



Q3-25 Investor Presentation

November 10, 2025

Safe Harbor Statement

Forward-Looking Statements

This press release contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, which include, without limitation, statements regarding the impact of our leadership transition and the conclusion of our process to explore strategic alternatives; our newly announced restructuring plan, including the number of employees impacted by the reduction in force, the amount and timing of the charges we will incur in connection with these actions, the amount and timing of cost savings; our expectations regarding future revenue generation and growth; our ability to successfully implement our new strategic focus and positions Chegg for a return to sustainable revenue and Adjusted EBITDA growth over time; our revenue and adjusted EBITDA guidance for Q3 2025; our ability to weather current and future business challenges and to stabilize the business; the impact of generative AI on our business and all statements about our outlook. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “project,” “endeavor,” “will,” “should,” “future,” “transition,” “outlook” and similar expressions, as they relate to Chegg, are intended to identify forward-looking statements. These statements are not guarantees of future performance, and are based on management’s expectations as of the date of this press release and assumptions that are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from any future results, performance or achievements. Important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements include the following: the effects of AI technology on our business and the economy generally; our ability to stabilize the business by attracting new learners to, and retaining existing learners on, our learning platform in light of declining revenue and user traffic; the impact and effectiveness of our internal restructuring activities; our ability to effectively control operating costs; our ability to innovate and offer new products and services in response to competitive technology and market developments, including generative AI; competition in all aspects of our business, including with respect to AI and our expectation that such competition will increase; the outcome of our litigation against Google; our ability to maintain our services and systems without interruption, including as a result of technical issues, cybersecurity threats, or cyber-attacks; third-party payment processing risks; the outcome of any current litigation and investigations; the possibility that the NYSE may delist our common stock; and general economic,

political and industry conditions, including escalating international trade tensions, including tariffs and trade restrictions, fluctuating inflation, recession and war. All information provided in this release and in the conference call is as of the date hereof, and Chegg undertakes no duty to update this information except as required by law. These and other important risk factors are described more fully in documents filed with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the Securities and Exchange Commission (the “Commission”) on February 24, 2025, as supplemented by the Company’s subsequent Quarterly Reports on Form 10-Q, and could cause actual results to differ materially from expectations.

Use of Non-GAAP Measures

To supplement Chegg’s financial results presented in accordance with generally accepted accounting principles in the United States (GAAP), this presentation contains non-GAAP financial measures, including Adjusted EBITDA, Adjusted EPS, free cash flow and expenses excluding Share Based Compensation. For reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the Appendix to this presentation. The presentation of these non-GAAP financial measures is not intended to be considered in isolation from, as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP and may be different from non-GAAP financial measures used by other companies. Chegg believes that these non-GAAP financial measures, when taken together with the corresponding GAAP financial measures, provide meaningful supplemental information regarding Chegg’s performance by excluding items that may not be indicative of Chegg’s core business, operating results or future outlook. Chegg management uses these non-GAAP financial measures in assessing Chegg’s operating results, as well as when planning, forecasting and analyzing future periods and believes that such measures enhance investors’ overall understanding of our current financial performance. These non-GAAP financial measures also facilitate comparisons of Chegg’s performance to prior periods.

Who Are We?

We put learners first

Chegg's mission is to improve learning outcomes and career opportunities for millions around the world.

Chegg is a learning platform helping businesses bring new skills to their workforce and giving lifelong learners and students the skills and confidence to succeed. Focused on the skilling market, which is \$40 billion and growing.

Chegg offers innovative tools for workplace readiness, professional upskilling, and language learning. Chegg also continues to offer students AI-driven, personalized support.

Q3-25 Highlights

We delivered a **good third quarter, surpassing our revenue guidance, and outperforming our adjusted EBITDA guidance by \$5 million**, as a direct result of our cost cutting and restructurings.

We split the company into two units: our growth business, **Chegg Skilling, which we expect to have sustainable double-digit growth**, and our legacy academic services, **which will generate cash flow**. This **new structure will give us the cash and assets we need to rebuild**, which we believe will create significant long-term value for our shareholders.

Going forward, our focus is going to be on our growth business, which is Chegg Skilling. We are fortunate to start from a position of strength. We have two valuable assets in language learning and skilling with Busuu and Chegg Skills. Busuu is helping the true language learner, differentiated by its focus on speaking, not just translation. Chegg Skills already has a strong catalog of courses on in-demand topics, which will only get stronger.

Chegg Skilling is ending 2025 with strong momentum. We expect revenue in the **fourth quarter of 2025 to increase approximately 14% year over year, driving total revenue of approximately \$70 million for the year.**

Busuu – Language Learning

Uniquely designed to serve success seekers who are highly motivated learners aiming for academic and professional excellence.

Busuu offers an unparalleled combination of AI-powered, self-paced study and live practice with native speakers worldwide. It offers a comprehensive learning suite, combining self-paced learning, live tutors and community-based interaction.

The curriculum is developed by expert linguists which is validated by industry proven efficacy results.

Major multinational companies choose Busuu for its engaging, results-driven learning applications which can be tailored to specific industries and job roles.



What would you like to learn?



Busuu – Integrating AI to Deliver Speaking and Conversations

AI Speaking Practice

AI-Powered Feature:

- Learners practice pronunciation using functional and communicative phrases
- Busuu's AI, built on advanced speech recognition technology, provides **real-time, actionable feedback tailored to individual learners' mistake**

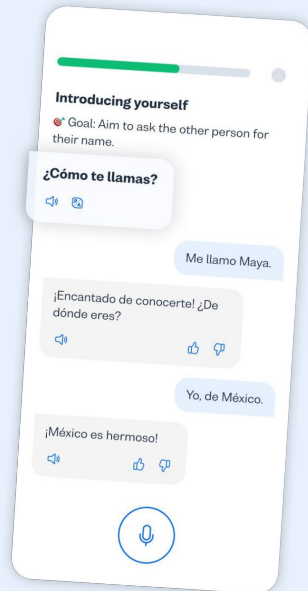


“Speaking practice boosts my confidence because I can mimic the way a native speaker pronounces. Then I can show off in front of my native Spanish friends”

“I really like the **immediate pronunciation feedback**. The tips generated were very useful and helpful”

AI Conversations

- **Conversational AI provides feedback** based on real-life scenarios related to Busuu courses (e.g., for travelling, dining, conducting interviews, etc.)
- Interactive “roleplay” exercises aim to **enhance learners' overall fluency**, from vocabulary to grammar



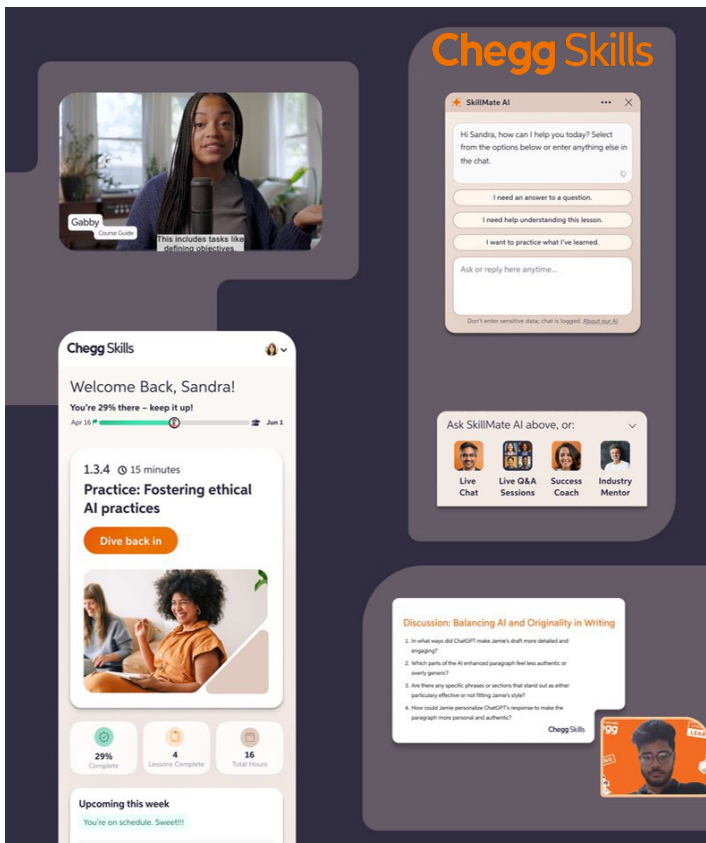
Chegg Skills – Drives Real Business Results

Helps working adults gain practical, role-relevant skills that drive real business results.

The programs bridge the gap between today's job demands and tomorrow's opportunities — helping employers future-proof their workforce and learners advance their careers.

A learning experience designed for skill mastery & application

- Hands-on practice: Engages learners with scenario-based simulations and real-world tools to build confidence and align skill growth with business goals.
- Engaging, short-form learning: Delivers interactive content through videos, quizzes, and projects – paired with skills-based assessments and capstones to reinforce and validate capabilities.



Chegg Skills : ~\$40+B Market Serving Workplace Readiness, AI Skills and Upskilling

We deliver a technology-driven and human-supported learning experience that enhances professional growth. Our programs combine industry-aligned curriculum, personalized coaching, and AI-enabled tools to help learners stay competitive in an evolving job market.

FOUNDATIONS OF MOBILITY

Certificate programs that open opportunity

- Technology Fundamentals
- AI Fundamentals
- Using Data in Business
- Communication Skills for Professional Growth
- Business Operations Essentials

Coming ...

**From Classroom to Career:
Landing a job in a GenAI world**

- STEM track
- Business track

Programs designed expressly for college students.

SHORT-FORM UPSKILLING

Certificate programs to add or level up skills

AI Upskilling

- AI Fundamentals
- AI Prompt Engineering
- Practical AI for Clinicians
- Practical AI for Healthcare Administration
- Applying AI in Cybersecurity
- Applying AI in Data Analytics
- Applying AI in Web Development
- Applying AI in Web Design
- Applying AI in Customer Service

Tech Upskilling

- Introduction to Cybersecurity
- Introduction to Data Analytics
- Technology Fundamentals

RESKILLING BOOTCAMPS

Long-form programs to change a career path

Data Programs

- Data Analytics
- Data Engineering
- Data Science
- Financial Analysis

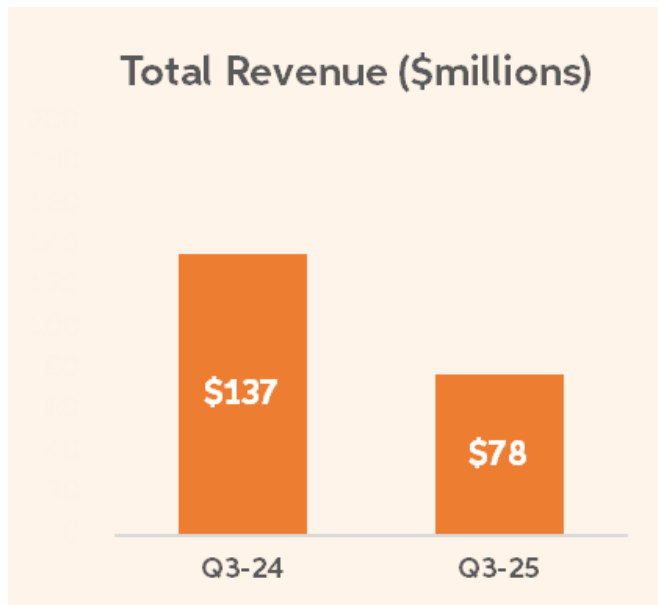
Tech Programs

- Cybersecurity
- Software Engineering (full-stack)
- Web Development
- Frontend Web Development
- Backend Web Development
- IT Professional
- UX/UI Design

Business Programs

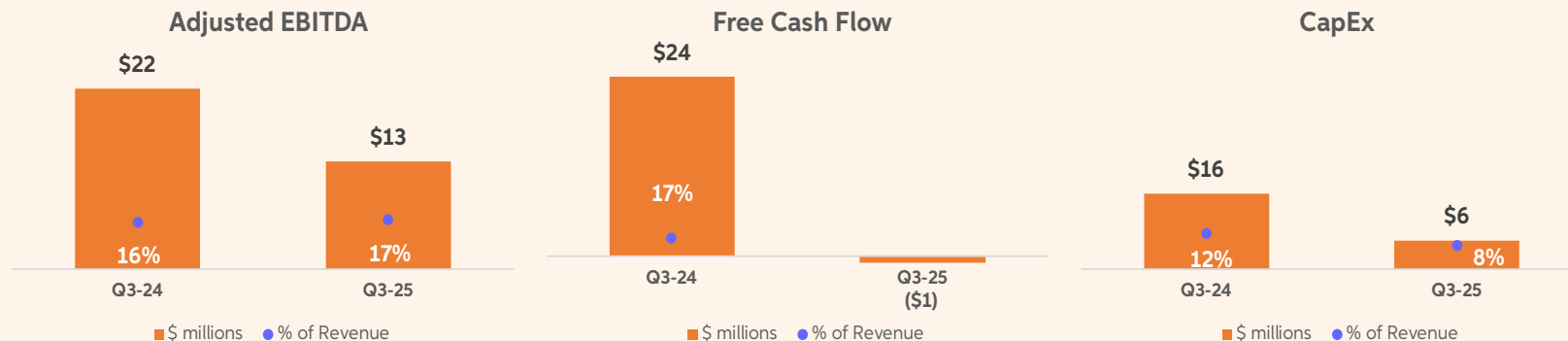
- Frontline Leadership
- Sales Professional
- Digital Marketing
- Technical Project Management

Financial Highlights: Q3 2025 Revenue



- Total revenue was \$78 million, a decrease of 43% year-over-year.
- Total revenue was impacted by lower levels of traffic which led to fewer subscription services subscribers, as well as fewer sessions, which significantly reduced advertising revenue reported in our Skills and Other breakout.
- Going forward we will report our Skilling Business, which now includes Busuu and Chegg Skills, to track our progress going forward.

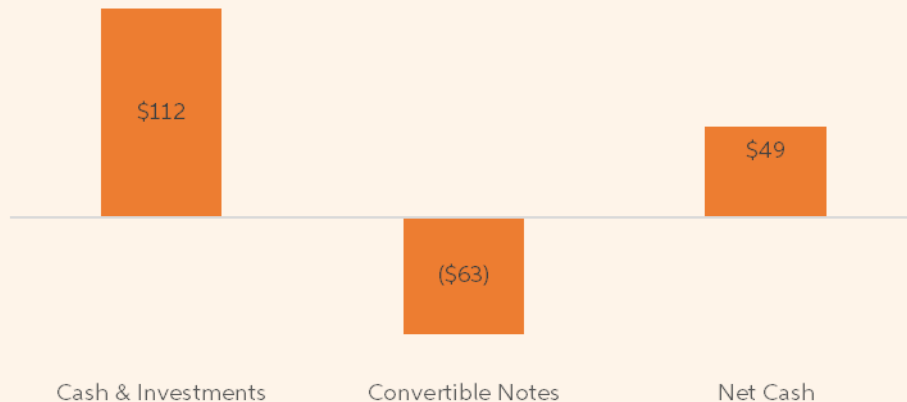
Financial Highlights: Q3 2025 Adj. EBITDA, Free Cash Flow, and CapEx



- Free cash flow for the third quarter was (\$1) million, which was primarily impacted by \$5.5 million in severance payments related to our restructurings and a \$7.5 million settlement payment to the FTC.
- Our investments in AI have enabled us to continue to reduce our CapEx, which was \$6 million in Q3, down 63% year over year. We anticipate full-year 2025 CapEx of approximately \$27 million, with a targeted further reduction of approximately 60% in 2026, while still delivering a high-quality experience that our students expect from us.

Balance Sheet

Cash and Debt (9/30/25)



- We ended the quarter with cash and investments of \$112 million and a net cash balance of \$49 million.

Business Outlook

	Q3 2025 Results	Q4 2025 Guidance	Full Year 2025 Guidance
Total Net Revenue	\$78m	\$70m - \$72m	
Skilling Revenue		\$18m (up 14% y/y)	~\$70m
Gross Margin %	59%	57%-58%	
Adjusted EBTIDA¹	\$13m	\$10m - \$11m	
CapEx	\$6m		~\$27m
Free Cash Flow¹	(\$1m)		

Appendix

Reconciliation of Net Loss to EBITDA and Adjusted EBITDA

CHEGG, INC.
RECONCILIATION OF NET LOSS TO EBITDA AND ADJUSTED EBITDA
(in thousands)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net loss	\$ (17,471)	\$ (212,639)	\$ (70,618)	\$ (830,943)
Interest expense, net	41	658	549	1,959
(Provision for) benefit from income taxes	1,683	(2,723)	3,918	144,681
Depreciation and amortization expense	15,321	19,573	63,641	58,966
EBITDA	(426)	(195,131)	(2,510)	(625,337)
Share-based compensation expense	5,925	21,931	25,094	69,267
Other income, net	(1,377)	(7,586)	(16,433)	(25,485)
Restructuring charges	9,132	2,112	30,974	8,840
Loss contingency	—	5,100	7,500	5,100
Impairment of strategic equity investment	—	—	6,000	—
Impairment of lease related assets	—	—	3,004	2,189
Impairment expense	—	195,708	2,000	677,239
Content and related assets charge	—	—	—	729
Acquisition-related compensation costs	—	132	—	560
Adjusted EBITDA	<u>\$ 13,254</u>	<u>\$ 22,266</u>	<u>\$ 55,629</u>	<u>\$ 113,102</u>

Reconciliation of Forward-Looking Net Loss to EBITDA and Adjusted EBITDA

CHEGG, INC.
RECONCILIATION OF FORWARD-LOOKING NET LOSS TO EBITDA AND ADJUSTED EBITDA
(in thousands)
(unaudited)

	Three Months Ending December 31, 2025
Net loss	\$ (29,100)
Interest expense, net	100
Provision for income taxes	100
Depreciation and amortization expense	15,200
EBITDA	(13,700)
Share-based compensation expense	7,600
Other income, net	(1,200)
Restructuring charges	17,800
Adjusted EBITDA	<u>\$ 10,500</u>

* Adjusted EBITDA guidance for the three months ending December 31, 2025 represent the midpoint of the range of \$10 million to \$11 million, respectively.

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow

CHEGG, INC.
RECONCILIATION OF NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES TO FREE
CASH FLOW
(in thousands)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net cash provided by operating activities	\$ 4,813	\$ 39,532	\$ 24,499	\$ 107,077
Purchases of property and equipment	(5,756)	(15,842)	(21,651)	(61,659)
Free cash flow	<u>\$ (943)</u>	<u>\$ 23,690</u>	<u>\$ 2,848</u>	<u>\$ 45,418</u>