



NEWS RELEASE

American Public Education, Inc. ("APEI") Signs Agreement to Acquire Graduate School USA

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Leading Training Provider to the Federal Workforce Diversifies APEI into Skills Training
CHARLES TOWN, W.Va., Aug. 11, 2021 /PRNewswire/ -- [American Public Education, Inc.](#) (NASDAQ: APEI) APEI announced today that it has signed an agreement to acquire substantially all the assets of [Graduate School USA](#) ("GSUSA"), one of the leading providers of training to the federal government. GSUSA's extensive portfolio of government agency contracts and customers is tightly aligned to APEI's focus on "Educating Those Who Serve" and represents a strong adjacency to [American Public University System's](#) (APUS) core military and veteran student populations. The acquisition further advances APEI's focus on career training and degrees that help provide pathways to employment and career advancement.

Graduate School USA was established in 1921 as part of the U.S. Department of Agriculture and is celebrating its centennial anniversary this year. GSUSA provides training to the federal workforce through a catalog of over 300 courses specializing in foundational and continuing professional development, as well as leadership training to advance the performance of government agencies through the competency and career advancement of their employees. GSUSA is accredited by the Accrediting Council for Continuing Education & Training (ACCET) and delivers its training both in-person and through virtual learning.

GSUSA serves the federal workforce through customized contract training (B2G) to federal agencies and through open enrollment (B2C) to government professionals.

With a broad set of over 100 government agency customers, including the Department of Defense and many of its branches, the Departments of Homeland Security, Health and Human Services, Interior, Justice, and State Department, GSUSA represents a strong complement to APUS's primary student populations.

GSUSA has served an average of approximately 15,000 open enrollment students in each of the past three years in practice areas like Federal Human Resources Management, Leadership, Federal Financial

Management, Communication and Professional Skills, and Acquisition and Contracting through its short-form training courses. In addition, GSUSA provides specialized leadership training and practice management through its centers and training institutes – the Center for Leadership and Management, the Federal HR Center of Excellence®, and The Government Audit Training Institute® (GATI).

Angela Selden, APEI's CEO, commented that, "The acquisition of GSUSA further advances APEI's HEROI™ focus of offering career training and degrees that provide pathways to employment and advancement, creating opportunities for individuals to succeed and achieve their goals. GSUSA's curriculum and student populations represent tight adjacency with the markets that APEI currently serves. Graduate School USA is a non-Title IV business that will help diversify APEI with a strong foothold in the workforce training marketplace. We believe that there are meaningful opportunities to create new stackable credentials by utilizing GSUSA's course content and to pursue potential credit for courses for GSUSA students to earn an initial or additional degree at our institutions. Additionally, we see opportunity to further serve the federal workforce marketplace beyond the core Washington, D.C. market and by extending into other workforce training segments."

Prior to COVID-19, GSUSA delivered its training predominantly in-person at agency locations and through its state-of-the-art training facility in Washington, D.C. With the onset of the pandemic, GSUSA accelerated its shift to online learning and has been delivering courses in a virtual modality as well.

APEI is acquiring substantially all of GSUSA's assets for a purchase price of \$1 million and GSUSA will be a new stand-alone subsidiary of APEI. Over the past three fiscal years, GSUSA has generated over \$20 million in average annual revenue. The transaction is anticipated to close some time during the fourth quarter of 2021, subject to certain closing conditions, including approval by or notices to regulatory and accrediting bodies. APEI does not expect any material impact to its operating income in 2021 related to GSUSA.

Tyton Partners acted as advisor to Graduate School USA in this transaction.

About American Public Education

[American Public Education, Inc.](https://www.apei.com) (Nasdaq: APEI) is a leading provider of higher learning dedicated to preparing students all over the world for excellence in service, leadership and achievement. APEI offers respected, innovative and affordable academic programs and services to students, universities and partner organizations through wholly owned subsidiaries: [American Public University System](https://www.apei.com) and National Education Seminars, Inc, also known as Hondros College of Nursing. Together, these institutions serve approximately 90,000 adult learners worldwide and offer more than 240 degree and certificate programs in fields ranging from homeland security, military studies, intelligence, and criminal justice to technology, business administration, public health, nursing, and liberal arts. For additional information, please visit www.apei.com.

Forward Looking Statements

Statements made in this press release regarding APEI or its subsidiaries that are not historical facts are forward-looking statements based on current expectations, assumptions, estimates and projections about APEI and the industry. Forward-looking statements can be identified by words such as "anticipate," "believe," "seek," "could," "estimate," "expect," "intend," "may," "plan," "should," "will" and "would." These forward-looking statements include, without limitation, statements regarding expected benefits of the acquisition of substantially all the assets of GSUSA, the timing of the closing of the transaction, expected impacts on APEI's financial results, and plans with respect to recent, current and future initiatives, including with respect to integration with APEI and its other institutions. 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 timing and satisfaction of closing conditions, including

obtaining required regulatory approvals; the effects, duration, and severity of and APEI's response to the COVID-19 pandemic; APEI's ability to effectively market its institutions' programs; APEI's ability to maintain strong relationships with the military and maintain enrollments from military students; APEI's dependence on its technology infrastructure; strong competition in the postsecondary education market and from non-traditional offerings; and the various risks described in the "Risk Factors" section and elsewhere in APEI's Annual Report on Form 10-K for the year ended December 31, 2020, Quarterly Report on Form 10-Q for the period ended March 31, 2021, and other filings with the SEC. You should not place undue reliance on any forward-looking statements. APEI 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.

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