



AMERICAN PUBLIC
EDUCATION, INC.

3Q 2025 Earnings Presentation

November 2025 (Updated)



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 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 for growth, registration, enrollments, demand, revenues, net income, earnings per share, EBITDA and Adjusted EBITDA, capital expenditures, free cash flow, and plans with respect to and future impacts of recent, current and future initiatives, including the planned combination of APUS, RU and HCN into one consolidated institution. 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 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 U.S federal government shutdown that began on October 1, 2025, 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.

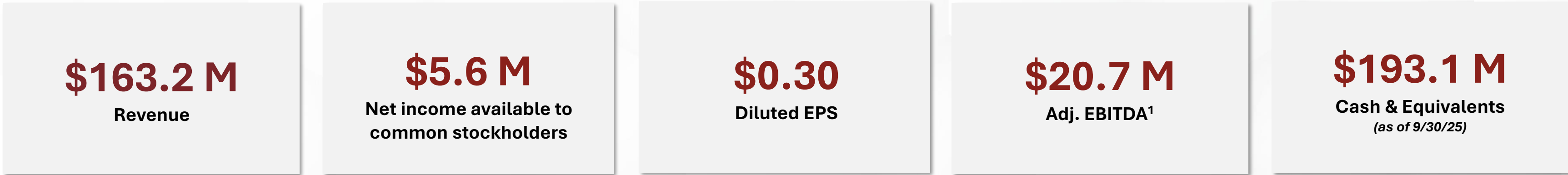
You should not place undue reliance on any forward-looking statements. The Company undertakes no obligation to update publicly any forward-looking statements for any reason, unless required by law, even if new information becomes available or other events occur in the future.

3Q'25 Executive Summary



APEI and its three subsidiary institutions transform lives, advance careers and improves communities by providing market-leading post-secondary education to over 107,000 active-duty military, extended military families, veterans, new nurses, and health professionals, segments that have demonstrated stable and long-term demand.

3Q'25 Financial Highlights – APEI Beats Top End of Guidance and Prior Year on All Metrics



3Q'25 vs 3Q'24 YoY Improvement



1. Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as stock compensation loss on disposals of long-lived assets, loss on sale of subsidiary, transition services, severance expense, other professional fees, and loss on leases) is a non-GAAP financial measures. Please refer to Appendix for GAAP to non-GAAP reconciliation.

Registration & Enrollment Growth Across All Institutions



395,900

TTM Net Course Registrations

APUS has delivered consistently strong net course registrations since 2020, driven by continued strength in military and growing enrollments from veterans and military-affiliated families



15,900

4Q'25 Enrollment

Year-over-year Rasmussen campus and online enrollments have been improving since 3Q'23. Rasmussen has delivered year-over-year total enrollment growth for 6 consecutive quarters



4,000

4Q'25 Enrollment

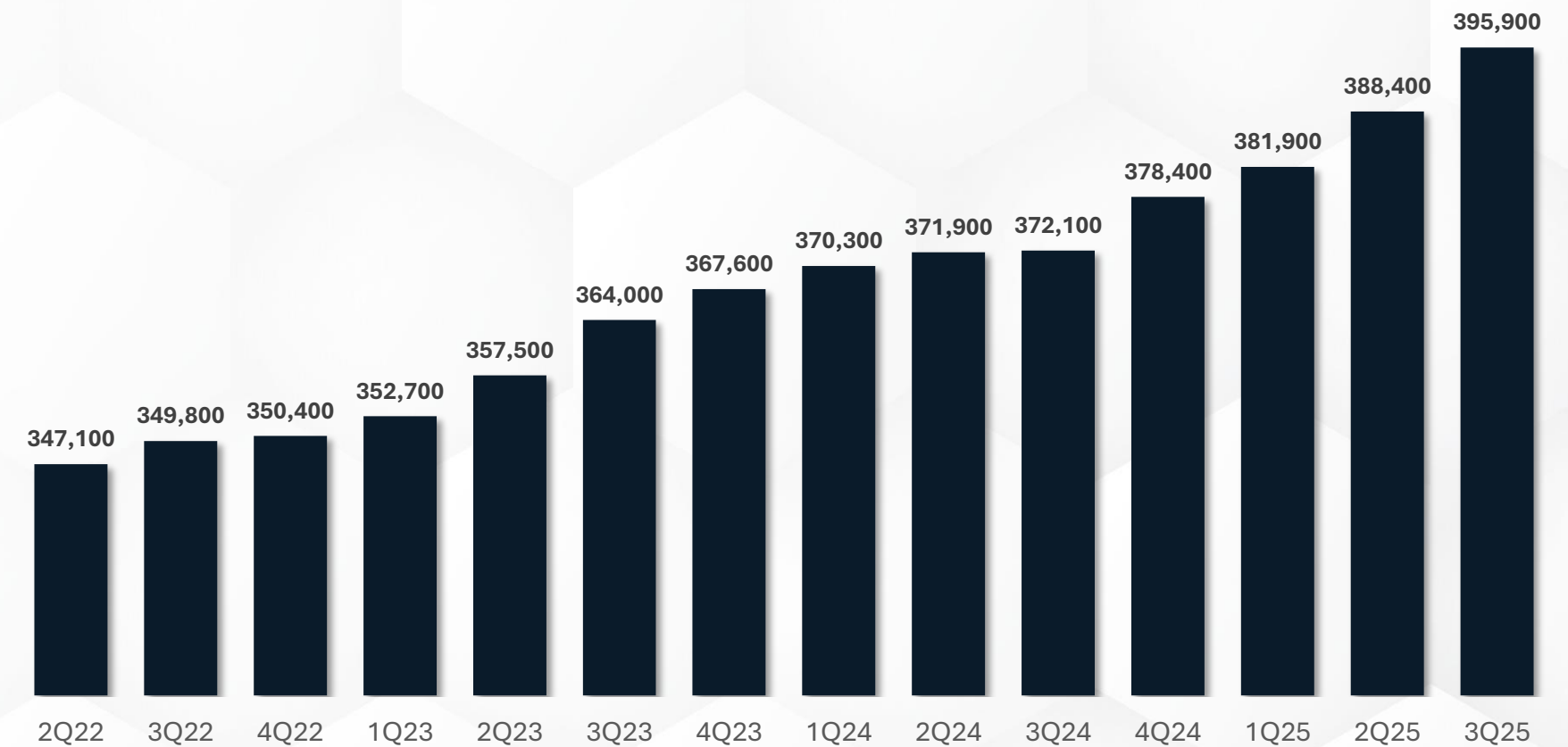
HCN delivered its 23rd consecutive quarter of year-over-year enrollment growth

APUS Increased Net Course Registrations by 8% vs 3Q'24

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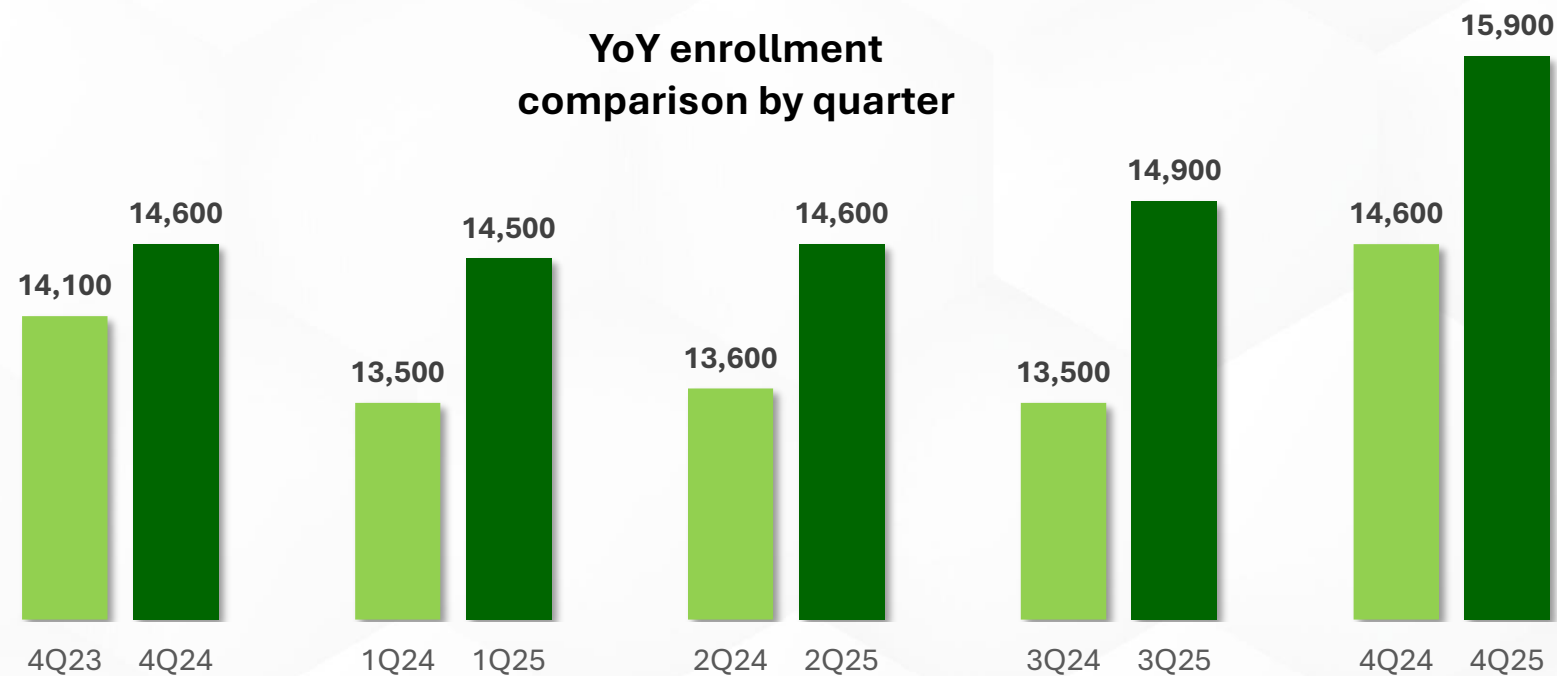
- Consistent, steady registration growth over past 2 years
- Revenue growth driven by increased net course registrations



* Trailing 12 months quarterly registration figures

RU: Six Consecutive Quarters of YoY Enrollment Growth

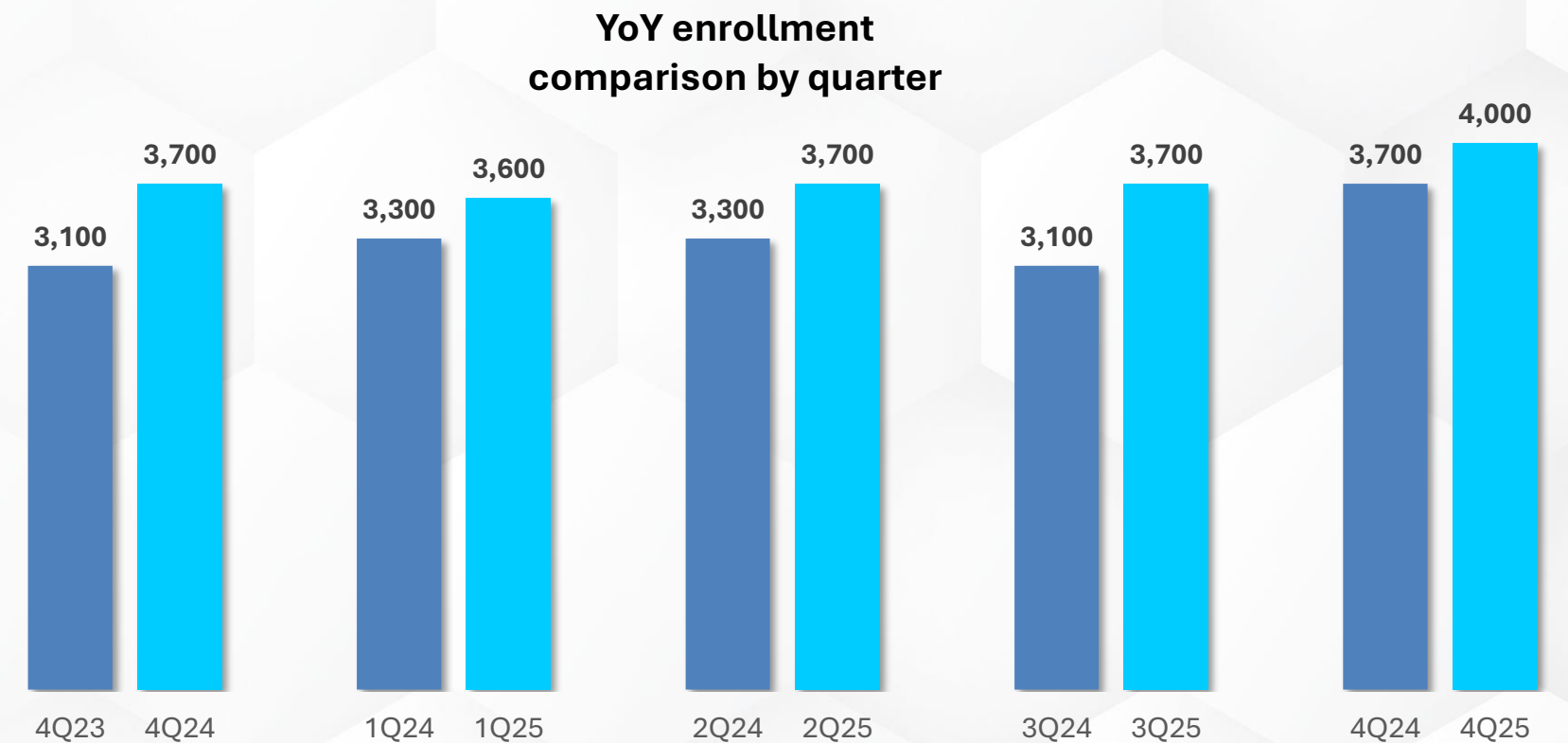
- Rasmussen increased enrollments by 9% in 4Q'25 compared to 4Q'24
- Campus enrollment growth is accelerating at +13% YoY



HCN: 23 Consecutive Quarters of YoY Enrollment Growth

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- HCN continues to deliver consistent year-over-year enrollment growth
- HCN increased enrollment 9% in 4Q'25 compared to 4Q'24





Financial Update

Summary 3Q'25 Financial Results

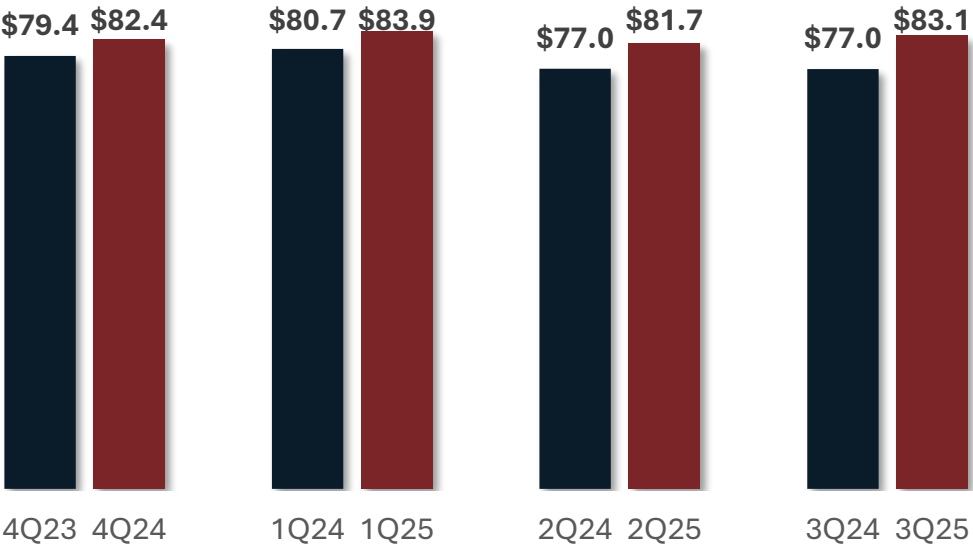
Strong performance from all remaining education units



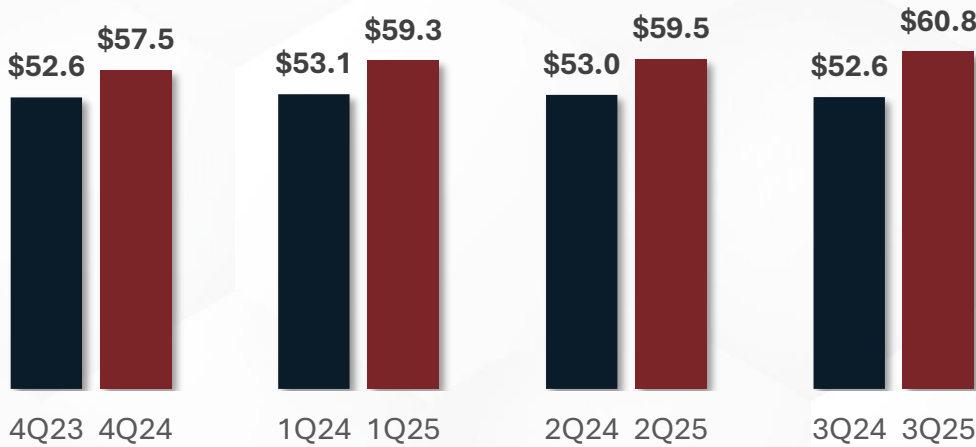
<i>in Millions</i>	3Q'25	3Q'24	Variance
APUS	\$83.1	\$77.0	+8%
Rasmussen	\$60.8	\$52.6	+16%
Hondros College of Nursing	\$18.4	\$15.5	+19%
GSUSA (sold July 2025)	\$0.8	\$8.0	-90%
Total Revenue	\$163.2	\$153.1	+7%
Net income available to common shareholders	\$5.6	\$0.7	+660%
Adj. EBITDA	\$20.7	\$12.9	+60%
Adj. EBITDA Margin	13%	8%	+426bps
Diluted EPS	\$0.30	\$0.04	+640%

- Revenue was strong across all remaining education units
- Completed the sale of Graduate School USA in July 2025 and therefore revenue was 90% lower than in the same quarter of 2024
- Revenue excluding GSUSA in both periods, increased 12%

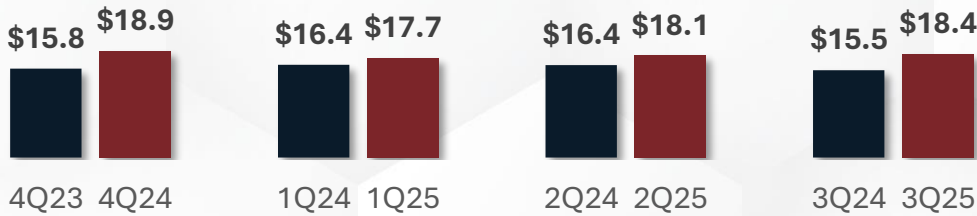
3Q'25 Revenue: All Segments Deliver Growth



- APUS delivered consistent year-over-year growth driven by increases in registrations and targeted tuition and fee increases

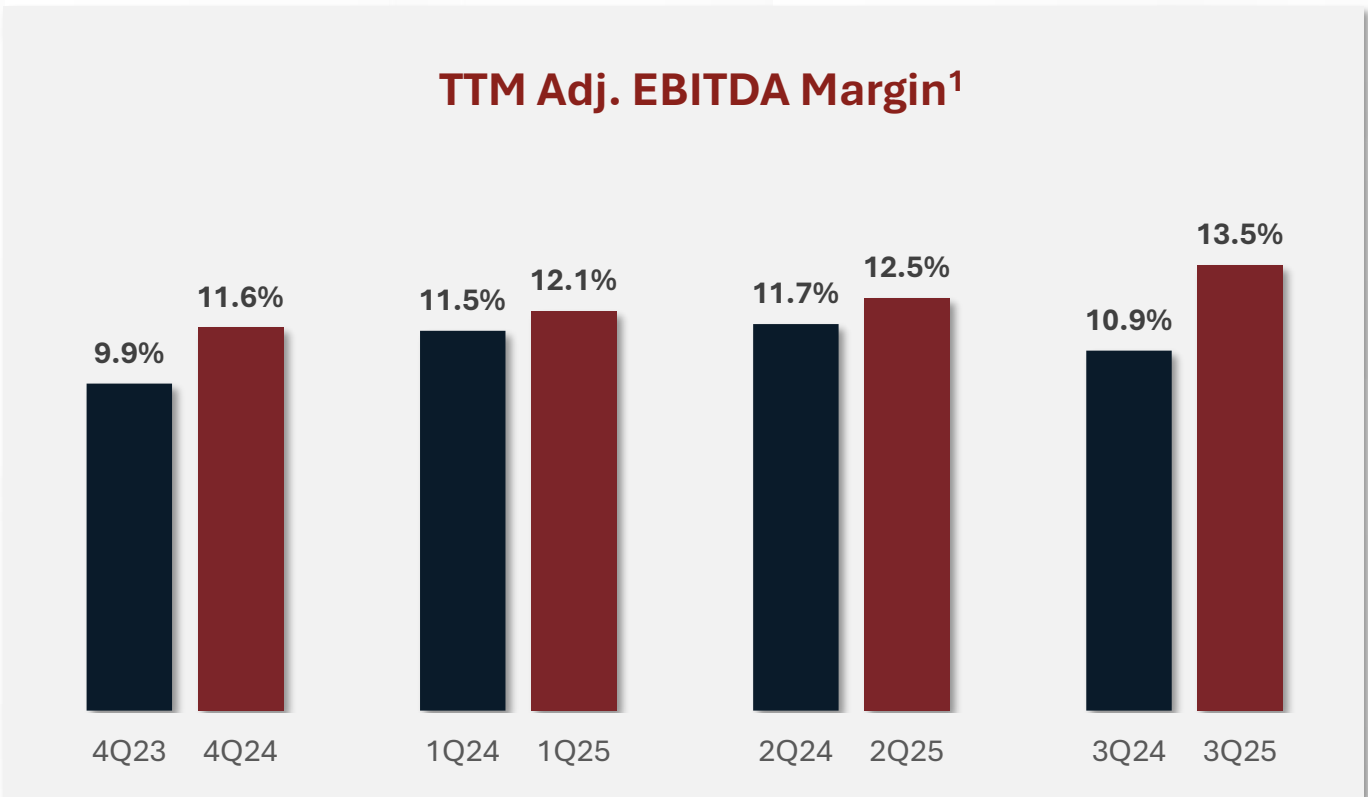
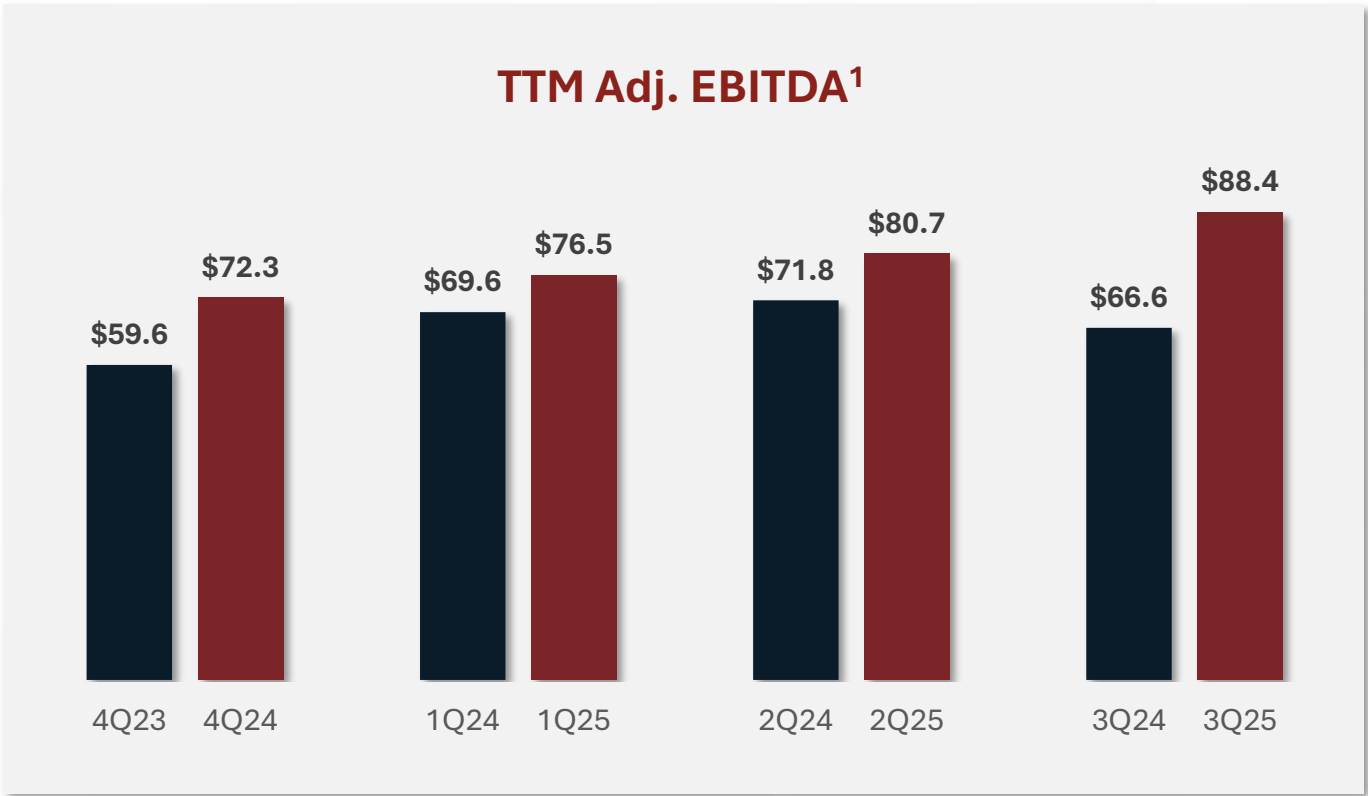


- Rasmussen continued to build on a solid foundation with higher revenue and enrollment trends



- 3Q'25 revenue growth of 19%

Consolidated TTM Adj. EBITDA Continues to Improve



- 3Q'25 EBITDA margin of 32% on \$83.1 million in revenue



- Rasmussen delivered \$0.8 million of EBITDA in 3Q'25 compared to (\$4.5) million in 3Q'24

1. Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as stock compensation loss on disposals of long-lived assets, loss on sale of subsidiary, transition services, severance expense, other professional fees, and loss on leases) is a non-GAAP financial measures. Please refer to Appendix for GAAP to non-GAAP reconciliation.

Strengthened Balance Sheet & Improved Cash Flow

\$193M in Cash¹. Redeemed Preferred Stock in 2Q'25

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	As of September 30,	
<i>in Millions</i>	2025	2024
Cash ¹	\$193.1	\$162.2
(-) Restricted cash	\$1.8	\$26.8
Unrestricted cash	\$191.3	\$135.4
Term loan	\$96.4	\$96.4
<i>Unrestricted cash, net of debt</i>	\$94.9	\$39.0
Preferred equity	\$0.0	\$39.7
Shares outstanding	18.1	17.7

	9 Months Ended September 30,	
<i>in Millions</i>	2025	2024
Net income (loss) available to common stockholders	\$12.7	(\$1.4)
Adjusted EBITDA ²	\$57.0	\$40.9
(-) Capital expenditures	\$11.8	\$17.7
Free cash flow³	\$45.2	\$23.2

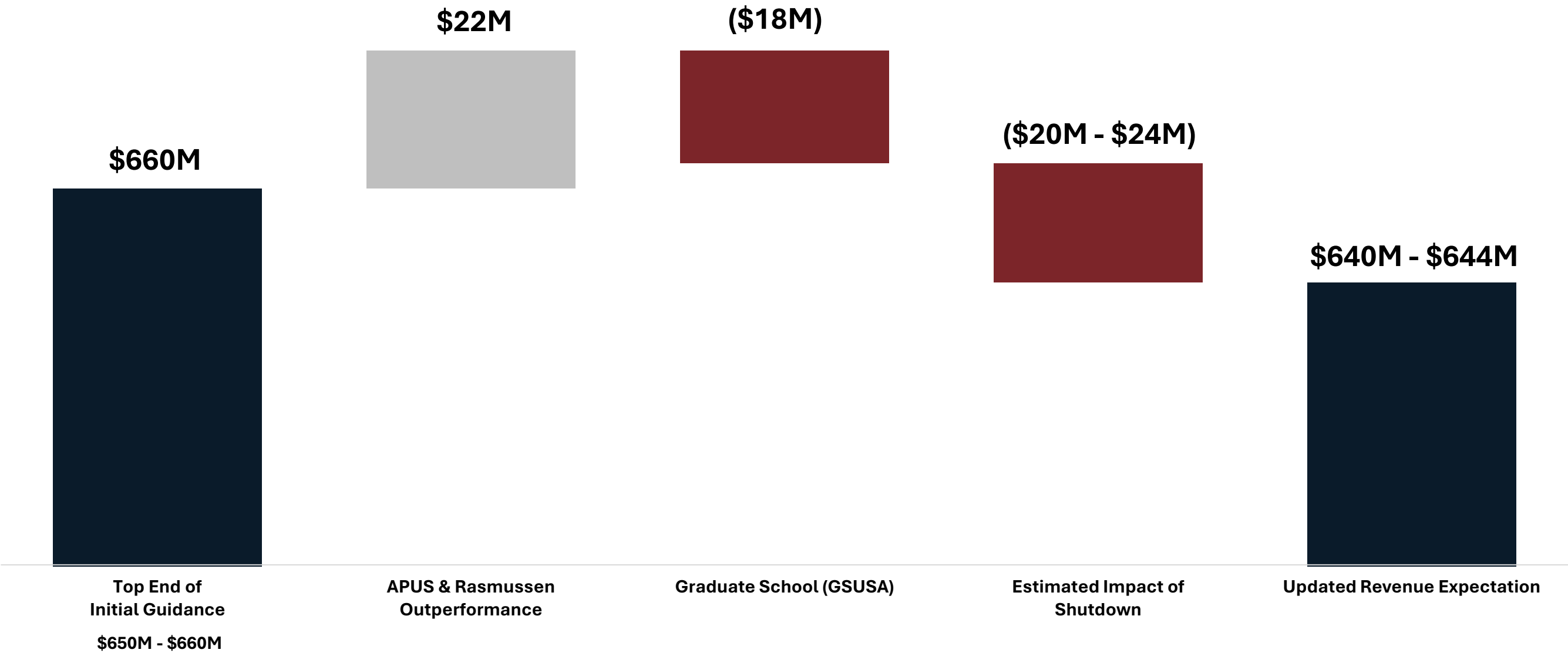
1. Includes cash, cash equivalents, and restricted cash

2. Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization, less non-recurring expenses, such as stock compensation loss on disposals of long-lived assets, loss on sale of subsidiary, transition services, severance expense, other professional fees, and loss on leases) is a non-GAAP financial measures. Please refer to Appendix for GAAP to non-GAAP reconciliation.

3. Free cash flow is defined as Adjusted EBITDA less capex

Revenue Guidance Update

APUS and Rasmussen have been outperforming expectations year-to-date in 2025. Revenue growth is offset by the impact of GSUSA and the government shutdown.



Guidance

These statements are based on current expectations. These statements are forward looking and actual results may differ materially.



(\$ in millions)

4Q'25

Revenue	\$150.0	-	\$153.5
Net Income avail to common shareholders	\$5.9	-	\$8.3
Adjusted EBITDA ¹	\$18.5	-	\$22.0

FY 2025

Revenue	\$640	-	\$644
Net Income avail to common shareholders	\$18.6	-	\$21.0
Adjusted EBITDA ¹	\$75	-	\$79

- FY2025 Revenue forecasted to increase **2% - 3%** compared to 2024 (impacted by GSUSA and Government Shutdown)
- FY2025 Net Income guidance equals \$0.99 - \$1.13 per diluted share
- FY2025 Adjusted EBITDA¹ forecasted to be **5% - 9%** higher than 2024
- \$15 - \$17 million anticipated capex in 2025

1. Please refer to appendix for GAAP to non-GAAP reconciliation



AMERICAN PUBLIC
EDUCATION, INC.

INVESTMENT HIGHLIGHTS

Large Addressable Market

Online education expected to increase to >\$100 billion in 5 years
Demand for nurses estimated to be 200,000+ per year

Improving Performance and Operating Leverage

Solid growth, margins and cash flow performance at APUS
Rasmussen delivering positive enrollment and positive EBITDA

Simplifying and Strengthening Business Operations

Consolidating three separate institutions into one university system
Completed sale of two corporate buildings
Completed sale of GSUSA
Balance sheet improvements lead to **~\$10 million** in cash savings annually

Strong Cash Position

Free cash flow¹ expected to be \$58 million to \$65 million in 2025
\$191 million of unrestricted cash as of 9/30/25

1. Free cash flow defined as Adjusted EBITDA less Capital Expenditures

Appendix

Education Unit Profile

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Segment Summary

(\$ in millions)

(\$ in millions)		1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24	3Q24	4Q24	FY24	1Q25	2Q25	3Q25	
	APUS	Revenue	\$74.0	\$73.6	\$76.4	\$79.4	\$ 303.3	\$80.7	\$77.0	\$77.0	\$82.4	\$ 317.0	\$83.9	\$81.7	\$83.1
		EBITDA	\$18.5	\$20.2	\$23.3	\$30.5	\$ 92.5	\$24.3	\$19.5	\$22.0	\$28.4	\$ 94.3	\$25.2	\$22.4	\$26.2
		Margin	25%	28%	30%	38%	30%	30%	25.3%	29%	35%	30%	30%	27%	32%
	RU	Revenue	\$57.5	\$52.0	\$52.1	\$52.6	\$ 214.1	\$53.1	\$53.0	\$52.6	\$57.5	\$ 216.3	\$59.3	\$59.5	\$60.8
		EBITDA	(\$4.5)	(\$7.1)	(\$5.3)	\$0.4	\$ (16.5)	(\$2.7)	(\$4.7)	(\$4.5)	\$5.5	\$ (6.5)	\$2.1	\$0.2	\$0.8
		Margin	-8%	-14%	-10%	1%	-8%	-5%	-8.9%	-9%	10%	-3%	3%	0%	1%
	HCN	Revenue	\$13.1	\$14.3	\$13.7	\$15.8	\$ 56.9	\$16.4	\$16.4	\$15.5	\$18.9	\$ 67.3	\$17.7	\$18.1	\$18.4
		EBITDA	(\$1.0)	\$0.1	(\$0.3)	\$1.1	\$ (0.1)	\$0.0	(\$0.4)	(\$0.3)	\$1.2	\$ 0.6	(\$0.2)	\$0.1	(\$0.3)
		Margin	-8%	1%	-2%	7%	0%	0%	-2%	-2%	6%	1%	-1%	1%	-2%
	GSUSA	Revenue	\$5.1	\$7.4	\$8.6	\$5.1	\$ 26.2	\$4.2	\$6.4	\$8.0	\$5.3	\$ 24.0	\$3.7	\$3.4	\$0.8
		EBITDA	(\$1.3)	\$0.8	\$1.6	(\$1.1)	\$ 0.0	(\$1.1)	(\$0.7)	\$1.4	(\$0.6)	\$ (1.0)	(\$2.1)	(\$2.5)	(\$0.8)
		Margin	-25%	11%	18%	-22%	0%	-27%	-11%	17%	-11%	-4%	-57%	-73%	-100%
Corporate		\$ (6.9)	\$ (7.4)	\$ (5.7)	\$ (7.1)	\$ (27.1)	\$ (7.2)	\$ (5.5)	\$ (9.2)	\$ (9.0)	\$ (31.2)	\$ (8.6)	\$ (9.1)	\$ (12.2)	
	APEI	Consolidated Revenue	\$149.7	\$147.2	\$150.8	\$152.8	\$ 600.5	\$154.4	\$152.9	\$153.1	\$164.1	\$ 624.6	\$164.6	\$162.8	\$163.2
		Consolidated EBITDA	\$4.8	\$6.7	\$13.4	\$23.8	\$ 48.7	\$13.2	\$8.2	\$9.4	\$25.5	\$ 56.2	\$16.2	\$11.1	\$13.6
		(+) Adjustments	\$ 2.2	\$ 2.1	\$ 4.7	\$ 1.9	\$ 10.9	\$ 3.8	\$ 2.7	\$ 3.7	\$ 6.0	\$ 16.2	\$ 5.0	\$ 4.0	\$ 7.0
		Consolidated Adj. EBITDA	\$ 7.0	\$ 8.8	\$ 18.1	\$ 25.7	\$ 59.6	\$ 17.1	\$ 10.9	\$ 12.9	\$ 31.4	\$ 72.4	\$ 21.2	\$ 15.1	\$ 20.7
		Margin	5%	6%	12%	17%	10%	11%	7%	8%	19%	12%	13%	9%	13%

Note: See note 16 to the financial statements included in the 2024 10-K. Reflects income (loss) from operations before interest, income taxes, gain (loss) from acquisitions, + depreciation & amortization.

Please refer to appendix for GAAP to non-GAAP reconciliation.

1. APUS excludes \$2.8MM of losses in 4Q23 and \$1.6MM in 2024 related to Loss on Disposal of Long-lived assets and Losses on assets held for sale.

2. Rasmussen excludes a non-cash impairment of \$64MM in 3Q23. Also excludes \$2.4MM for Collegis transition services expense in 3Q23, \$2.9MM for lease termination and campus consolidation expense in 3Q24 and \$3.7MM in lease termination costs in 2024.

3. GSUSA and Corporate combined comprise the Corporate & Other segment, as discussed in footnote 16 within the 2024 10-K disclosure.

Non-GAAP Disclosures



American Public Education is presenting EBITDA and urges investors to review the reconciliation of operating income to the comparable GAAP financial measure that is 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 (\$ in millions)		3Q24	3Q25
	Revenue	77.0	83.1
	Operating Income	20.8	25.3
	+ Depreciation and Amortization	1.2	0.9
	EBITDA	22.0	26.2
	EBITDA Margin	29%	32%
	Revenue	52.6	60.8
	Operating Income	(7.6)	(1.2)
	+ Depreciation and Amortization	3.1	2.0
	EBITDA	(4.5)	0.8
	EBITDA Margin	-9%	1%
	Revenue	15.5	18.4
	Operating Income	(0.8)	(0.8)
	+ Depreciation and Amortization	0.5	0.5
	EBITDA	(0.3)	(0.3)
	EBITDA Margin	-2%	-2%
	Revenue	8.0	0.8
	Operating Income	(8.1)	(13.5)
	+ Depreciation and Amortization	0.3	0.4
	EBITDA	(7.8)	(13.1)
	EBITDA Margin	-98%	-1638%
	Consolidated Revenue	153.1	163.2
	Consolidated EBITDA	9.2	13.6
	+ Adjustments	3.7	7.1
	Consolidated Adjusted EBITDA	12.9	20.7
	Adjusted EBITDA Margin	8%	13%

1 Operating Income reflects income (loss) from ooperations before interest, income taxes in note 9 of the financial statements in our Q3 2025 10-Q.
2 Adjustments include stock compensation expense, loss on disposals of long-lived assets, loss on assets held for sale, loss on sale of subsidiary, transition services, severance expense, loss on leases and other professional fees.

Non-GAAP Disclosures



American Public Education is presenting adjusted EBITDA and urges investors to review the reconciliation of net income to the comparable GAAP financial measure that is included in the table below (under the caption “GAAP Net Income to Adjusted EBITDA”) and not to rely on any single financial measure to evaluate its business.

GAAP Net Income to Adjusted EBITDA:

The following table sets forth the reconciliation of the Company’s reported GAAP net income to the calculation of adjusted EBITDA for the three months ended between September 30, 2022 through September 30, 2025

(in thousands)	Q3 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	(3,762)	(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	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	(3,762)	(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	(860)	(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	3,594	7,389	1,779	1,097	792	791	126	785	631	585	887	1,108	1,069
Equity investment loss	2	8	5	4	5,224	3	3,327	1,080	-	-	-	-	-
Depreciation and amortization	7,982	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	6,956	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	-	2,000	-	64,000	-	-	-	-	-	-	-	-	-
Stock Compensation	1,997	1,306	2,224	2,068	1,733	1,715	1,918	1,823	1,761	2,166	2,263	2,238	1,634
Loss (gain) on disposals of long-lived assets	178	214	1	32	(16)	537	28	184	23	148	230	35	92
M&A - related professional fees	329	328	-	-	-	-	-	-	-	-	-	-	-
Other professional fees	-	-	-	-	-	-	-	-	813	1,404	989	1,715	801
Severance	-	-	-	-	2,959	-	-	505	25	-	-	-	1,083
Transition services costs	-	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	9,460	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				40,659	49,301	59,591	69,634	71,774	66,595	72,298	76,488	80,664	88,433
Revenue	149,535	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				598,876	600,179	600,545	605,288	610,969	613,253	624,559	634,678	644,549	654,642
TTM ADJ EBITDA Margin				6.8%	8.2%	9.9%	11.5%	11.7%	10.9%	11.6%	12.1%	12.5%	13.5%

Non-GAAP Disclosures



American Public Education is presenting adjusted EBITDA and urges investors to review the reconciliation of net income to the comparable GAAP financial measure that is included in the table below (under the caption “GAAP Net Income to Adjusted EBITDA”) and not to rely on any single financial measure to evaluate its business.

GAAP Net Income to Adjusted EBITDA:

The following table sets forth the reconciliation of the Company’s reported GAAP net income to the calculation of adjusted EBITDA for the three and nine months ended September 30, 2025 and 2024:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
(in thousands)	2025	2024	2025	2024
Net income (loss) available to common stockholders	\$ 5,560	\$ 731	\$ 12,697	\$ (1,448)
Preferred dividends	-	1,531	2,751	4,597
Loss on redemption of preferred stock	-	-	3,501	-
Net income	\$ 5,560	\$ 2,262	\$ 18,949	\$ 3,149
Income tax expense	3,068	1,236	6,955	2,433
Interest expense, net	1,069	631	3,064	1,542
Equity investment loss	-	-	-	4,407
Depreciation and amortization	3,946	5,080	12,026	15,440
EBITDA	13,643	9,209	40,994	26,971
Loss on assets held for sale	-	-	1,527	-
Loss on leases	77	-	77	3,715
Loss on sale of subsidiary	3,362	-	3,362	-
Other professional fees	801	813	3,505	813
Stock compensation	1,634	1,761	6,135	5,502
Loss on disposals of long-lived assets	92	23	357	235
Transition services costs	-	1,092	-	3,139
Severance	1,083	25	1,083	530
Adjusted EBITDA	\$ 20,692	\$ 12,923	\$ 57,040	\$ 40,905

Non-GAAP Disclosures



American Public Education is presenting adjusted EBITDA and urges investors to review the reconciliation of net income to the comparable GAAP financial measure that is included in the table below (under the caption “GAAP Outlook Net Income to Outlook Adjusted EBITDA”) and not to rely on any single financial measure to evaluate its business.

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 three months ending December 31, 2025 and twelve months ending December 31, 2025:

(in thousands)	Three Months Ending December 31, 2025		Twelve Months Ending December 31, 2025	
	Low	High	Low	High
Net income available to common stockholders	\$ 5,871	\$ 8,321	\$ 18,568	\$ 21,018
Preferred dividends	-	-	2,751	2,751
Loss on redemption of preferred stock	-	-	3,501	3,501
Net Income	5,871	8,321	24,820	27,270
Income tax expense	2,516	3,566	9,471	10,521
Interest expense	1,387	1,387	4,451	4,451
Loss on minority investment	-	-	-	-
Depreciation and amortization	3,945	3,945	15,971	15,971
EBITDA	13,719	17,219	54,713	58,213
Loss on assets held for sale	-	-	1,527	1,527
Loss on leases	-	-	77	77
Loss on sale of subsidiary	-	-	3,362	3,362
Stock compensation	1,932	1,932	8,067	8,067
Other professional fees	200	200	3,705	3,705
Loss on disposals of long-lived assets	-	-	357	357
Severance	2,649	2,649	3,732	3,732
Adjusted EBITDA	\$ 18,500	\$ 22,000	\$ 75,540	\$ 79,040



AMERICAN PUBLIC
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Thank You

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