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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

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

Date of Report (Date of earliest event reported): **November 14, 2018**

**ASPEN GROUP, INC.**

*(Exact name of registrant as specified in its charter)*

**Delaware**  
*(State or Other Jurisdiction  
of Incorporation)*

**001-38175**  
*(Commission  
File Number)*

**27-1933597**  
*(I.R.S. Employer  
Identification No.)*

**276 Fifth Avenue, Suite 306, New York, New York 10001**  
*(Address of Principal Executive Office) (Zip Code)*

**(212) 477-1210**  
*(Registrant's telephone number, including area code)*

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

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

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**Item 7.01 Regulation FD Disclosure.**

Starting on November 14, 2018, senior management of Aspen Group, Inc. (the “Company”) will deliver presentations to certain potential investors. A copy of the presentation is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in Item 7.01 of this report, including the information in the presentation attached as Exhibit 99.1 to this report, is furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. Furthermore, the information in Item 7.01 of this report, including the information in the presentation attached as Exhibit 99.1 to this report, shall not be deemed to be incorporated by reference in the filings of the registrant under the Securities Act of 1933, as amended.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Exhibit</b>
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99.1	<a href="#"><u>Investor Presentation dated November 2018</u></a>
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## **SIGNATURES**

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

**ASPEN GROUP, INC.**

Date: November 14, 2018

By: /s/ Michael Mathews

Name: Michael Mathews

Title: Chief Executive Officer



# Investor Presentation

Nasdaq: ASPU

November 2018

Aspen Group, Inc. is an education technology holding company that leverages its infrastructure and expertise to allow its two universities, Aspen University and United States University, to deliver on the vision of making college affordable again.

# Safe Harbor Statement

Certain statements in this presentation and responses to various questions include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our expected enrollment conversion rates, the expected recurring revenue from the monthly payment plan contracts, and our projected annual revenue rate per campus. The words “believe,” “may,” “estimate,” “continue,” “anticipate,” “intend,” “should,” “plan,” “could,” “target,” “potential,” “is likely,” “will,” “expect” and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs.

Important factors that could cause actual results to differ from those in the forward-looking statements include the continued effectiveness of our online marketing, how students react to our hybrid pre-licensure BSN program over time, and the Company’s ability to enter into partnerships with health care organizations to establish new campuses and/or finance those campuses.

Further information on our risk factors is contained in our filings with the SEC, including the Form 10-K for the fiscal year ended April 30, 2018 filed on July 13, 2018. Any forward-looking statement made by us herein speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

**Regulation G - Non-GAAP Financial Measures** This presentation includes a discussion of Adjusted EBITDA, a non-GAAP financial measure. Certain information regarding these non-GAAP financial measures (including reconciliations to GAAP) is provided on the Investor Relations section of the Aspen website at [www.aspu.com](http://www.aspu.com).

# Aspen Group: Why We Are A Compelling Investment

- Disruptive business model (monthly payment plans, no interest) with outstanding student outcomes
- Best-in-Class EdTech infrastructure (Proprietary SIS & CRM, integrated with LMS)
- Recurring revenue model (70% of active students paying monthly, delivering >\$1.3 million of monthly cash receipts)
- Unprecedented LTV/CAC ratios (5.6X – 11.7X)
- Already proven business model
- Proven management team

# Disruptive Business Model: Making College Affordable with Outstanding Student Outcomes

## Aspen Group's Disruptive Business Model: "Making College Affordable"

- Offer world class online education at half the cost of our competitors; committed to cash-based, monthly payment plans (no interest)



- Online Bachelor-level students pay \$250/month
- Online Master-level students pay \$325/month
- Online Doctoral-level and USU MSN-FNP students pay \$375/month



# Student Outcomes Key to Our Success

## Student Satisfaction

**92.4%\***

**Upon completing their studies, % of alumni that responded they achieved the goals they had when they started the course or program**

\*Aspen University AlumnSurvey ([http://s3.amazonaws.com/ASPU/Documents/DEAC\\_Consumer\\_Information\\_Disclosure.pdf](http://s3.amazonaws.com/ASPU/Documents/DEAC_Consumer_Information_Disclosure.pdf))

# Student Outcomes Key to Our Success

## Graduation Rates\*\*

### RN to BSN Program

(Aspen University's Largest Degree Program)

**76%\***

\*As reported to DEAC (Aspen University's accreditor) for CY'2017

([http://s3.amazonaws.com/ASPU/Documents/DEAC\\_Consumer\\_Information\\_Disclosure.pdf](http://s3.amazonaws.com/ASPU/Documents/DEAC_Consumer_Information_Disclosure.pdf))

\*\* [https://nces.ed.gov/programs/coe/indicator\\_ctr.asp](https://nces.ed.gov/programs/coe/indicator_ctr.asp) as compared to the national average of 60% of students who began seeking a bachelor's degree at a 4-year institution in fall 2010 completed that degree within 6 years)

# Student Outcomes Key to Our Success

## Financial Prudence

**84.3%\***

**% of alumni that graduated without taking a  
federal loan while attending Aspen University**

\*Based on 1,564 Aspen University graduates between 2017-2018

## Primarily Targeting the High Growth Nursing Profession

# RN Employment Projected to Grow 15% in Next Decade

## It's the best time to be a nurse in the U.S.

[Melody Hahm](#)  
Senior Writer  
[Yahoo Finance](#)

August 9, 2018

Being a nurse in the U.S. is a lucrative gig. In the U.S., a nurse earns an average annual salary of \$63,000, more than double the global average of \$26,698, according to CapReLo, a firm that specializes in global relocation. [The U.S. led in average salary for nurses among 43 countries.](#) Certified Registered Nurse Anesthetists (CRNA) earn, on average, [\\$140,934 per year](#), making it the top paying nursing speciality, according to PayScale. It may very well be the best time to be a nurse in the U.S.. The job's strong demand, relatively high pay, rewarding nature and low-risk of automation are all compelling incentives to pursue the career.

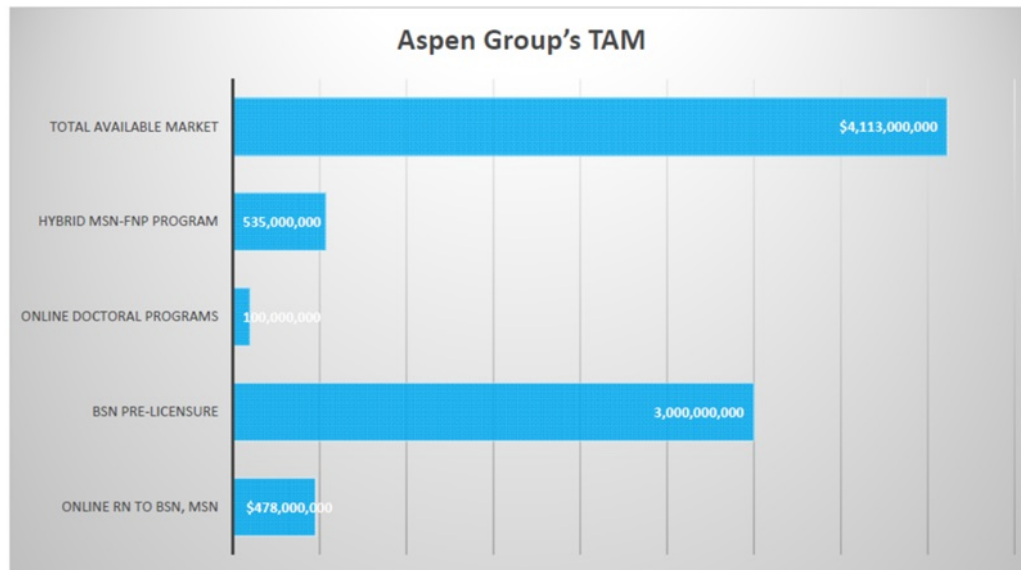
### The demand for health care workers

The landscape looks rosy for anyone looking to become a nurse. A [recent study](#) by HR consulting firm Mercer found that the U.S. needs to hire 2.3 million new health care workers by 2025 to aid the country's aging population. While the U.S. added [fewer jobs than expected last month](#), health care employment grew by [286,000 over the year](#). Hospitals added 7,000 jobs in July, according to BLS numbers. The business services sector added 51,000 jobs and the manufacturing industry added 37,000 jobs in July, coming in distant second and third for top industry job creators.

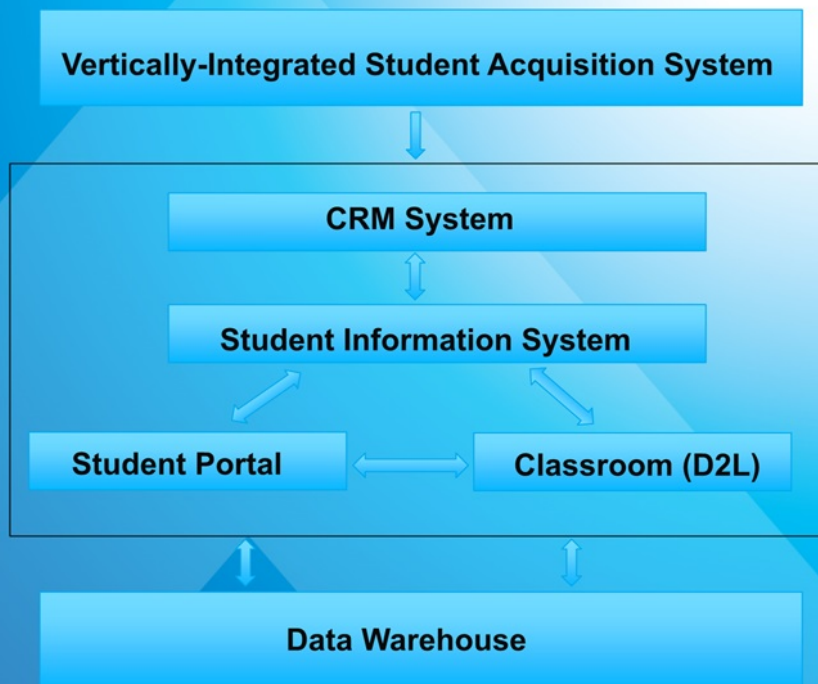
"If you look at the employment projections, health care occupations in general are going to be high in demand over the next decade. Nurses do appear to be really satisfied with their jobs — more than one might expect," said Martha Gimbel, research director for Indeed's Hiring Lab. While the nursing field has a wide range of professions, registered nurses make up the largest segment of health care workers. Employment of registered nurses is projected to grow [15% from 2016 to 2026](#), much faster than the average for all occupations.



# Addressing a \$4 Billion Higher Ed Nursing Market Opportunity



## EdTech Infrastructure Driving Industry Leading Operational Efficiency







# Proprietary CRM System Delivers Breakthrough Functionality

- Built to achieve highest enrollment conversion rates through recommendation engine algorithm
- Innovating in student services to drive higher persistence rates; alert Academic Advisors of 'At-Risk' events in real-time (launch mid-2019)
  - Academic
  - Financial
  - Time Management
  - Personal
  - Etc.

# Unprecedented LTV/CAC Ratios

	<u>LTV</u>	<u>CAC*</u>	<u>Marketing Efficiency Ratio (LTV/CAC)*</u>
Nursing + Other	\$7,350	\$1,317	5.6X
Doctoral + Other	\$12,600	\$2,143	5.9X
			
MSN-FNP	\$17,820	\$1,517	11.7X

\*As of 10/31/18

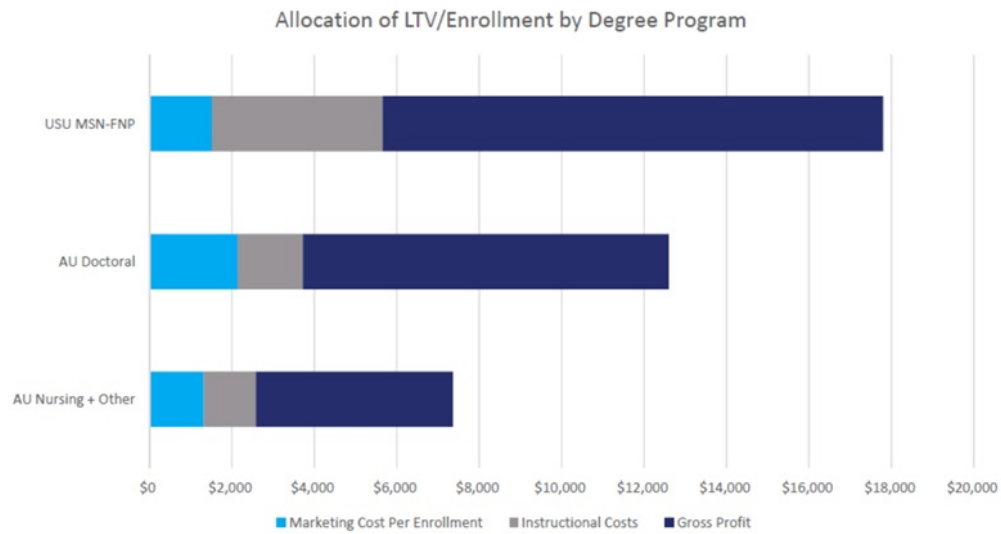
# Exceptional Unit Economics

	<u>Aspen U</u> <u>(Nursing + Other)</u>	<u>Aspen U</u> <u>(Doctoral)</u>	<u>USU MSN-FNP</u>
Revenue/Enrollment*	\$7,360	\$12,600	\$17,800
Marketing Cost/Enrollment*	(\$1,317)	(\$2,143)	(\$1,517)
Enrollment Advisor (EA)*	(\$811)	(\$811)	(\$870)
Instructional Costs**	(\$1,260)	(\$1,575)	(\$4,140)
Contribution Margin/Enrollment	\$3,972	\$8,071	\$11,273
Contribution Margin/Marketing	3.0X	3.8X	7.4X

\*As of 10/31/18 (assumes \$6,000/month/EA)

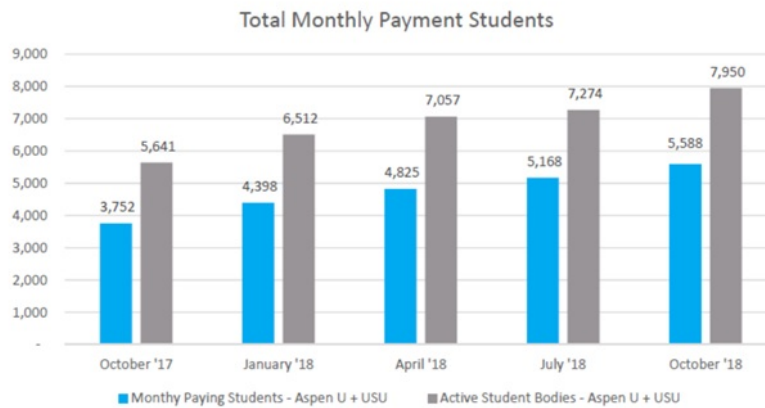
\*\*Assumes \$150/course completion for Aspen U, \$345/course completion for USU MSN-FNP

# Gross Profit/Enrollment Turns Profitable After Three Course Completions



# Recurring Revenue Model

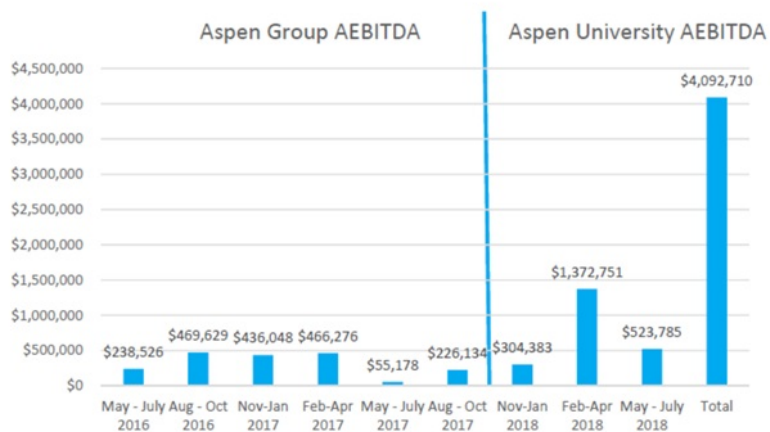
- 5,588 students at Aspen University & USU are using a monthly payment method; total value of monthly payment plan contracts exceeds \$45 million\*
- An additional 418 Aspen University graduates remain on monthly payment programs as of 10/31/18 (~\$125,000/mo.)



\*As of 10/31/18

# Proven Business Model – Aspen University\* AEBITDA Profitable for Past 9 Quarters

- Aspen Group AEBITDA profitable from July 2016 (Q1 FY'17) to July 2018 (Q1 FY'19)
- Following acquisition of USU in December 2017, Aspen University remains AEBITDA profitable



\*Included corporate overhead until past 3 quarters

# Proven Management Team

## **Michael Mathews, Chairman & CEO**

- Former CEO of Interclick (Nasdaq: ICLK, 2007-2011), sold to Yahoo! in 2011 for \$270mm
- Former Operating Exec of CKS Partners (Nasdaq: CKSG, 1994-1998), sold to USWeb in 1998 for \$344mm

## **Dr. Cheri St. Arnauld, Chief Academic Officer**

- Former CAO of Grand Canyon University (Nasdaq: LOPE, 2007-2012)

## **Joseph Sevely, Chief Financial Officer**

- Former CFO of Cutwater Asset Management (2010-2015), \$22 billion AUM, sold to The Bank of New York Mellon

## **Gerard Wendolowski, Chief Operating Officer**

- Former VP, Marketing of Atrinsic (Nasdaq: ATRN, 2008 -2011)

## **Dr. Anne McNamara, Chief Nursing Officer (Aspen University)**

- Former CNO of Grand Canyon University (Nasdaq: LOPE, 2007-2014); History of 90%+ NCLEX scores at GCU under Dr. McNamara's leadership

## Equity Snapshot

- Closed \$5mm credit facility with Leon Cooperman on 11/5/18

As of 11/9/18	
Ticker on Nasdaq:	ASPU
Share Price:	\$5.60
52 Week Range:	\$5.21 - \$9.61
Market Cap:	\$103 Million
Shares Outstanding:	18.4 Million
Mgmt & BOD Ownership:	19%



# Appendix

# Q2 FY'19 KPI Results—Enrollments

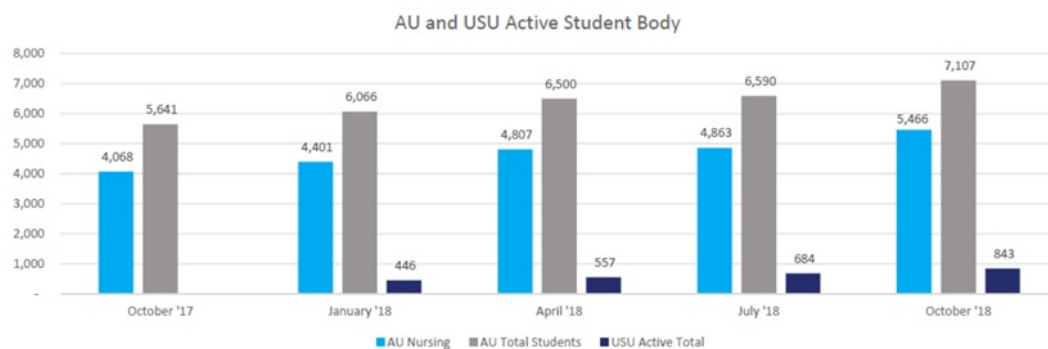
## NEW ENROLLMENT METHODOLOGY (Unconditional Accepts only)

	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	EAs	Enrolls/Month/EA
Aspen (Nursing + Other)	1,044*	972*	980	882	1,104	50	7.4
Aspen (Doctoral)			116	118	133	6	7.4
USU (FNP + Other)			177	221	271	13	6.9
Aspen (Pre-Licensure BSN, AZ Campus)				93	57**	3	6.3
<b>Total</b>	<b>1,044</b>	<b>972</b>	<b>1,273</b>	<b>1,314</b>	<b>1,565</b>	<b>72</b>	

\*Included doctoral enrollments

\*\*New enrollments in this program were intentionally limited due to the current wait list

# KPI Results—Student Body



\*Active Degree-Seeking Students\* are defined as degree-seeking students who were enrolled in a course during the quarter reported, or are registered for an upcoming course.

# Q1 Fiscal Year 2019 Results

For the Quarter Ended July 31, 2018		
Revenues		\$ 7,221,305
Operating expenses		
	Cost of revenues	3,752,392
	General and administrative	5,824,132
	Depreciation and amortization	498,105
		10,074,629
Operating loss from operations		(2,853,324)
Other income (expense):		
	Other income	56,104
	Interest expense	(40,353)
		-
		16,048
Loss from operations before income taxes		(2,837,276)
Income tax expense (benefit)		-
Net loss		\$ (2,837,276)
Adjusted EBITDA		\$ (1,778,348)

# Net (Loss)/Income, Adjusted EBITDA and EPS

	Consolidated	AGI	AU	USU
Net (Loss)/Income	\$ (2,837,276)	\$ (1.90M)	\$ 0.21M	\$(1.15M)
Adjusted EBITDA	\$ (1,778,348)	\$ (1.49M)	\$ 0.52M	\$(0.81M)
Net Loss Per Share	(\$0.15)			

## Subsidiary KPIs—Q1 FY'19 Ratios

	AGI Consolidated		AU	USU
Revenues	\$7,221,305	70% YOY		
			<b>Ratios as a Percentage of AU Revenue</b>	<b>Ratios as a Percentage of USU Revenue</b>
Instructional costs	\$1,564,936		19%	33%
Marketing costs	\$2,187,456		27%	26%
Gross Profit	\$3,309,768		51%	40%
General & Administrative expenses	\$5,824,132		46%	111%

## Targeting Four Growth Vectors



## Growth Vector 1: RNs - Fully Online RN to BSN & MSN



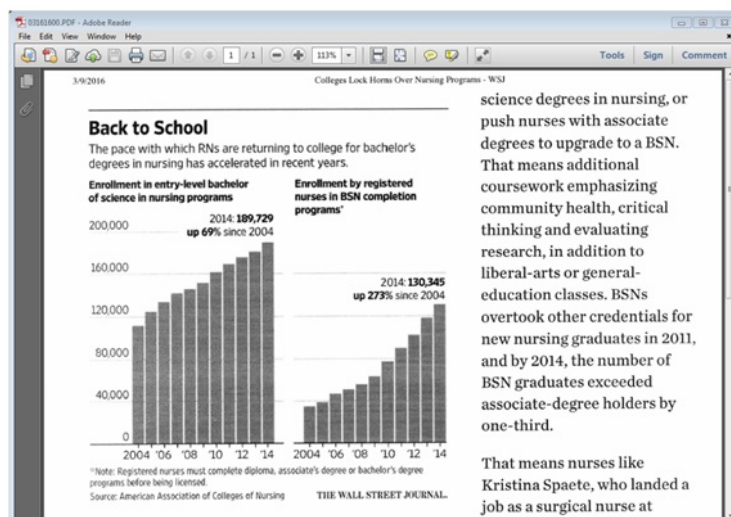
**RNs (post-licensure):  
BSN & MSN  
2.9mm RNs in U.S. Today  
65,000 Starts per Annum  
(TAM: - \$478mm)\***

\*Assumes Aspen's \$7,350 LTV



# Aspen University Capturing ~2% Of BSN Completion Starts

**Approximately 140K RNs currently enrolled in BSN Completion programs; or approx. 50,000 new enrolls/year**



## Growth Vector 2: Pre-Licensure BSN Hybrid Online/Campus Program



**Pre-Licensure BSN Program:  
(Hybrid Online/Campus Program)  
100,000 Pre-Licensure BSN Starts  
per Annum  
(TAM: - \$3B)\***

\*Assumes an \$30,000 LTV

## Aspen University Pre-Licensure BSN: Launched First campus in Phoenix in July, 2018

- **3-Year BSN program is 120 credits – 69% online, 31% on ground**
- **Approved by the AZ BON, AZPPSE, State of Colorado, DEAC**
- **Have clinical partnerships in PHX (Maricopa Integrated Health System, Honor Health, Phoenix Children's Hospital)**
- **Unique compared to other 120-credit pre-licensure BSN programs**
  - Majority of courses online
  - Total cost of attendance (tuition + fees) <\$50,000
  - 9 strategically placed seminars throughout program
    - Attitudes and behaviors
    - Connecting all content together with experts
- **First Semester (and academic year) already at capacity; just announced night/weekend program starting January, 2019**

Forecasting \$10mm+ Annual Revenue Run Rate  
Per Campus, 4-5 Years Out

## Growth Vector 3: Doctoral Students – Fully Online



**Doctoral Programs (Fully Online):**  
**55,000 Graduates per Annum**  
**14% Online Students or ~8K/yr.**  
**(TAM: - \$100mm)\***

**\*Assumes Aspen's \$12,600 LTV**

## Growth Vector 4: RNs – MSN/FNP Hybrid Online Program

- **USU goal to become the university of choice for preparing six-figure Nurse Practitioners (\$27K: \$375 for 72 months)**



**RNs (post-licensure):**  
**MSN-Family Nurse Practitioner**  
**(Hybrid Online Program)**  
**234,000 NPs in U.S. Today (8% of**  
**total RNs)**  
**30,000 Starts per Annum**  
**(online/hybrid and campus-based programs)**  
**(TAM: - \$535mm)\***

\*Assumes USU's \$17,820 LTV

## Net Loss to Adjusted EBITDA Reconciliation (Q1 FY'19)

Net Loss	(\$2,837,276)
Interest Expense	40,353
Depreciation & Amortization	<u>498,105</u>
EBITDA	(2,298,818)
Bad Debt Expense	121,805
Stock-Based Compensation	209,976
Non-recurring Charges	<u>188,689</u>
Adjusted EBITDA (Loss)	<u>(\$1,778,348)</u>

