmussen in January 2025 as it embarks on a new era of growth and expansion of its healthcare-focused campuses and online programs

# 38 Years of Nursing Excellence

Introducing Rasmussen University and Hondros College of Nursing

## Rasmussen University:
## 20 Years of Nursing Excellence;
## 125 Years of Educational Excellence

1900 Rasmussen Practical School of Business founded

2001 Earned accreditation through the Higher Learning Commission

2005 Launched first nursing program

2016 Launched MSN, graduate programs

2021 APEI acquisition

Market Inflection Point

## Hondros College of Nursing:
## 18 Years of Nursing Excellence

2007 Hondros College of Nursing founded

2013 APEI acquisition

2019, 2021 Ohio campus expansion

2020 Indiana expansion

2022 Michigan expansion

# Introducing RU Health+

## Significant Market Tailwinds

**Market demand for nursing is large and growing**

Strong education ROI with LPN and RN **salaries averaging $62K and $93K**, respectively in the markets we serve[1]

## RU and HCN Differentiators

**Frictionless access** and **superior service**

An **entry point for any student** with full ladder of nursing and allied health degrees

A jumping off point through the **26* campuses in eight states**

## Revenue and Cost Synergy Opportunities

Expand RU campus programs to HCN

Expand healthcare and other online programs to HCN

**$2M of cost savings** implemented in Q4'25 with more to follow

* Rasmussen intends to voluntarily close two Wisconsin campuses, effective December 31, 2025, and 2026, respectively.

# Market Demand for Nursing Is Large and Growing

Annual openings through 2030[1]

**200K+**

Nursing workforce over age 50[2]

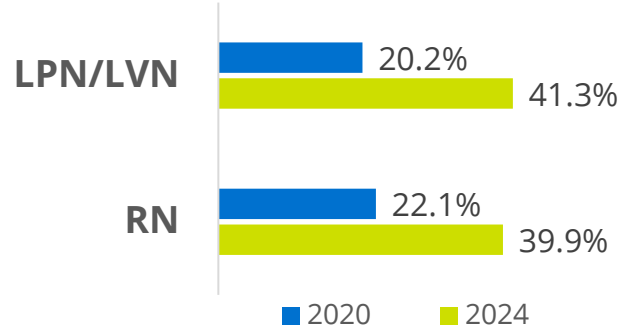
**50%**

Of retirement-eligible nurses,

**50+%**

expected to retire in the next three years[3]

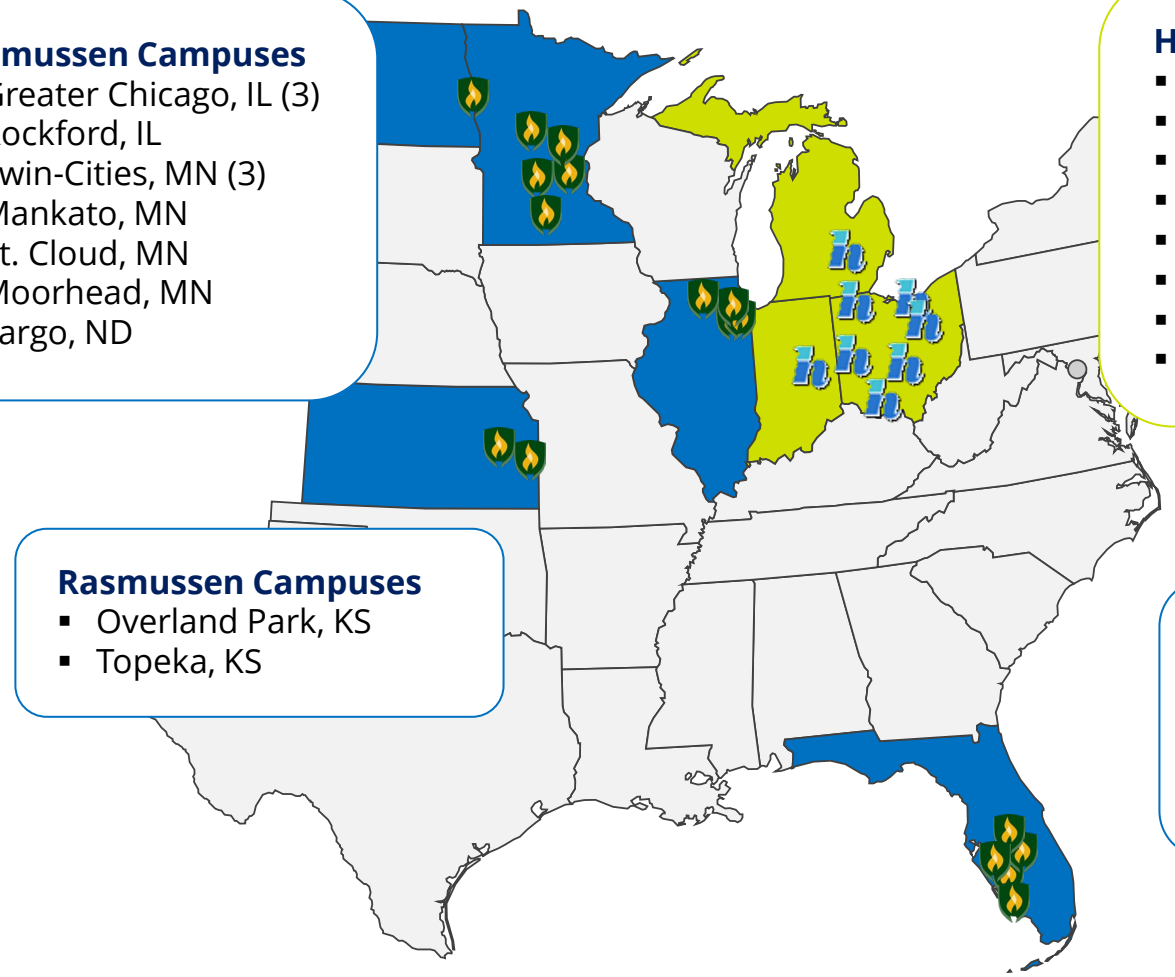
% of nurses who intend to leave in next 5 years has increased dramatically[2]



# RU Health+ Operates 26* Campuses in Eight States

**Rasmussen Campuses**
- Greater Chicago, IL (3)
- Rockford, IL
- Twin-Cities, MN (3)
- Mankato, MN
- St. Cloud, MN
- Moorhead, MN
- Fargo, ND

**HCN Campuses**
- Indianapolis, IN
- Detroit, MI
- Toledo, OH
- Cleveland, OH
- Akron, OH
- Dayton, OH
- Cincinnati, OH
- Columbus, OH



**Rasmussen Campuses**
- Overland Park, KS
- Topeka, KS

**Rasmussen Campuses**
- Orlando, FL
- Ocala, FL
- Tampa Metro, FL (2)
- Fort Meyers, FL

* Rasmussen intends to voluntarily close two Wisconsin campuses, effective December 31, 2025, and 2026, respectively.

# RU Health+ Revenue Synergies for HCN

## Full Nursing Program Ladder - Campus and Online

**Post-Licensure**
*Online*

**Pre-Licensure**
*Campus and Blended*

| | RU | HCN |
|---|---|---|
| Doctor of Nursing Practice (DNP) | • | |
| Family Nurse Practitioner (Masters) 2022 | • | |
| Master of Science in Nursing (MSN) | • | |
| RN (BSN) to MSN | • | |
| RN (ADN) to BSN | • | |
| Accelerated (ABSN) and Traditional (BSN-RN) Bachelor of Science in Nursing | • | |
| Associate Degree Nurse (RN-ADN) | • | • |
| Practical Nursing Diploma (LPN) | • | • |

- **Laddered program** that encompasses nursing education lifecycle
- **ADN program** has significant enrollment reflecting market demand
- **Multiple entry points** attractive for diverse populations
- **15 additional programs** in Allied Health and Healthcare Administration



# Today's Three Takeaways

1. Who We Are
2. How We Execute on the Nursing Opportunity
3. Delivering the Four-Year Plan

# Introducing RU Health+

## Market Leader in High-Demand Healthcare Education




- A national leader in first licensure nursing[4]
  - Offering ADN, BSN and PN programs
- Approximately 10,000 nursing enrollments annually
- Comprehensive ladder of post-licensure nursing programs
- Offer over 15 allied health and health science programs

# Introducing RU Health+

## Education that Leads to Lifetime Health Careers

- Easy access and student-service focused
  - One (HCN) and two (RAS) starts each quarter
  - Immediate entry into nursing programs
  - Student-centric and service-minded staff and faculty
- Complementary programs that ladder to next degree or credential
  - Campus Healthcare
  - Online Healthcare
  - Online Plus
- Over 900 new students from alliance partners in last 12 months



# Introducing RU Health+

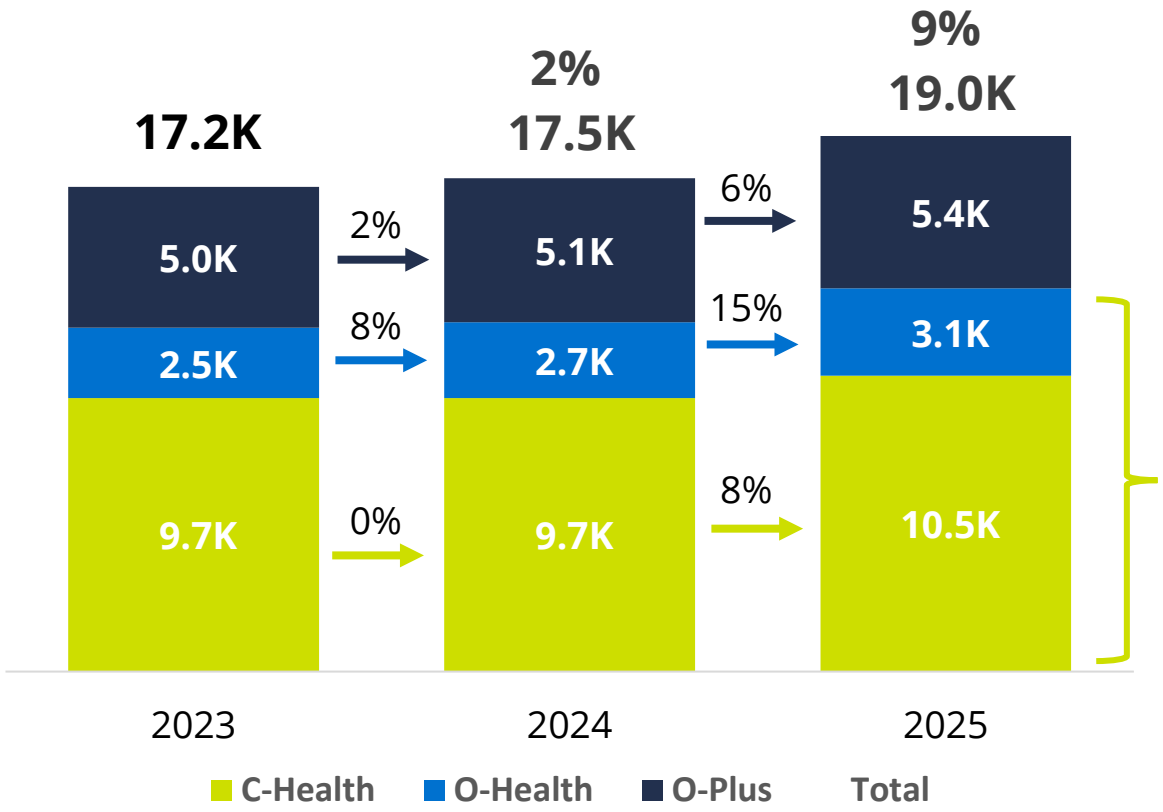
## Foundation for Growth Established



- Enrollment growth:
  - RU:  Six straight quarters of YOY enrollment growth
  - HCN:  23 straight quarters of YOY enrollment growth
- Improved student NCLEX outcomes
- Dramatic improvement in profitability in 2025
- Value proposition built around access, service and return on educational investment

# RU Health+

## 2023-2025 Average Annual Active Enrollment Accelerated to 9% Growth




~ 3,100 students in online health

~13,600 students in nursing, allied health, and other health sciences programs

C-Health: Campus Healthcare Programs
O-Health: Online Healthcare Programs
O-Plus: Online Other Programs

# RU Health+

## Campus Nursing and Health Programs

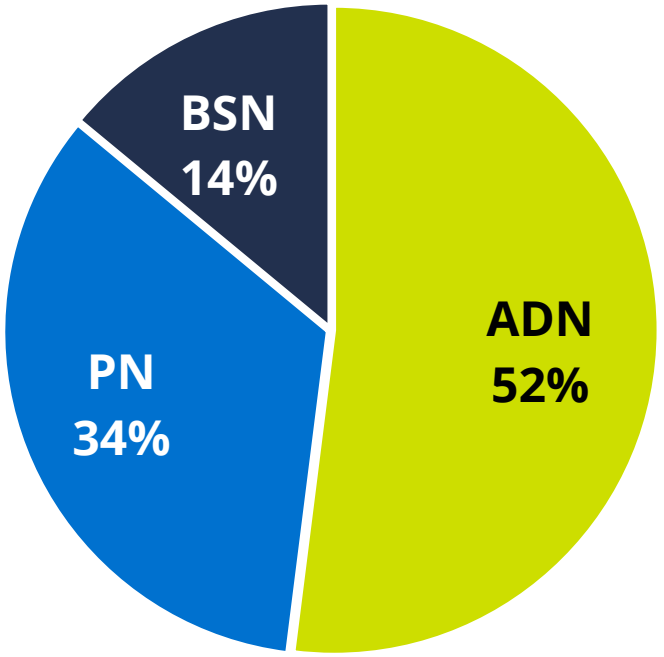
A national leader in first licensure nursing, including ADN, BSN and PN programs[4]

Allied Health programs offered at many campuses, including:

- Medical Assisting (10)
- Radiologic Technologist (4)
- Surgical Technologist (4)
- Physical Therapy Assistant and Medical Laboratory Technologist (3)

Academic programs delivered at 26* campus locations in eight states

**Current Pre-licensure Nursing Mix**



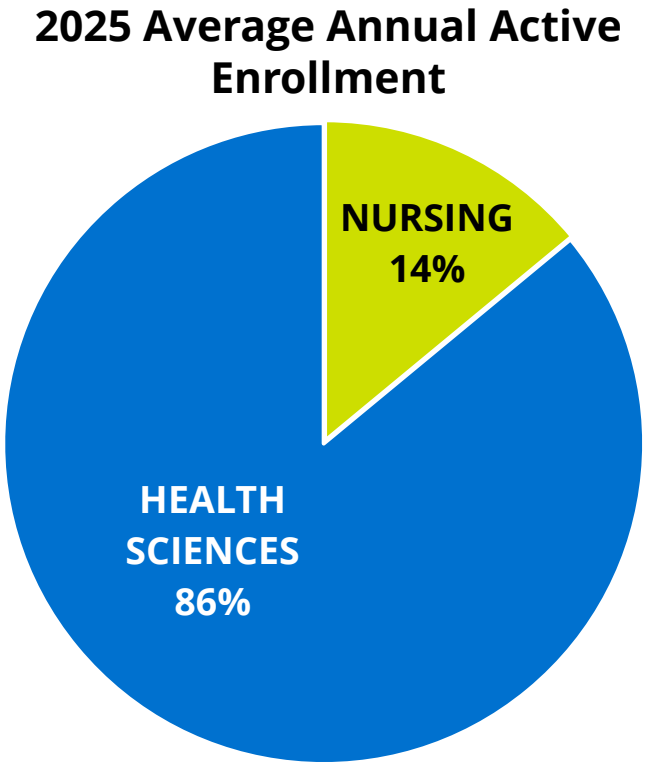

* Rasmussen intends to voluntarily close two Wisconsin campuses, effective December 31, 2025, and 2026, respectively.

# RU Health+

## In-demand, Online Health Programs for over 3,100 Students

Preparing students for careers in nursing and healthcare.
Growing at double-digit rates.

- Comprehensive ladder of Post-licensure Nursing (RN-BSN, MSN, DNP)
- Healthcare Administration
- Medical Technology
- Health and Wellness and Public Health
- Pharmacy Tech



# RU Health+

## Online Plus Programs

Online Plus programs prepare students for growing workforce needs

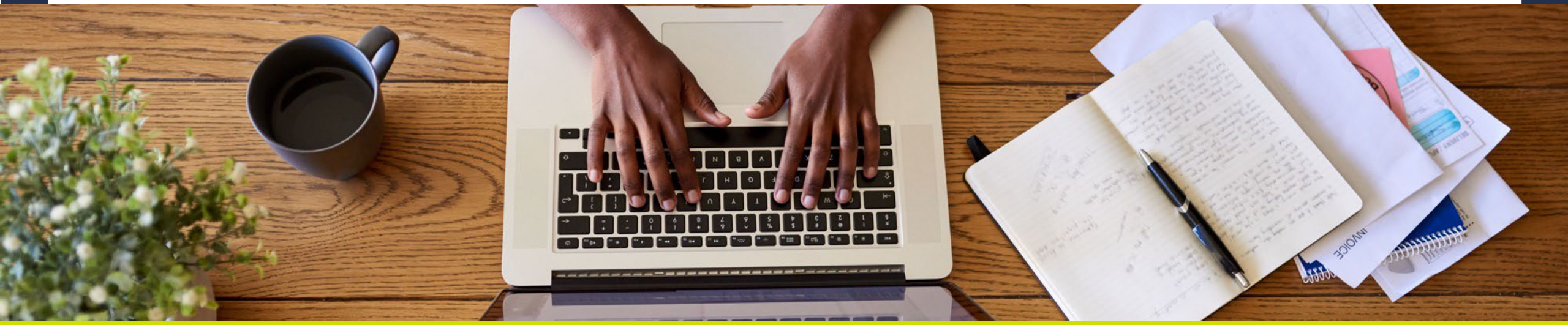
- Business
- Education and Criminal Justice
- Technology
- Design

Over 5,000 students growing at mid-single-digit rate

More than 350 corporate alliance partners representing over 6 million employees

Programs designed for students to seamlessly advance to next credential or degree

- Roughly 13% of new enrollments are previous graduates seeking additional credentials



# RU Health+

## Rasmussen Advantage Presents Significant Opportunity in HCN Markets

### Rasmussen Campus Health Drives Online Growth (and vice versa)

States with campuses generate

**7-30x**
**more online leads**

States with campuses have

**3x**
**more online starts**

Of all online starts

**40%**
**are within 30 minutes of a campus**

### Synergistic Benefit of RU Health+

- Replicating the online brand awareness would require significant additional marketing spend
- Online geographic growth follows campus expansion



# Today's Three Takeaways

1. Who We Are
2. How We Execute on the Nursing Opportunity
3. Delivering the Four-Year Plan

# RU Health+

## With RU Growth Restrictions Lifted, How We Win Today and Tomorrow



Add more students to existing campuses utilizing capacity



Add new campuses and enter new markets



Cross-pollinate existing programs across existing RU+HCN campuses and markets



Add new programs and new partnerships

**By 2029, a path to:**

**$485M - $505M** in Revenue

**18% - 20%** Adjusted EBITDA* margin

* Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as severance, and non-cash expenses, such as stock compensation) and Adjusted EBITDA margin are non-GAAP financial measures. Please refer to Appendix for GAAP to non-GAAP reconciliation.

# RU Health+

## Four Healthcare Value Creation Initiatives



**Fill the Back Row**



**Hand in Hand**



**Leverage the Ladder**




**Trailblazer Expansion**

# Dwayne Bertotto

## Chief Operations Officer, Rasmussen University



- 19 years of experience in higher education with over 18 years at Rasmussen University
- Served in an executive leadership role for past 14 years focused on recruitment, retention and operational oversight of our campus and online business
- Former Chief Growth Officer of Columbia Southern University, returned to Rasmussen University in 2023 to take on leadership for enrollment growth in healthcare and online programs

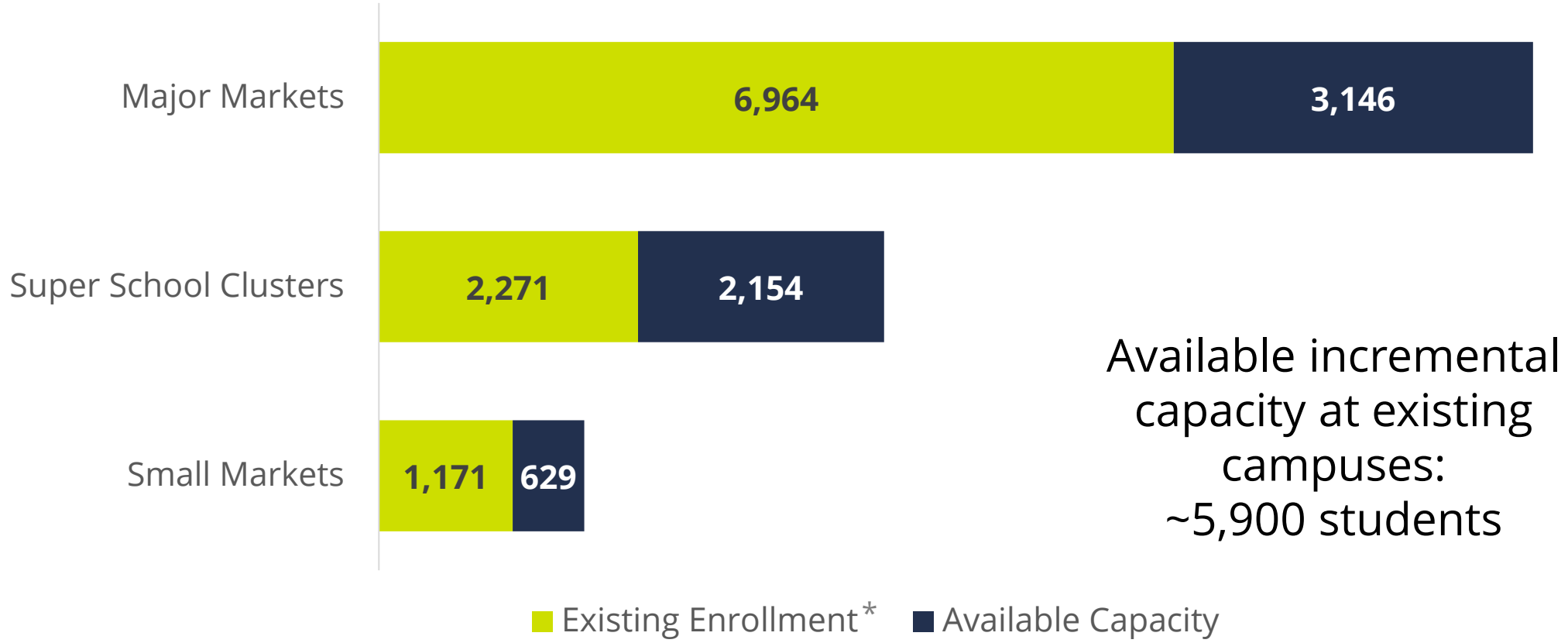
# Fill the Back Row

Maximize Current Campus Enrollment



# Fill the Back Row

## Grow Enrollments with Minimal Incremental Overhead




Available incremental capacity at existing campuses:
~5,900 students

* Actual Active Enrollment as of Q4 2025

# Fill the Back Row

Cross-pollinate Programs and Increase Enrollment Caps

### 2026 program expansion per campuses

- BSN: Three campuses
- ADN: One campus
- PN: Two campuses
- Rad Tech: One campus

### 2026 program "cap" expansion

- Rad Tech: Two Campuses
- ADN: Two Campuses

### By 2029 program expansion initiatives

- BSN: Ten campuses
- ADN: Three campuses
- PN: Six campuses
- Rad Tech/: Eight campuses Surg Tech

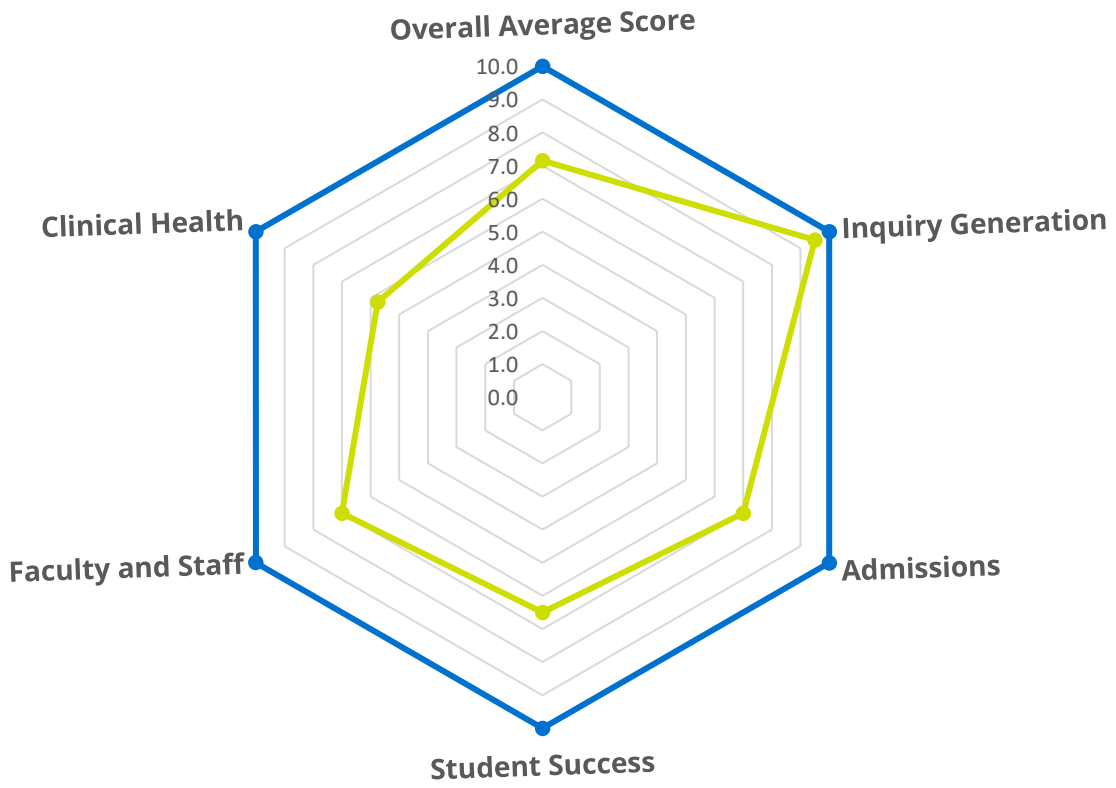
# Fill the Back Row

Relentless Focus on Execution Excellence

## Essential Drivers for Growth

- Clinical Opportunities
- Faculty Staffing
- Inquiry Generation
- Admission Operations
- Student Success

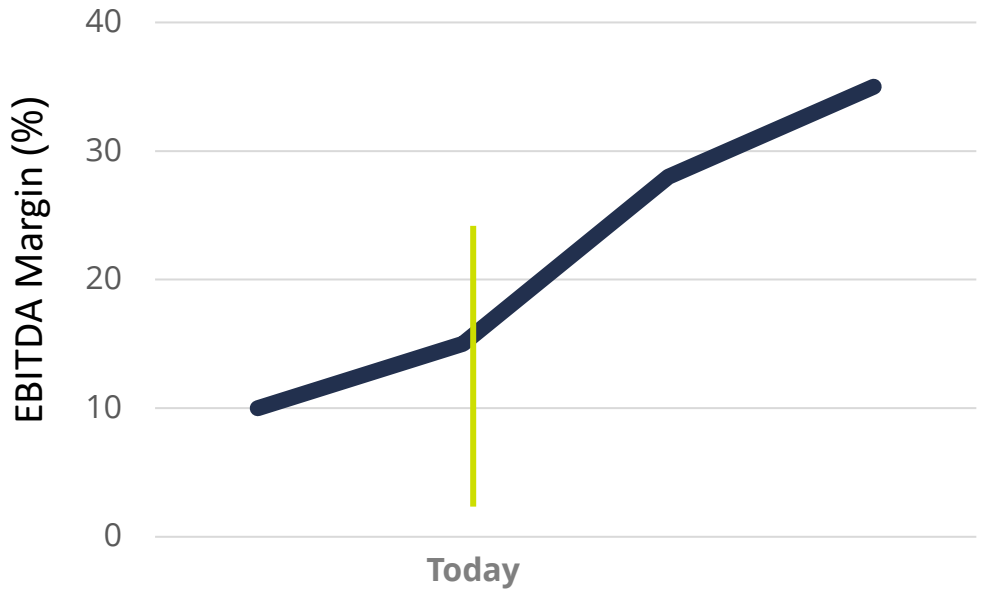
**Illustrative Campus**



# Fill the Back Row

## Strong Fundamentals with Attractive Unit Economics

### Driving Increased Margins




Illustrative Impact of 100 Students

- Every 100 students - $2M revenue per annum
- Flow through margins @ ~50% = $1M EBITDA

### Revenue Model

- Midpoint of nursing annual tuition ~$20,000
- Program length 18-24 months

### Leverage Fixed Costs

- Occupancy/rent
- Campus management
- Central operations and leadership
- APEI shared services

# Leverage the Ladder

Accelerate Healthcare Upskilling
and Career Advancement



# Leverage the Ladder

## Full Nursing Program Ladder - Campus and Online

**Post-Licensure**
*Online*

**Pre-Licensure**
*Campus and Blended*

| | RU | HCN |
|---|---|---|
| Doctor of Nursing Practice (DNP) | • | |
| Family Nurse Practitioner (Masters) 2022 | • | |
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- **Laddered program** that encompasses nursing education lifecycle
- **ADN program** has significant enrollment reflecting market demand
- **Multiple entry points** attractive for diverse populations
- **15 additional programs** in Allied Health and Healthcare Administration

hand in hand
healthcare workforce solutions

# Creating a New Connected Model to Address the Nursing Shortage



# Hand in Hand

A New Connected Model

## The Challenge: Status Quo

**Traditional model yields:**

**Graduates with low "stickiness,"** ineffective onboarding, and curricula disconnected from real-world tools.

New nurses enter the workforce **not "job ready,"** requiring costly and time-consuming post-graduation training.

System saddles **students with debt, while health systems rely on stop-gap solutions** (staffing agencies) who are disproportionately enriched.

hand in hand
healthcare workforce solutions

**Our Vision: A New Connected Model**

We believe there is a **significant opportunity** to create better financial and clinical outcomes for health systems AND improved access and affordability for students.

This is achieved by **"flipping the script"** and disintermediating the status quo, building a direct, integrated pipeline.

# Hand in Hand

## Modernizing the Traditional Clinical Model




### Creating Value for Partners

- Student educational experience customized for partners' way of delivering care
- Increase familiarity with future employees through clinicals
- Creates preferential hiring pipeline
- Long-term partnership creates predictability

### Creating Value for Students

- One location for clinical placements
- Known employment after graduation
- Apprenticeship opportunities during education
- Employer tuition support programs

# Trailblazer Expansion

Adding New Campuses to Meet Nursing Demand



# Trailblazer Expansion

## Strategic & Achievable New Campus Growth

### Expansion Pace

- Target two campuses annually starting 2026
- 18-24 month development cycle per campus

### Capital Requirements

- Target ~$3.5M per campus
- Funded from operating cash flow
- Strong balance sheet provides flexibility

### Expected Returns

- Break-even: ~18 months
- Full capacity: 48 to 60 months
- Revenue at scale: ~$12M
- EBITDA margins at scale: ~35%
- IRR: ~39%

Disciplined pace maintains quality, deploys capital efficiently, and avoids overextension

# Trailblazer Expansion

Multi-faceted Analysis of New Markets



**Total Addressable Market**



**Employment Demand**



**Regulatory Landscape**



**Presence of Competitors**



**Availability of Nurse Educators**



**Availability of Clinical Partners**

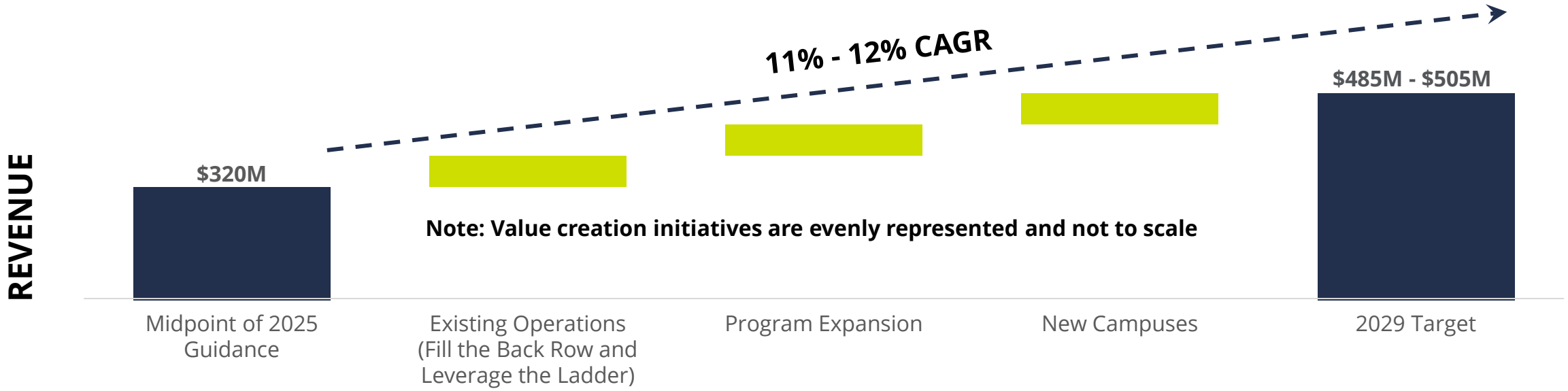


# Today's Three Takeaways

1. Who We Are
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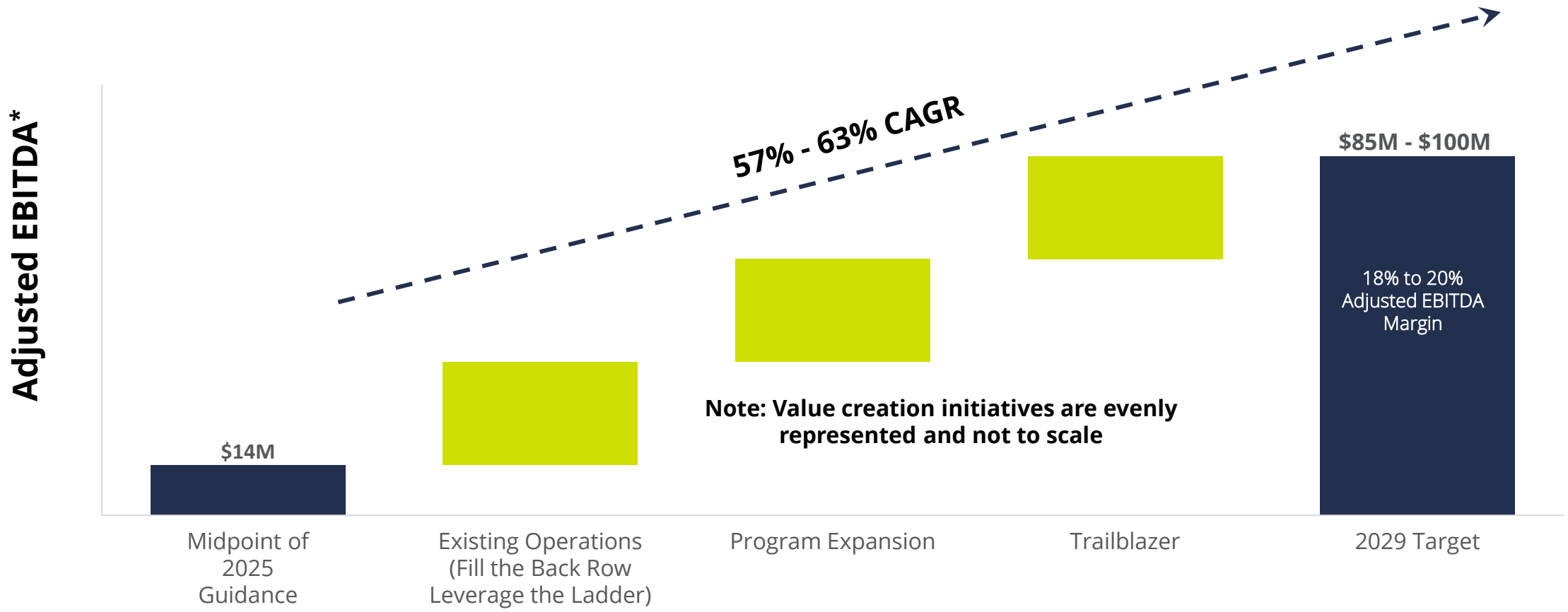
# 2025-2029 Revenue Growth Trajectory

## Impact of Growth Levers and Value Creation Initiatives



# 2025-2029 Adjusted EBITDA* Growth Trajectory

## Impact of Growth Levers and Value Creation Initiatives




* Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as severance, and non-cash expenses, such as stock compensation) and Adjusted EBITDA margin are non-GAAP financial measures. Please refer to Appendix for GAAP to non-GAAP reconciliation.

RU Health+

# Thank You

NOVEMBER 20, 2025

American Public Education, Inc.

# Four-Year Financial Outlook Investor Day

November 20, 2025

Edward Codispoti, APEI Chief Financial Officer

# Edward H. Codispoti

## EVP and CFO, American Public Education, Inc.



- Former CFO, NV5 Global, Inc., a global engineering and technology firm.
- Former CFO, Ilumno Holdings, Inc., a provider of higher education technology solutions to universities in Latin America, driving growth and advancing higher education and student outcomes.
- Extensive M&A expertise, having led numerous acquisitions and strategic transactions across multiple industries.

# Our Growth Story

Strong enrollment and revenue growth trends across Education Units

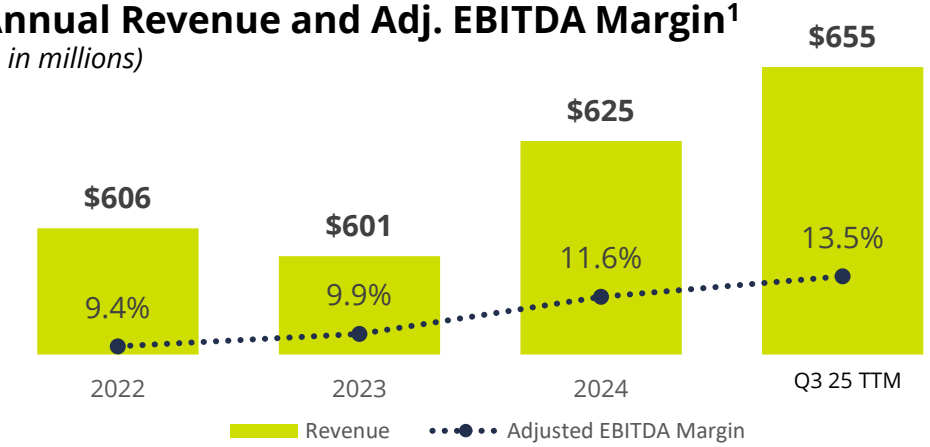
| | Enrollment[1] | Revenue[2] | Comments |
|---|---|---|---|
| **APUS** | 8% ↑ | 5% ↑ | Accelerating enrollment through market share gains and new segments |
| **Rasmussen** | 10% ↑ | 12% ↑ | Filling the back row at the campuses |
| **Hondros College of Nursing** | 18% ↑ | 14% ↑ | New campuses and program expansion |
| **Graduate School USA** ***(Sold July '25)*** | | -44% ↓ | Not a strategic fit for our long-term plan |
| **Total** | | 7% | 2% higher, or 9% if excluding Graduate School USA |

1. Enrollment as of September 2025 compared to September 2024.
2. Comparison of revenue in the trailing twelve months (TTM) ended September 30, 2025 to the TTM period ended September 30, 2024.

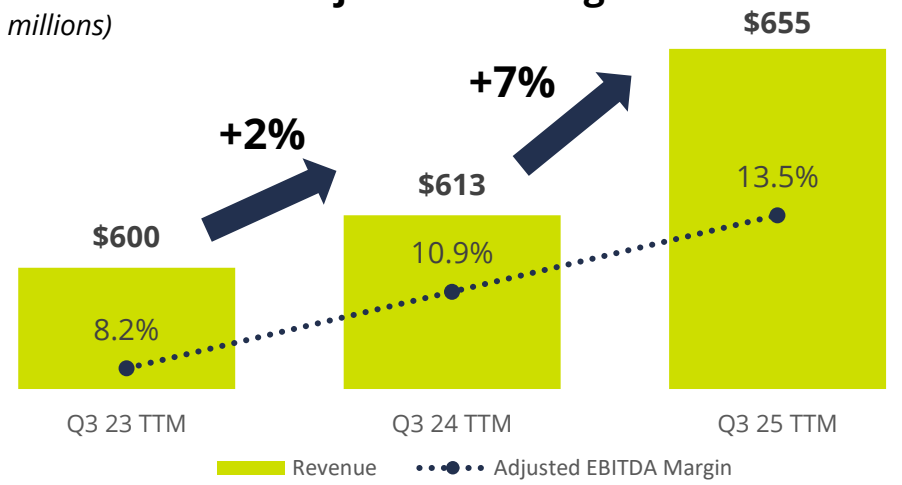
# Revenue Growth and Margin Expansion

## Beginning to Show Accelerated Growth - TTM 3Q'24 to 3Q'25

**Annual Revenue and Adj. EBITDA Margin[1]**
*($ in millions)*




**TTM Revenue and Adj. EBITDA Margin[1]**
*($ in millions)*

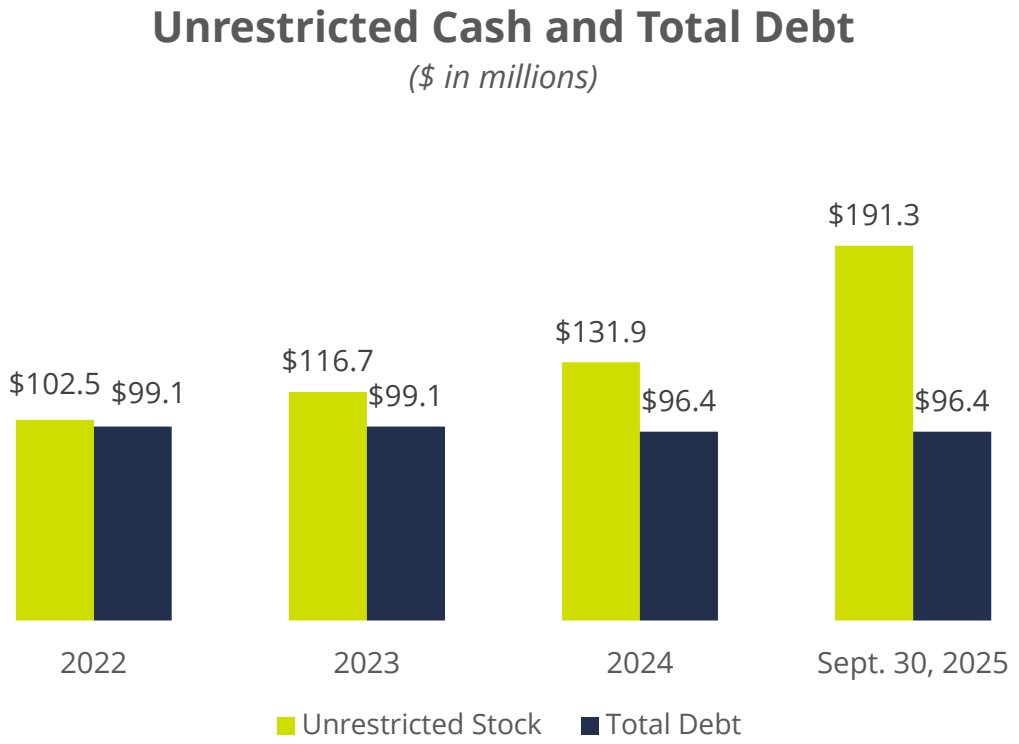



- 3% Revenue CAGR from 2022 – Q3 25 TTM
- 7% revenue growth (TTM) as of 9/30/25 compared to 9/30/24
  - ✓ ***9% revenue growth excluding GSUSA*** *(sold in July 2025)*
- Growth initiatives at APUS and RU Health+ aim to accelerate revenue growth going forward
- Operational execution driving further margin expansion

1. Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as severance, and non-cash expenses, such as stock compensation) and Adjusted EBITDA margin are non-GAAP financial measures. Please refer to Appendix for GAAP to non-GAAP reconciliation.

# Strengthening Financial Position

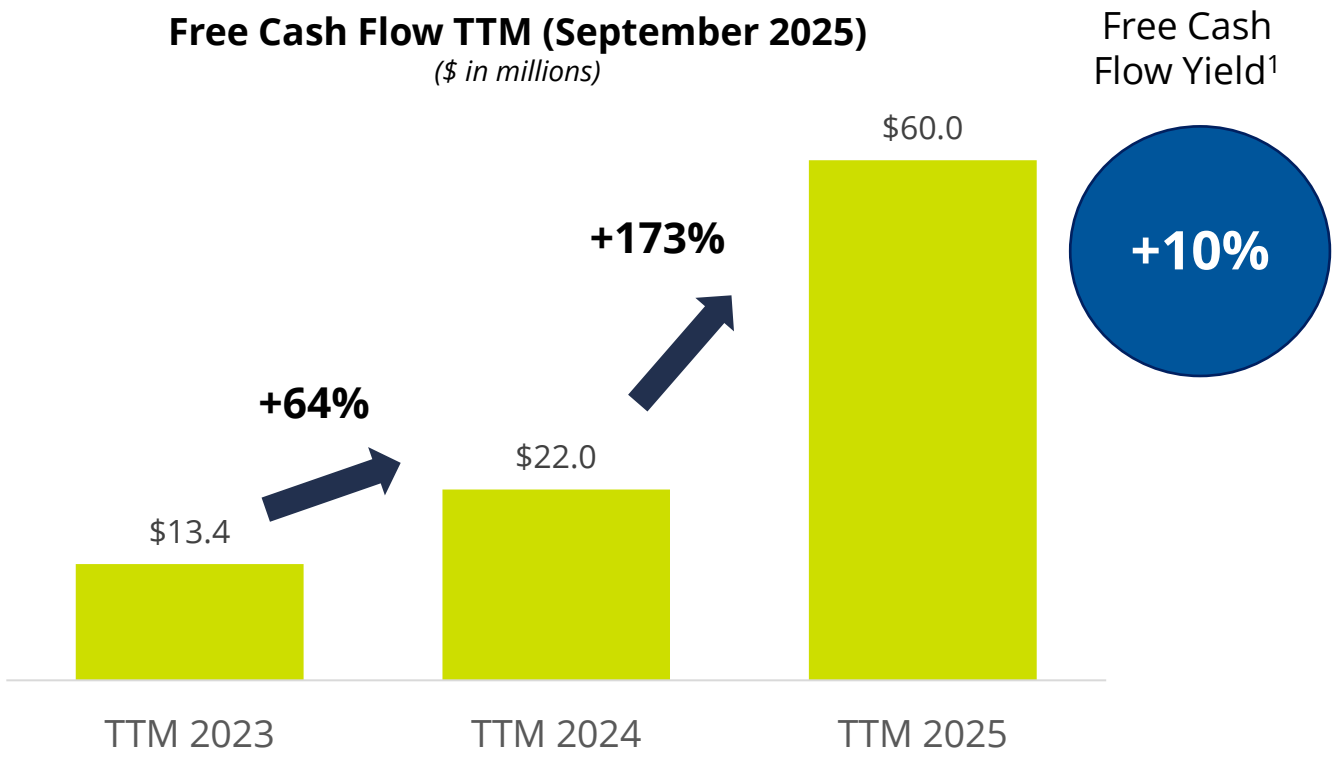
Increasing cash position and decreasing leverage ratios




- In 2Q'25 we redeemed our preferred equity, saving ***$6 million*** annual cash outlay
- Through sale of Graduate School USA, eliminated lease obligation of $28 million, annual pre-tax savings ***$4 million***
- Release of ***$24.5 million*** collateralized for a letter of credit, previously held as restricted cash

# Our Cash Flow Strength

## Driving accelerating Free Cash Flow[1] through execution and margin expansion




### Accelerating Cash Flow Generation

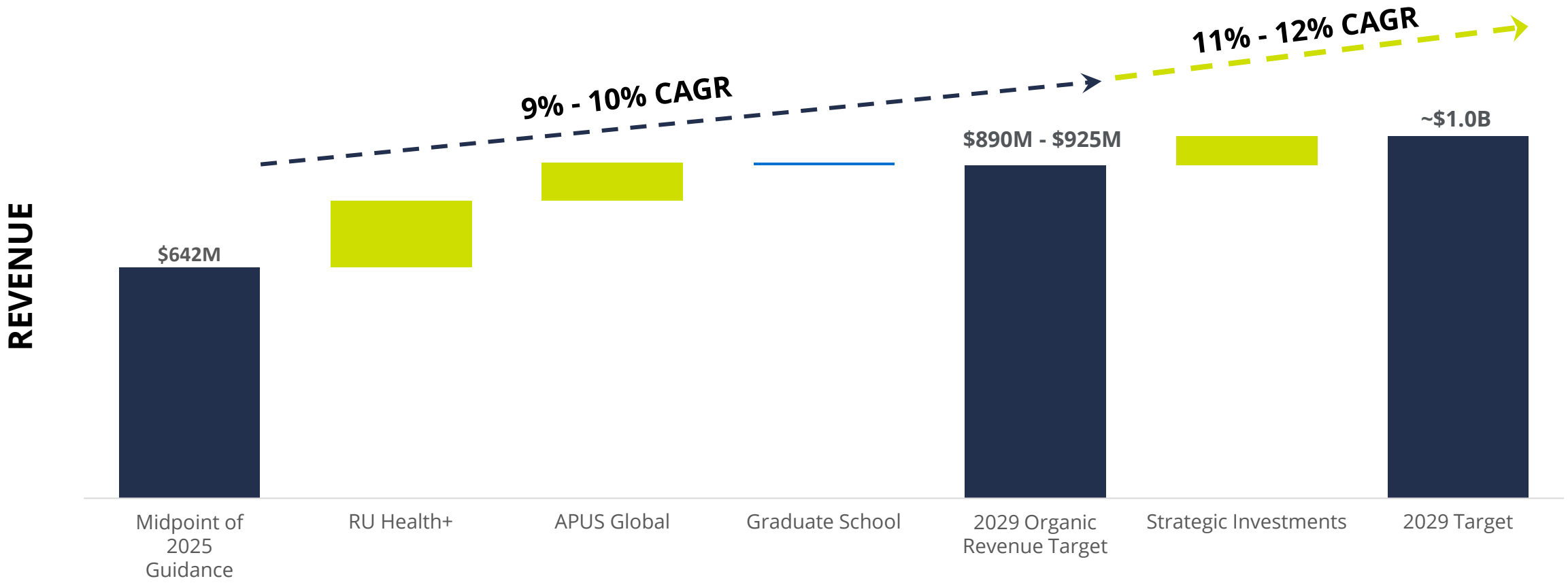
- Higher operating leverage at Rasmussen producing accelerating margins
- Driving higher margins leads to accelerating cash flow
- Higher cash flow and cash saving moves should translate to ***accelerating Earnings per Share***

1. Free Cash Flow is defined as Cash Flows from Operating Activities less capital expenditures. Free Cash Flow is a non-GAAP financial measure. Free Cash Flow Yield is defined as Free Cash Flow for the TTM period ended September 30, 2025, divided by market capitalization as of November 12, 2025. Please refer to Appendix for GAAP to non-GAAP reconciliation.

# 2025-2029 Revenue Growth Trajectory

## Impact of Growth Levers and Value Creation Initiatives

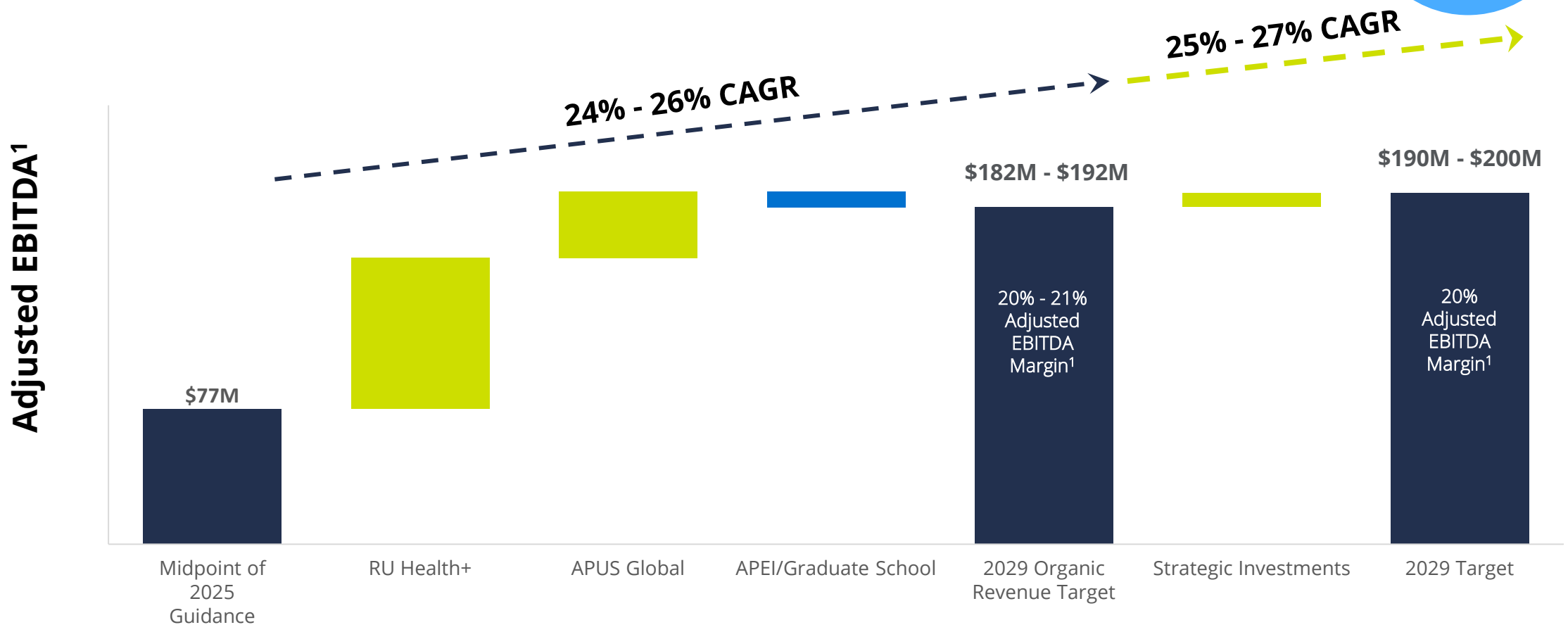
**9-10%**



# 2025-2029 Adjusted EBITDA[1] Growth

## Impact of Growth Levers and Value Creation Initiatives

24-26%




1. Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as severance, and non-cash expenses, such as stock compensation) and Adjusted EBITDA margin are non-GAAP financial measures. Please refer to Appendix for GAAP to non-GAAP reconciliation.

# Capital Allocation Overview

## Disciplined, Balanced, and Aligned with Long-Term Value Creation

**$300 - $400 million of expected cumulative cash generation from 2026 through 2029**

### Fund the Business

- Intelligent Systems
- Campus Modernization

### Growth Initiatives

- New Campuses
- Program Expansion

### Tuck in Acquisitions

- Geographic opportunities
- Enter states with high regulatory barriers

### Return to Shareholders

- Share Repurchases to offset new share issuances
- Opportunistic share repurchases

# Key Financial Growth Targets

## APEI Targets Revenue Growth and Adjusted EBITDA[1] Margin Expansion

**2029 Targets[2]**

| Organic Revenue CAGR | Revenue | Adjusted EBITDA[1] Margin | Adjusted EBITDA[1] |
|---|---|---|---|
| 9-12% | ~ $1.0 B | 20-21% | $190M - $200M |

1. Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as severance, and non-cash expenses, such as stock compensation) and Adjusted EBITDA margin are non-GAAP financial measures.
2. Includes assumptions for potential acquisitions. See Slides 7 and 8.

American Public Education, Inc.

# Thank You

NOVEMBER 20, 2025

American Public Education, Inc.

# CEO Summary

November 20, 2025

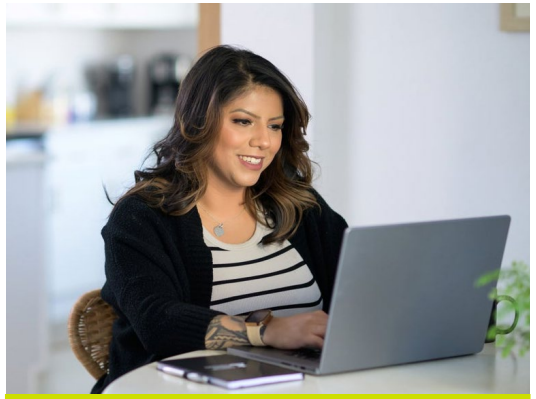
Angela Selden, APEI Chief Executive Officer

# APUS Global 2026-2029 Growth Strategy

## Five Value Creation Initiatives for Profitable Growth and Cost Optimization



Maximize Active-Duty Military Growth *



Accelerate Growth with Veterans and Military Families



Expand New Degree Programs



Introduce Global Expansion in English and Spanish



Digital Transformation and AI Implementation to Accelerate Scale

* Image Ccourtesy of DoD. The appearance of Department of Defense (DoD) visual information does not imply or constitute DoD endorsement.

# RU Health+ 2026-2029 Growth Strategy

## Four Healthcare Value Creation Initiatives



**Fill the Back Row**



**Hand in Hand**

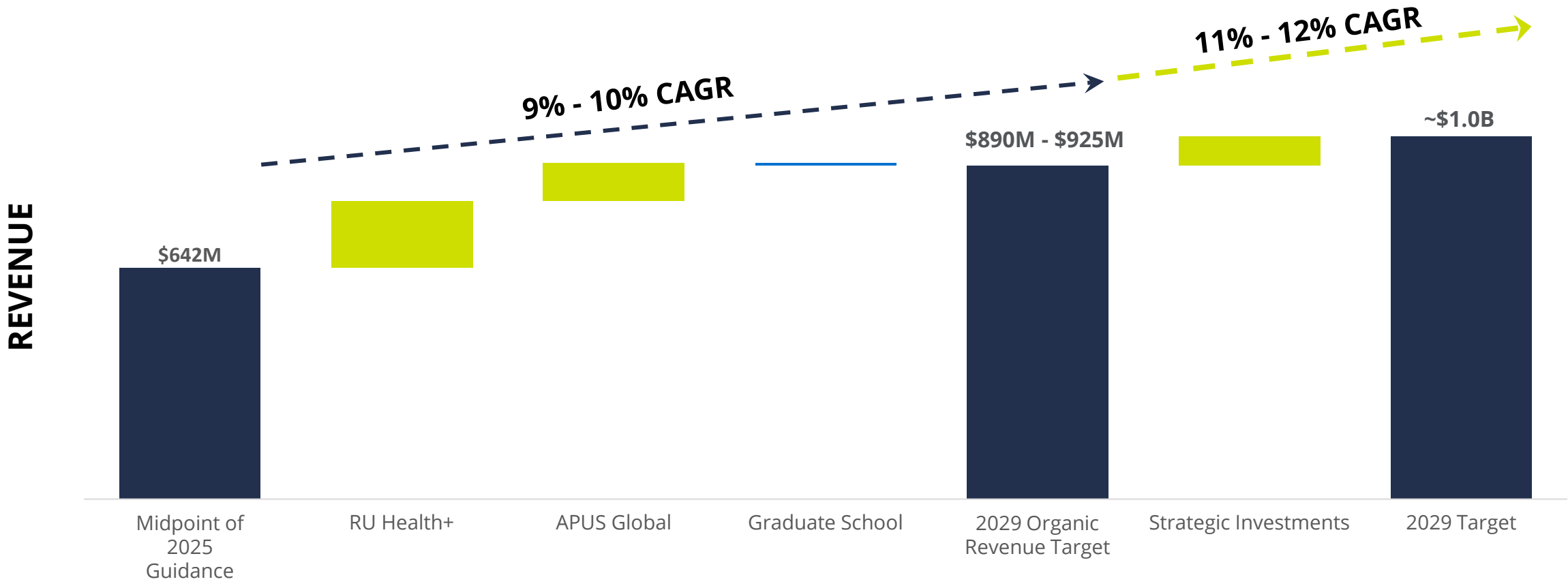


**Leverage the Ladder**



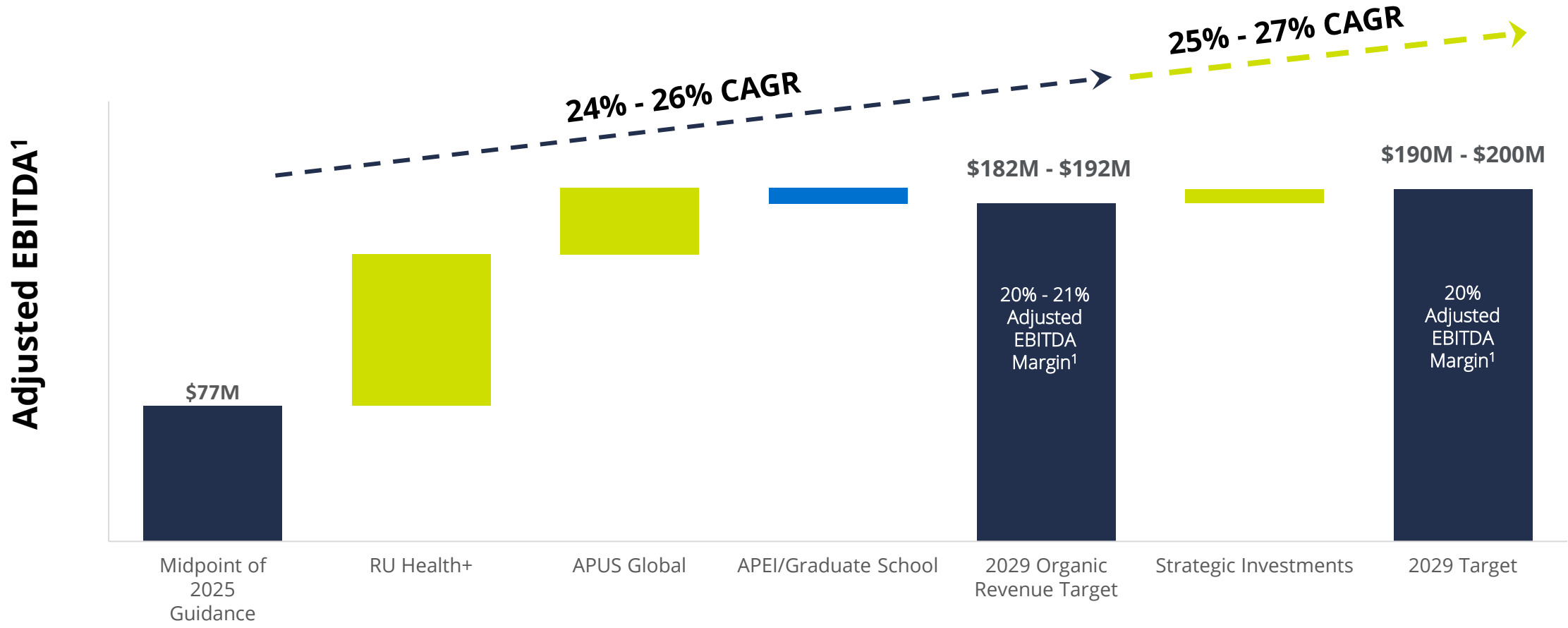

**Trailblazer Expansion**

# Our Next Chapter: 2025-2029 Revenue Targets



# Our Next Chapter: 2025-2029 Adjusted EBITDA[1] Target

Impact of Growth Levers and Value Creation Initiatives




1. Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as severance, and non-cash expenses, such as stock compensation) and Adjusted EBITDA margin are non-GAAP financial measures. Please refer to Appendix for GAAP to non-GAAP reconciliation.

American Public Education, Inc.

# Introducing Our Leaders Panel

November 20, 2025

Angela Selden, APEI Chief Executive Officer

# Introducing APEI's Leadership Team Panelists



Angela Selden

apei American Public Education, Inc.



Ed Codispoti

apei American Public Education, Inc.



Nuno Fernandes

APUS Global AMU



Mark Arnold

RU Health+ in



Dwayne Bertotto

RU Health+ in



Rick Sunderland

apei American Public Education, Inc.



Gary Janson

apei American Public Education, Inc.



James Kenigsberg

apei American Public Education, Inc.



Karmela Gaffney

apei American Public Education, Inc.

American Public Education, Inc.

# Closing Remarks

American Public Education, Inc.

# Thank You

NOVEMBER 20, 2025

# APEI Non-GAAP Disclosures

## GAAP Outlook Net Income to Outlook Adjusted EBITDA:

The following table sets forth the reconciliation of the Company's outlook GAAP net income available to common stockholders to the calculation of outlook adjusted EBITDA for the twelve months ending December 31, 2025:

| | Twelve Months Ending December 31, 2025 | | |
|---|---|---|---|
| *(in millions)* | **Low** | **Mid-Point** | **High** |
| Net income available to common stockholders | $ 19 | $ 20 | $ 21 |
| Preferred dividends | 3 | 3 | 3 |
| Loss on redemption of preferred stock | 4 | 4 | 4 |
| Net Income | 25 | 26 | 27 |
| Income tax expense | 9 | 10 | 11 |
| Interest expense | 4 | 4 | 4 |
| Loss on minority investment | - | - | - |
| Depreciation and amortization | 16 | 16 | 16 |
| EBITDA | 55 | 56 | 58 |
| Loss on assets held for sale | 2 | 2 | 2 |
| Loss on leases | 0 | 0 | 0 |
| Loss on sale of subsidiary | 3 | 3 | 3 |
| Stock compensation | 8 | 8 | 8 |
| Other professional fees | 4 | 4 | 4 |
| Loss on disposals of long-lived assets | 0 | 0 | 0 |
| Severance | 4 | 4 | 4 |
| Adjusted EBITDA | $ 76 | $ 77 | $ 79 |

# APUS – Appendix: Sources

| # | SOURCE DETAILS |
|---|---|
| 1 | Average based on annual self-reporting each year from 2020 to 2025. |
| 2 | Based on FY 2019 Department of Defense tuition assistance and Veterans Administration student enrollment data, as reported by Military Times, 2020. |
| 3 | NASA Lunar Autonomy Challenge, Finalist Teams, Johns Hopkins APL, 2024–2025. https://lunar-autonomy-challenge.jhuapl.edu/Challenge-Teams/2024-2025/Finalist-Teams/index.php |
| 4 | Zero-out-of-pocket tuition may be possible when the undergraduate Preferred Military Rate is combined with other forms of financial assistance, such as military TA or federal Pell grants. The Preferred Military Rate supersedes all university grants and special promotions and cannot be combined with other special pricing. Please note that a technology fee applies to master's-level courses. |
| 5 | Preferred Military Rate of $250 per credit hour for both undergraduate and master's-level courses is available to all U.S. active-duty servicemembers, National Guard members, Reservists and military families, including parents, spouses, legal partners, siblings, and dependents. |
| 6 | All veterans and family members (parents, spouses, legal partners, siblings, and dependents) are eligible to receive a 10% Veterans Grant on standard undergraduate and 15% for master's-level tuition.<br>Tuition grants cannot be combined and only one tuition grant can be applied per course registration. |
| 7 | (1) The majority of APUS enrollment is military and veteran students, many of whom receive tuition assistance and benefits, possibly decreasing their need for student loan debt; Private non-education loan debt and other forms of personal debt are not considered in the calculation; The calculation includes students who graduated prior to 2006 which is before APUS was approved to offer Financial Aid (students graduating prior to this date would not have been eligible for FSA including student loans); The calculation is degree-specific, meaning it is only calculated on the one degree included in the dataset. Any additional/subsequent degrees achieved at APUS may have incurred student loan debt that is not represented; Student loan debt prior to APUS enrollment or during concurrent enrollment at other institutions is not included; and Includes alumni who graduated with an Associate, Bachelor's or Master's degree only. |
| 8 | List of TA Decide Institutions: https://dhra.appianportalsgov.com/DoD-MOU/page/college-search |

# APUS – Appendix: Sources

| # | SOURCE DETAILS |
|---|---|
| 9 | GI Bill® Comparison Tool: https://www.va.gov/education/gi-bill-comparison-tool/ |
| 10 | Bureau of Labor Statistics, "Employment status of people 25 years and over by veteran status and educational attainment, 2024 annual averages.": https://www.bls.gov/news.release/vet.nr0.htm<br>Lumina Foundation, Veterans without degrees: United States, 2024: https://www.luminafoundation.org/campaign/veterans-without-degrees/ |
| 11 | DoD Personnel, Workforce Reports & Publications site managed by the Defense Manpower Data Center (DMDC): https://dwp.dmdc.osd.mil/dwp/app/dod-data-reports/workforce-reports? |
| 12 | National Center for Education Statistics (NCES), College Enrollment Rates for 18-24 Year Olds, Digest of Education Statistics 2023, Table 302.60. https://nces.ed.gov/programs/digest/d23/tables_1.asp<br>National Student Clearinghouse Research Center (NSCRC), Some College, No Credential Student Outcomes, June 2024. https://studentclearinghouse.org/blog/more-than-36-million-adults-under-65-now-have-some-college-experience-but-no-earned-credential/ |
| 13 | Market assessment of Higher Education in Latam Report, prepared by EY Parthenon for APUS, October 2024. |
| 14 | The future of the middle class in emerging markets: https://www.oxfordeconomics.com/resource/the-future-of-the-middle-class-in-emerging-markets/ |
| 15 | "Fewer International Students Came to the U.S. This Fall": https://www.insidehighered.com/news/global/international-students-us/2025/11/17/fewer-international-students-came-us-fall |

# APUS – Non-GAAP Disclosures

APUS is presenting Adjusted EBITDA for 2022-2024 and outlook Adjusted EBITDA for 2025 and urges investors to review the reconciliations to Operating Income and outlook Operating Income for 2025, respectively that are included in the table below (under the caption "Education Unit Profile Segment Summary") and not to rely on any single financial measure to evaluate its business.

## Education Unit Profile Segment Summary

The following table sets forth the reconciliation of APUS's reported Operating Income to the calculation of Adjusted EBITDA for 2022-2024, and outlook Operating Income to outlook Adjusted EBITDA for 2025:

| | APUS | | | |
|---|---|---|---|---|
| *(in millions)* | **2022** | **2023** | **2024** | **2025** |
| Revenue | $ 285.1 | $ 303.3 | $ 317.0 | $ 314.0 |
| Operating Income | 58.5 | 84.4 | 89.4 | 84.2 |
| + Depreciation and amortization | 6.4 | 5.3 | 4.8 | 3.9 |
| EBITDA | 64.8 | 89.7 | 94.3 | 88.1 |
| Operating Margin | 20.5% | 27.8% | 28.2% | 26.8% |
| | | | | |
| Loss on assets held for sale | - | 2.4 | 1.6 | 1.5 |
| Stock compensation | 1.5 | 1.2 | 1.1 | 1.2 |
| Loss on disposals of long-lived assets | 0.9 | 0.4 | 0.1 | 0.1 |
| Transition services costs | - | - | 1.3 | - |
| Severance | - | - | - | 0.8 |
| Adjusted EBITDA | $ 67.5 | $ 94.0 | $ 98.7 | $ 92.0 |
| | | | | |
| Operating Margin | 20.5% | 27.8% | 28.2% | 26.8% |
| Adjusted EBITDA Margin | 23.7% | 31.0% | 31.1% | 29.3% |

# RU Health+ Appendix - Sources

| # | SOURCE DETAILS |
|---|---|
| 1 | Bureau of Labor Statistics, U.S. Department of Labor, Occupational Outlook Handbook, career information accessed November,2025, https://www.bls.gov/ooh/healthcare/licensed-practical-and-licensed-vocational-nurses.htm, https://www.bls.gov/ooh/healthcare/registered-nurses.htm |
| 2 | 2024 National Nursing Workforce Study-NCSBN |
| 3 | https://www.mcknights.com/news/rn-retirement-wave-is-on-its-way-analysis/: "Of the nurses over age 54 who responded to the AMN Healthcare survey, 62% said they were planning to retire within the next three years." |
| 4 | 2024 IPEDS Conferral Data for ADN and PN |
| | |
| | |
| | |
| | |

# RU Health+ Non-GAAP Disclosures

RU Health+, which includes HCN and Rasmussen, is presenting outlook Adjusted EBITDA and urges investors to review the reconciliation of outlook Operating Income, the most directly comparable GAAP financial measure, to outlook Adjusted EBITDA that is included in the table below (under the caption “Education Unit Operating Income to Adjusted EBITDA") and not to rely on any single financial measure to evaluate its business.

## Education Unit Operating Income to Adjusted EBITDA

The following table sets forth the reconciliation of RU Health+ outlook Operating Income to outlook Adjusted EBITDA for 2025:

| *(in millions)* | HCN 2025 | RU 2025 | RU Health+ 2025 |
|---|---|---|---|
| Revenue | $ 75.0 | $ 245.0 | $ 320.0 |
| Operating Income | (0.5) | 2.4 | 1.9 |
| + Depreciation and amortization | 2.1 | 8.4 | 10.5 |
| EBITDA | 1.6 | 10.8 | 12.4 |
| Operating Margin | -0.7% | 1.0% | 0.6% |
| | | | |
| Stock compensation | 0.2 | 0.5 | 0.7 |
| Loss on leases | - | 0.1 | 0.1 |
| Loss on disposals of long-lived assets | - | 0.2 | 0.2 |
| Severance | 0.6 | - | 0.6 |
| Adjusted EBITDA | $ 2.4 | $ 11.6 | $ 14.0 |
| | | | |
| Operating Margin | -0.7% | 1.0% | 0.6% |
| Adjusted EBITDA Margin | 3.2% | 4.7% | 4.4% |

# APEI Non-GAAP Disclosures

The following table sets forth the reconciliation of the Company's reported GAAP net income to the calculation of adjusted EBITDA, and supplemental financial information, for the twelve months ended December 31, 2022, and three months ended between December 31, 2022 through September 30, 2025.

| (In thousands) | YTD 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 | Q1 2024 | Q2 2024 | Q3 2024 | Q4 2024 | Q1 2025 | Q2 2025 | Q3 2025 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Net income (loss) available to common stockholders | $ (115,041) | $ (6,583) | $ (7,197) | $ (52,719) | $ (4,853) | $ 11,475 | $ (1,019) | $ (1,160) | $ 731 | $ 11,505 | $ 7,461 | $ (324) | $ 5,560 |
| Preferred stock dividends | 48 | 48 | 1,457 | 1,487 | 1,525 | 1,539 | 1,535 | 1,531 | 1,531 | 1,459 | 1,432 | 1,319 | - |
| Loss on redemption of preferred stock | - | - | - | - | - | - | - | - | - | - | - | 3,501 | - |
| Net (loss) income | (114,993) | (6,535) | (5,740) | (51,232) | (3,328) | 13,014 | 516 | 371 | 2,262 | 12,964 | 8,893 | 4,496 | 5,560 |
| Income tax (benefit) expense | (36,276) | (1,124) | (1,414) | (15,137) | 3,712 | 2,124 | 1,213 | (16) | 1,236 | 7,986 | 2,466 | 1,421 | 3,068 |
| Interest expense, net | 17,728 | 7,389 | 1,779 | 1,097 | 792 | 791 | 126 | 785 | 631 | 585 | 887 | 1,108 | 1,069 |
| Equity investment loss | 21 | 8 | 5 | 4 | 5,224 | 3 | 3,327 | 1,080 | - | - | - | - | - |
| Depreciation and amortization | 32,127 | 7,878 | 7,756 | 7,953 | 7,026 | 5,081 | 5,128 | 5,232 | 5,080 | 3,863 | 3,992 | 4,088 | 3,946 |
| EBITDA | $ (101,393) | $ 7,616 | $ 2,386 | $ (57,315) | $ 13,426 | $ 21,013 | $ 10,310 | $ 7,452 | $ 9,209 | $ 25,398 | $ 16,238 | $ 11,113 | $ 13,643 |
| | | | | | | | | | | | | | |
| Impairment of goodwill and intangible assets | 146,900 | 2,000 | - | 64,000 | - | - | - | - | - | - | | | |
| Stock Compensation | 8,009 | 1,306 | 2,224 | 2,068 | 1,733 | 1,715 | 1,918 | 1,823 | 1,761 | 2,166 | 2,263 | 2,238 | 1,634 |
| Adjustment to gain on acquisition | (3,828) | | | | | | | | | | | | |
| Loss (gain) on disposals of long-lived assets | 1,176 | 214 | 1 | 32 | (16) | 537 | 28 | 184 | 23 | 148 | 230 | 35 | 92 |
| M&A - related professional fees | 1,930 | 328 | - | - | - | - | - | - | - | - | - | - | |
| Other professional fees | - | - | - | - | - | - | - | - | 813 | 1,404 | 989 | 1,715 | 801 |
| Severance | - | - | - | - | 2,959 | - | - | 505 | 25 | - | - | - | 1,083 |
| Transition services costs | 3,936 | 3,936 | 2,403 | - | - | - | 1,865 | 182 | 1,092 | 659 | - | - | - |
| Loss on sale of subsidiary | - | - | - | - | - | - | - | - | - | - | - | - | 3,362 |
| Loss on leases | - | - | - | - | - | - | 2,936 | 779 | - | - | - | - | 77 |
| Loss on assets held for sale | - | - | - | - | - | 2,425 | - | - | - | 1,618 | 1,527 | - | - |
| Adjusted EBITDA | $ 56,730 | $ 15,400 | $ 7,014 | $ 8,785 | $ 18,102 | $ 25,690 | $ 17,057 | $ 10,925 | $ 12,923 | $ 31,393 | $ 21,247 | $ 15,101 | $ 20,692 |
| TTM ADJ EBITDA | 56,730 | | | | 49,301 | 59,591 | 69,634 | 71,774 | 66,595 | 72,298 | 76,488 | 80,664 | 88,433 |
| Revenue | 606,328 | 152,438 | 149,689 | 147,214 | 150,838 | 152,804 | 154,432 | 152,895 | 153,122 | 164,110 | 164,551 | 162,766 | 163,215 |
| TTM Revenue | 606,328 | | | | 600,179 | 600,545 | 605,288 | 610,969 | 613,253 | 624,559 | 634,678 | 644,549 | 654,642 |
| TTM ADJ EBITDA Margin | 9.4% | | | | 8.2% | 9.9% | 11.5% | 11.7% | 10.9% | 11.6% | 12.1% | 12.5% | 13.5% |
| | | | | | | | | | | | | | |
| Capital expenditures | $ (16,389) | $ (5,484) | $ (3,206) | $ (3,347) | $ (2,952) | $ (4,390) | $ (6,218) | $ (5,198) | $ (6,312) | $ (3,354) | $ (3,902) | $ (3,698) | $ (4,196) |
| TTM Capital expenditures | | | | | (14,989) | | | | (22,118) | | | | (15,150) |
| Adjusted Free Cash Flow | | | | | 34,312 | | | | 44,477 | | | | 73,283 |