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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): **June 4, 2019**

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)

(646) 448-5144
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value	ASPU	The Nasdaq Stock Market

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. ☐

Item 2.02. Results of Operations and Financial Condition

On June 4, 2019, Aspen Group, Inc. (the “Company”) issued a press release announcing its preliminary Fiscal 2019 fourth quarter financial results. A copy of the press release is furnished as Exhibit 99.1 to this report.

The information contained in this Item 2.02, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that section. Furthermore, the information contained in this Item 2.02 or Exhibit 99.1 shall not be deemed to be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

Item 7.01. Regulation FD Disclosure.

On June 5, 2019, Mr. Michael Mathews, the Chairman of the Board of Directors and Chief Executive Officer of the Company will deliver a presentation at the 9th Annual LD Micro Invitational. A copy of the presentation is furnished as Exhibit 99.2 to this report.

The information in Item 7.01 of this report, including the information in the presentation attached as Exhibit 99.2 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, 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 99.2 to this report, shall not be deemed to be incorporated by reference in the filings of the registrant under the Securities Act of 1933.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Exhibit
99.1	Press Release dated June 4, 2019
99.2	Investor Presentation dated June 5, 2019



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.

Date: June 4, 2019

ASPEN GROUP, INC.

By: /s/ Michael Mathews

Name: Michael Mathews

Title: Chief Executive Officer



FOR IMMEDIATE RELEASE: June 4, 2019

Aspen Group, Inc. Announces Preliminary Fiscal 2019 Fourth Quarter Financial Results

Revenues sequentially increase \$1.7 million or 20% to \$10.2 million; Net Loss and EBITDA Loss Declines Sequentially by 32% and 58%, respectively

Company Delivers Positive Adjusted EBITDA (\$0.1 million or 1% Margin) Representing Leverage of 69%

NEW YORK, NY – June 4, 2019 - Aspen Group, Inc. ("AGI") (Nasdaq: ASPU), an education technology holding company, today announced preliminary revenue, net loss, EBITDA loss and Adjusted EBITDA (EBITDA and Adjusted EBITDA are non-GAAP financial measures – See "Non-GAAP – Financial Measures" below) for the fiscal 2019 fourth quarter. The company plans to release its full fourth quarter 2019 financial results on July 9, 2019 (for conference call details see below).

Fiscal 2019 Q4 Preliminary Financial Results

The company expects to report revenue of \$10.2 million for the fourth quarter, representing a sequential increase of \$1.7 million or 20% and a year-over-year increase of 41%. The company's two newest business units; United States University ("USU") and Aspen's BSN Pre-Licensure program together delivered sequential growth of 34%. As projected, Aspen University's Nursing and Other unit delivered a sequential revenue increase of approximately \$1 million as the fourth quarter continues to be the seasonally strongest revenue quarter for the company.

The company expects to report fourth quarter 2019 net loss of (\$1.6) million or (\$0.09) per share, which included interest expense of approximately \$285K or (\$0.02) per share. This represents a sequential improvement in net loss of approximately \$0.7 million or 32%.

The company expects to report fourth quarter 2019 EBITDA loss of (\$0.7) million, representing a sequential improvement in EBITDA loss of \$1 million or 58%. Key to the improvement was limiting the increase of the company's G&A by only \$0.45 million or 7% sequentially. Consequently, G&A as a percentage of revenues dropped sequentially from 74% to 66%. Additionally, marketing & promotional costs and instructional costs & services increased sequentially by only 1% and 9% respectively, delivering a quarter-over-quarter GAAP gross margin improvement from 50% to 56%.

The company expects to report fourth quarter 2019 Adjusted EBITDA of \$0.1 million or 1% margin, delivering a sequential improvement of \$1.2 million or 107%. As a result, 69% of the sequential revenue improvement flowed through to Adjusted EBITDA.

The company's ending cash and restricted cash balance as of April 30, 2019 was approximately \$10.0 million, an increase from the previous quarter of approximately \$5.6 million. This increase was driven by \$9.0 million positive cash from financing activities, partially offset by cash used in operations and capital expenditures.

Fiscal 2019 Q4 Operational and Enrollment Results

Aspen Group, Inc. delivered 1,560 new student enrollments for the fiscal fourth quarter, a 23% increase year-over-year. Aspen University accounted for 1,243 new student enrollments (includes 113 Doctoral enrollments and 186 Pre-licensure BSN AZ campus enrollments). USU accounted for 317 new student enrollments (primarily Family Nurse Practitioner (“FNP”) enrollments), a 79% increase year-over-year. Enrollments for Aspen University’s Pre-Licensure BSN program increased 92% sequentially as the university began accepting enrollments for prerequisite students taking online courses in anticipation of entering the HonorHealth final two-year core campus program targeted to launch this upcoming September.

Below is a table reflecting unconditional acceptance new student enrollments for the past five quarters:

	New Student Enrollments					EAs	EAs	Enrolls/ Month/EA
	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q4'18	Q4'19	
Aspen (Nursing + Other)	980	882	1,104	895	944	49	48	6.6
Aspen (Doctoral)	116	118	133	120	113	6	5	7.5
Aspen (Pre-Licensure BSN, AZ Campus)	-	93	57	97	186 ¹	1	5	12.4
USU (FNP + Other)	177	221	271	251	317	8	14	7.5
Total	1,273	1,314	1,565	1,363	1,560	64	72	

¹Includes prerequisite students for HonorHealth Campus and students registered for upcoming start dates awaiting financial clearance.

In terms of enrollment center staffing, the Aspen (Nursing + Other) unit was staffed with 48 Enrollment Advisors (EAs), Aspen Doctoral (5), Aspen Pre-Licensure BSN (5) and USU (14). Note that enrollment center staffing on a year-over-year basis increased by 10 EAs across its two newest business units; USU and Aspen’s Pre-Licensure BSN program, while the Aspen (Nursing + Other) and Aspen (Doctoral) staffing decreased year-over-year by one EA in each unit, respectively.

As previously noted, throughout the 2019 fiscal year just ended, the company has focused the majority of its growth resources on these two newest business units as the company has materially higher LTV’s (see chart below). By maintaining a relatively flat monthly spend rate (\$375K - \$430K) and EA staffing plan (45 – 50 EAs) since January 2018 in its Aspen Nursing and Other unit, this allowed the company to achieve Adjusted EBITDA positive results earlier than expected. However, the company is planning to increase its Aspen Nursing + Other unit marketing spend rate and EA staffing by 10-20% starting in the summer months and as a result expects year-over-year enrollments to increase on a go forward basis.

The current Marketing Efficiency Ratio (MER = revenue-per-enrollment or LTV/cost-per-enrollment or CAC) for our four degree units is reflected in the below table:

	Enrollments	Cost-of-Enrollment	LTV	MER
Aspen (Nursing + Other)	944	\$ 1,361 ²	\$ 7,350	5.4X
Aspen (Doctoral)	113	\$ 2,892 ²	\$ 12,600	4.4X
USU (FNP + Other)	317	\$ 1,619 ²	\$ 17,820 ³	11.0X
Aspen (Pre-Licensure BSN, AZ)	186	\$ 402 ⁴	\$ 30,000 ⁵	74.6X

²Based on 6-month rolling average

³LTV for USU’s MSN-FNP Program

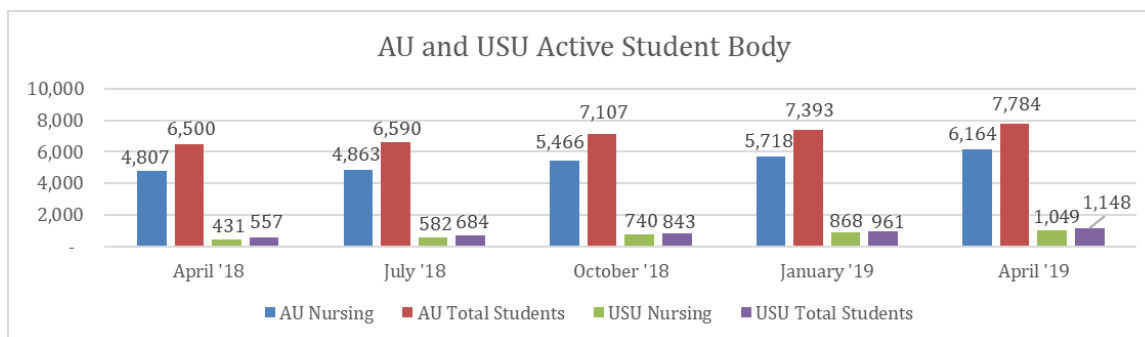
⁴Based on 3-month rolling average

⁵Preliminary LTV estimate for Aspen’s Pre-Licensure BSN Program

AGI’s total active student body (includes both Aspen University and USU) grew 27% year-over-year from 7,057 to 8,932. Of the 8,932 total active students at both universities, 81% or 7,213 are degree-seeking Nursing students.

Aspen University's total active degree-seeking student body grew 20% year-over-year from 6,500 to 7,784. Aspen's School of Nursing grew 28% year-over-year, from 4,807 to 6,164 active students, which includes 396 active students in the BSN Pre-Licensure program in Phoenix, AZ. Aspen University students paying tuition and fees through a monthly payment method grew by 19% year-over-year, from 4,532 to 5,404. Those 5,404 students paying through a monthly payment method represent 69% of Aspen University's total active student body.

USU's total active degree-seeking student body grew sequentially from 961 to 1,148 students or a sequential increase of 19%. Of the 1,148 total active students at USU, 970 or 84% are enrolled in the MSN-FNP degree program. USU students paying tuition and fees through a monthly payment method grew from 602 to 758 students sequentially. Those 758 students paying through a monthly payment method represent 66% of USU's total active student body.



"Management is very pleased to report record quarterly revenues of \$10.2 million and positive Adjusted EBITDA for the fiscal fourth quarter. This result is especially satisfying given the fact that our two newest business units, USU and Aspen's Pre-Licensure BSN program, combined to deliver 34% sequential growth and accounted for 29% of the company's revenues. The company's heavy investments in these two new businesses over the past six quarters has set the stage for long-term sustained growth and higher long-term operating margins as these businesses continue to mature over the coming quarters," said Chairman & CEO, Michael Mathews.

Conference Call:

Aspen Group, Inc. will host a conference call to discuss its fiscal year 2019 4th quarter financial results and business outlook on Tuesday, July 9th, 2019, at 4:30 p.m. (ET). Aspen will issue a press release reporting results after the market closes on that day. The conference call can be accessed by dialing toll-free (844) 452-6823 (U.S.) or (731) 256-5216 (international), passcode 7459518. Subsequent to the call, a transcript of the audiocast will be available from the Company's website at ir.aspen.edu. There will also be a 7 day dial-in replay which can be accessed by dialing toll-free (855) 859-2056 or (404) 537-3406 (international), passcode 7459518.

About Aspen Group, Inc.:

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. For more information, visit www.aspu.com.

Non-GAAP – Financial Measures⁶

The previous discussion and analysis include both financial measures in accordance with Generally Accepted Accounting Principles, or GAAP, as well as non-GAAP financial measures. Generally, a non-GAAP financial measure is a numerical measure of a company's performance, financial position or cash flows that either excludes or includes amounts that are not normally included or excluded in the most directly comparable measure calculated and presented in accordance with GAAP. Non-GAAP financial measures should be viewed as supplemental to, and should not be considered as alternatives to net income, operating income, and cash flow from operating activities, liquidity or any other financial measures. They may not be indicative of the historical operating results of AGI nor are they intended to be predictive of potential future results. Investors should not consider non-GAAP financial measures in isolation or as substitutes for performance measures calculated in accordance with GAAP.

Our management uses and relies on EBITDA and Adjusted EBITDA, which are non-GAAP financial measures. We believe that both management and shareholders benefit from referring to the following non-GAAP financial measures in planning, forecasting and analyzing future periods. Our management uses these non-GAAP financial measures in evaluating its financial and operational decision making and as a means to evaluate period-to-period comparison. Our management recognizes that the non-GAAP financial measures have inherent limitations because of the described excluded items.

AGI defines Adjusted EBITDA as earnings (or loss) from operations before: depreciation and amortization expense, interest, taxes, bad debt expense, stock based compensation and non-recurring expenses. Adjusted EBITDA is an important measure of our operating performance because it allows management, investors and analysts to evaluate and assess our core operating results from period-to-period after removing the impact of items of a non-operational nature or non-recurring costs that affect comparability.

We have included a reconciliation of our non-GAAP financial measures to the most comparable financial measures calculated in accordance with GAAP. We believe that providing the non-GAAP financial measures, together with the reconciliation to GAAP, helps investors make comparisons between Aspen Group and other companies. In making any comparisons to other companies, investors need to be aware that companies use different non-GAAP measures to evaluate their financial performance. Investors should pay close attention to the specific definition being used and to the reconciliation between such measure and the corresponding GAAP measure provided by each company under applicable SEC rules.

The following table presents a reconciliation of Adjusted EBITDA to net loss allocable to common shareholders, a GAAP financial measure:

	<i>\$ in millions</i>
Net loss	\$ (1.6)
Interest expense, net of interest income	0.3
Depreciation and amortization	0.6
EBITDA	(0.7)
Bad debt expense	0.4
Stock based compensation	0.3
One-time expenses	0.1
Adjusted EBITDA	\$ 0.1

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, among other things, statements regarding our expected revenue, net loss, EBITDA loss and Adjusted EBITDA, our financial performance and our business plans.

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.

Our expectations about fourth quarter and full year results are based on preliminary unaudited information about the fourth quarter of 2019 and are subject to revision. Although the quarter is now completed, we are still in the early stages of our standard fiscal year-end financial reporting closing procedures. Accordingly, as we complete our normal quarter-end and year-end closing and review processes, actual results could differ materially from these preliminary results. Factors that could cause our actual results for the fourth quarter of 2019 to differ materially from those contemplated by these forward-looking statements include, but are not limited to, inaccurate assumptions; unrecorded expenses; changes in estimates or judgments including impairment of goodwill; and facts or circumstances affecting the application of the company's critical accounting policies.

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.

Company Contact:

Aspen Group, Inc.
Michael Mathews, CEO
914-906-9159



Investor Presentation

June, 2019
Nasdaq: ASPU

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 continued growth in nursing opportunities, expected increase in our market share, expected efficiency of our marketing efforts, the contractual value of our accounts receivable, and our expectations and plans regarding our hybrid pre-licensure program and future related partnerships. In 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 demand for nurses, 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 and maintain partnerships with health care organizations to establish new campuses and/or finance those campuses.

Further information on our risk factors is contained in our press release issued on March 11, 2019 and our filings with the SEC, our Prospectus Supplement filed on April 19, 2018 and the Form 10-K for the fiscal year ended April 30, 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 in the Appendix to this presentation, our press release dated June 4, 2019 and on the Investor Relations section of the Aspen website at www.aspu.com.

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.

Aspen Group, Inc. – History

2011 – 2012

Michael Mathews appointed CEO of Aspen University; AGI is formed and begins trading on OTCQB (ASPU)



2014

Aspen University announces the breakthrough Monthly Payment Plan (MPP)



Aspen University grows its online post-licensure Nursing school from ~700 to ~5,600 from 2014 - 2018

2017

AGI Acquires United States University (regionally accredited)

AGI uplists on Nasdaq



United States University grows its MSN-FNP program from ~100 to ~800 from 2017 - 2018

2018

AU launches first BSN Pre-licensure campus in Phoenix, AZ



AU announces second pre-licensure campus in Phoenix, embedded in HonorHealth facility (expected to open in 9/2019)

Disruptive Business Model

Making College Affordable with Outstanding Student Outcomes

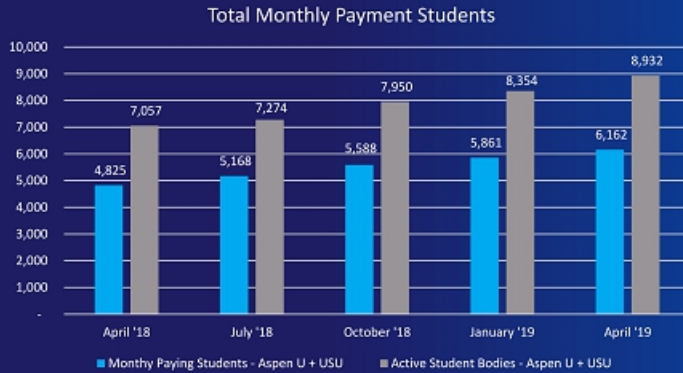
ASPU's monthly payment plans are a revolutionary concept in for-profit education

Degree Program	Monthly Payment (\$)	# of Months (tuition)*	Tuition (\$)
RN to BSN (AU, USU)	250	39 (AU) or 47 (USU)	9,750 (AU) or 11,700 (USU)
MSN (AU, USU)	325	36 (AU) or 38/40 (USU)	11,700 (AU) or 12,350/13,000 (USU)
DNP (AU)	375	51	18,900
MSN-FNP (USU)	375	62	23,250

Aspen has developed ~100 strategic relationships with healthcare providers, many of whom are subsidizing their employees' tuition

*Monthly payment duration for tuition only, additional monthly payments are added for any miscellaneous fees incurred

69% of ASPU's active students pay monthly, for a total contractual value >\$50mm



Aspen's low cost of enrollment is driven by its in-house internet advertising and CRM system

The traditional marketing approach of an online educator has been to purchase leads from third party providers; whereas Aspen has differentiated itself from the outset by building an in-house internet advertising platform

The CRM is then designed to take those leads and achieve best in class conversion rates via the use of an algorithm that recommends to enrollment advisors which potential students to engage with at the right time

ASPEN ONLINE NURSING UNIT

~\$150
Average Cost of Lead

11.9%*
Conversion Rate

\$1,361*
Cost/Enrollment

The durability of this competitive advantage can be seen in the industry-leading conversion rate

*As of April 2019, six-month rolling averages

Student outcomes are key to our success

ASPEN UNIVERSITY ALUMNI SURVEY

97%

Student Satisfaction

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

REPORTED TO DEAC FOR CY 2018

84.0%

Graduation Rate—RN to BSN

Compared to the national average of 60% of students who began a bachelor's degree at a 4-year institution in fall 2010 (completion within 6 years)
https://nces.ed.gov/programs/coe/indicator_ctr.asp

FINANCIAL PRUDENCE

84.3%

Financial Prudence*

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

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

Targeting the High Growth Nursing Profession

The aging population is fueling strong demand for nurses

The Bureau of Labor Statistics (BLS) estimated in 2016 that the demand for RNs will grow by 15% over the next decade to ~3.4mm; this situation is exacerbated by the high percentage of RNs who are approaching retirement age (>30% over 50)

In addition to Baby Boomers' higher demand for health care services as they live longer, BLS cites an increased emphasis on preventive care and growing rates of chronic conditions like diabetes and obesity as core reasons that are fueling the nursing industry's growth

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

Highly educated nurses are in demand – with salaries to match

Degree	Avg. Salary***	Purpose	# Students*
Associate	\$67,463	Minimum qualification required to become an RN	n/a
Pre-Licensure BSN	\$77,249	Undergraduate degree for those with no experience	201,517
RN to BSN	\$77,249	Designed for RNs to upskill and meet new industry standards	137,285
MSN	\$93,509	Designed for RNs looking to move into leadership positions	128,644
DNP	\$98,826	For RNs seeking a terminal degree in nursing practice	25,289
MSN - FNP	\$104,610	Designed to bridge the gap between an RN and a Physician	50,000**

*Source: American Association of Colleges of Nursing, 2017 annual report (89.2% of schools reported, student counts are actuals, not projections)
 **FNP specialization is a subset of the 128,644 total MSN students, actuals not available by specialization, therefore this is a company projection

*** www.aspen.edu

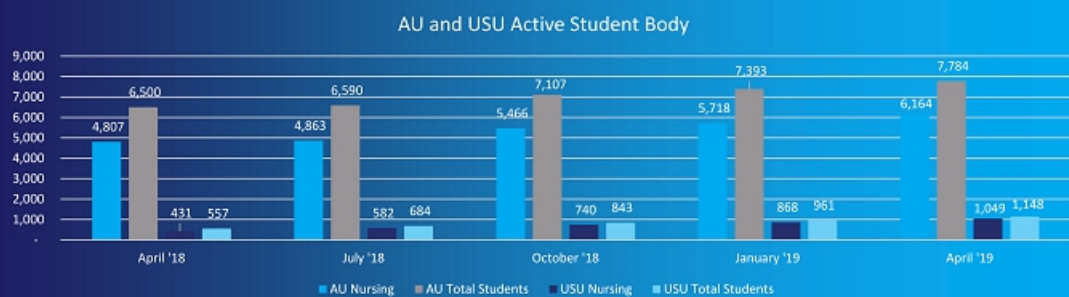
Higher salaries and demonstrated ROI incentivize higher graduation rates

Degree Program	Program Cost (\$)	Salary Uplift (\$)*	Payback (yrs)
RN to BSN	9,750	9,786	1.00
MSN	11,700	16,260	0.72
DNP	18,900	21,577	0.88
MSN-FNP (USU)	27,000	27,361	0.98

These short payback periods demonstrate how by completing a low-cost degree program students can materially improve their financial position

Source: Payscale.com

Nursing students represent 81% of ASPU's total student body



With the addition of two new nursing programs, ASPU dramatically expanded TAM to more than \$4bn

Launched	CCNE Accredited	Degree Program	Market Size (\$)
2011 Q4 2013	2012 Q4 2014	Master of Science in Nursing (MSN) Bachelor of Science in Nursing (RN to BSN)	478mm
2017	In Progress	Doctor of Nursing Practice (DNP)	100mm
USU Acquired — December 2017	2014	Master of Science in Nursing — Family Nurse Practitioner (MSN - FNP)	535mm
July, 2018	Q4 2014	Pre-Licensure Bachelor of Science in Nursing (BSN)	>3.0bn

Aspen University entered the
>\$3bn BSN Pre-Licensure campus
business in July 2018

By offering a hybrid BSN P-L degree, Aspen has created an affordable offering in a >\$3bn market

The AACN has estimated that there are 190,000 qualified entry level nursing students in the United States annually; however, there is only capacity amongst US nursing schools to accept 70% of worthy applicants

Aspen accepted its first cohort of pre-licensure nursing students at its inaugural Phoenix campus in July 2018 and will offer an additional evening/weekend program from January 2019, doubling the number of potential students

In October 2018, Aspen announced the signing of a memorandum of understanding with HonorHealth (5 hospital system in Arizona) to establish a nursing education center to provide qualified HonorHealth employees and general population applicants with an on-site accredited pre-licensure BSN program from Aspen University

Hybrid BSN P-L Program Projected to Deliver \$30,000+ LTV per Enrollment

July 2018 cohort of 92 P-L students is projected to achieve a graduation rate in the same range or better than Aspen's RN to BSN graduation rate of 76%

Given the P-L program's total cost of attendance (tuition + fees) is ~\$47,600 for students that enter with no college credits, we're currently projecting the LTV per P-L enrollment will be at least \$30,000

Assuming each campus 3-years out has 600 active students (400 2-year core & 200 first year pre-requisite students), the revenue run rate at that enrollment level would project to be ~\$9mm per campus

Aspen has ample opportunity to invest in its business at very attractive ROIs

Student enrollment drives revenue which in turn is driven by marketing spend; for every marketing dollar spent the company expects to receive >4.4x in revenue and >3.4x in contribution margin. These characteristics resemble a best in class SaaS company, not a traditional online educator.

	RN to BSN / MSN	DNP	MSN-FNP (USU)
Revenue / Enrollment*	7,350	12,600	17,820
Marketing Cost / Enrollment*	(1,361)	(2,892)	(1,619)
Enrollment Advisor*	(811)	(811)	(870)
Instructional Costs**	(1,260)	(1,575)	(4,140)
Contribution Margin / Enrollment	3,918	7,322	11,191
Contribution Margin / Marketing \$	3.4x	3.4x	7.2x
Marketing Efficiency Ratio	5.4X	4.4X	11.0X

*As of 4/30/19 (assumes \$6,000/month/EA)

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

ASPU pre-announced fiscal Q4 results on 6/4/19; the company grew 20% sequentially and has returned to delivering positive Adjusted EBITDA

Sequential Financial Results	Q3 FY'2019	Q4 FY'2019	Sequential Improvement
Revenue	\$ 8.5 million	\$ 10.2 million	+\$1.7 million (20%)
Net (Loss)/Income	\$ (2.4) million	\$ (1.6) million	+\$0.7 million (32%)
EBITDA	\$ (1.7) million	\$ (0.7) million	+\$1.0 million (58%)
Adjusted EBITDA	\$ (1.1) million	\$ 0.1 million	+\$1.2 million (107%)
Net Loss Per Share	\$ (0.13)	\$ (0.09)	+\$0.04 cents (31%)

Proven Management Team

Michael Mathews

Chairman & Chief Executive Officer

- Former CEO of Interlock (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. Arnault

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 BNY 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

As of 5/31/19

Ticker on Nasdaq:	ASPU
Share Price:	\$4.00
52 Week Range:	\$3.75 - \$8.20
Market Cap:	\$75 Million
Shares Outstanding:	18.5 Million
Mgmt & BOD Ownership:	19%

Appendix

Q3 Fiscal Year 2019 Results

For the Quarter Ended January 31, 2019

Revenues		\$ 8,494,627
Operating expenses		
	Cost of revenues	4,076,980
	General and administrative	6,284,041
	Depreciation and amortization	555,292
		10,916,313
Operating loss from operations		(2,421,686)
Other income (expense):		
	Other income	142,180
	Interest expense	(76,434)
		-
		65,746
Loss from operations before income taxes		(2,355,940)
Income tax expense (benefit)		-
Net loss		\$ (2,355,940)
Adjusted EBITDA		\$ (1,105,209)

Net (Loss)/Income, Adjusted EBITDA and EPS

	Consolidated	AGI	AU	USU
Net (Loss)/Income	\$ (2,355,940)	\$ (1.83M)	\$ 0.39M	\$(.92M)
Adjusted EBITDA	\$ (1,105,209)	\$ (1.45M)	\$ 0.87M	\$(0.52M)
Net Loss Per Share	(\$0.13)			

Net Loss to Adjusted EBITDA Reconciliation (Q3 FY'19)

Net Loss	(\$2,355,940)
Interest Expense	74,248
Taxes	—
Depreciation & Amortization	555,293
EBITDA	(1,726,399)
Bad Debt Expense	187,178
Stock-Based Compensation	350,838
Non-recurring Charges	83,174
Adjusted EBITDA (Loss)	(\$1,105,209)

