

November 9, 2020



Aspen Group, Inc. Announces Q2 FY'2021 Quarterly Enrollments Increased 20% to a Record 2,659 New Students; Quarterly Bookings Grew by 34% to \$42.1 Million

AGI's Total Active Student Body Rises Sequentially by Over 1,100 Students to 13,238; Nursing Active Student Body Grows Sequentially by Over 1,000 Students to 11,442 or 86% of Total

Management to Announce Fiscal Year 2021 Second Quarter Results on December 15, 2020

NEW YORK, Nov. 09, 2020 (GLOBE NEWSWIRE) -- Aspen Group, Inc. ("Aspen Group" or "AGI") (Nasdaq: ASPU), an education technology holding company, today announced a quarterly record of 2,659 new student enrollments in the fiscal 2021 second quarter ended October 31, 2020, an increase of 20% year-over-year. Quarterly bookings increased by \$10.8 million or 34% year-over-year from \$31.3 million to \$42.1 million. Aspen Group's business model is evolving to increased contribution from students enrolling in higher LTV nursing licensure degree programs, a primary dynamic affecting the growth in revenue and bookings for the past two years.

Aspen University generated a record 2,010 new student enrollments in the second quarter of fiscal year 2021, up 13% sequentially and 10% over the prior year period. The strong enrollment growth at Aspen University was a result of record quarterly enrollments in its Doctoral and BSN Pre-Licensure units. United States University ("USU") also delivered record enrollments in the second quarter with 649 new student enrollments driven primarily by MSN-Family Nurse Practitioner ("FNP") enrollments, a 65% increase year-over-year.

Table 1 reflects new student enrollments for the past five quarters:

Table 1 New Student Enrollments					
	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
Aspen University	1,823	1,371	1,344	1,779	2,010
USU	394	375	432	572	649
Total	2,217	1,746	1,776	2,351	2,659

"Aspen Group's unique value proposition continues to deliver strong growth sequentially and year-over-year, due to our proprietary internet advertising and CRM platform, which in turn delivers extremely low cost of enrollment for students. We pass these savings on to our students in the form of tuitions that are, on average, 50% lower than comparable for-profit nursing schools," said Chairman & CEO Michael Mathews. "Our two highest LTV programs, USU's MSN-FNP and Aspen's BSN Pre-Licensure program, cater to our students' needs."

With competitive tuition rates, hybrid campus-online curriculums and flexible class times, we make nursing licensure degrees achievable for working adults and young millennials looking to enhance their career options. Aspen University has launched BSN Pre-Licensure campuses in Tampa, Florida, and Austin, Texas, and plans to provide weekend immersions for USU's MSN-FNP in both metros. Our strategy to open ten new campuses throughout the southern United States in the next five years will deliver long-term growth and improve shareholder value." stated Mathews.

In the second quarter of fiscal year 2021, the Marketing Efficiency Ratio (MER) for our universities remained above 13X, representing revenue-per-enrollment (LTV) over cost-per-enrollment (CAC), which was a decline of 10% for Aspen University and 30% for USU year-over-year, as shown in Table 2:

Table 2 Second Quarter Marketing Efficiency Ratio						
	Enrollments	CAC ¹	LTV ²	Q2 '21 MER	Q2 '20 MER	MER % Change
Aspen University	2,010	\$ 1,112	\$ 15,181 ³	13.7X	15.2X	-10%
USU	649	\$ 1,240	\$ 17,820 ⁴	14.4X	20.7X	-30%

¹Based on 6-month rolling weighted average CAC for each university's enrollments

²Lifetime Value (LTV) of a new student enrollment

³Weighted average LTV for all Aspen University enrollments in the quarter

⁴LTV for USU's MSN-FNP Program

Compared to the previous year, AGI's weighted average cost of enrollment (CAC) increased 31%, from \$875 to \$1,143. On a sequential basis, AGI's CAC declined 5%, from \$1,203 to \$1,143. Table 3 below shows the breakdown by university and the weighted average.

Table 3 Second Quarter Weighted Average Cost of Enrollment					
	Q2 '20 Enrollments	Q2 '20 CAC ¹	Q2 '21 Enrollments	Q2 '21 CAC ¹	CAC % Change
Aspen University	1,823	\$ 879	2,010	\$ 1,112	27%
USU	394	\$ 862	649	\$ 1,240	44%
Weighted Average		\$ 875		\$ 1,143	31%

¹Based on 6-month rolling average

Table 4 below shows, on a year-over-year basis, fiscal second quarter 2021 bookings increased 34% to \$42.1 million, delivering a company-wide average revenue per enrollment (ARPU) increase of 12% to \$15,825, reflecting the shift in the revenue mix toward higher LTV nursing licensure degree programs.

Table 4 Second Quarter Bookings and Average Revenue Per Enrollment (ARPU)					
	Q2'2020 Enrollments	Q2'2020 Bookings	Q1'2021 Enrollments	Q1'2021 Bookings	Percent Change Total Bookings & ARPU
Aspen University	1,823	\$ 24,294,600	2,010	\$30,514,200	
USU	394	\$ 7,021,080	649	\$ 11,565,180	
Total	2,217	\$ 31,315,680	2,659	\$ 42,079,380	34%
ARPU		\$ 14,125		\$ 15,825	12%

AGI's overall active student body (includes both Aspen University and USU) grew 24% year-over-year from 10,718 to 13,238. Aspen University's total active degree-seeking student body grew 21% year-over-year from 9,016 to 10,779.

On a year-over-year basis, USU's total active student body grew from 1,702 to 2,459 or 44%. The chart below shows the student body growth over the past five quarters.

Fiscal 2021 Second Quarter Earnings Conference Call Details:

Aspen Group will host a conference call to discuss its second quarter fiscal year 2021 financial results and business outlook on Tuesday, December 15th, 2020, at 4:30 p.m. (ET). Aspen Group 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 9059076. 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 seven day dial-in replay which can be accessed by dialing toll-free (855) 859-2056 or (404) 537-3406 (international), passcode 9059076.

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.

Forward-Looking Statements:

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our USU lab immersion expansions, our plans with respect to, and the expected effect of, new campus openings, and the future impact of bookings and LTV. 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 of nursing students for the new programs, student attrition, national and local economic factors including the substantial impact of the COVID-19 pandemic on the economy, and the competitive impact from the trend of public

non-profit universities offering online education. Other risks are included in our filings with the SEC including our Form 10-K for the year ended April 30, 2020. 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.

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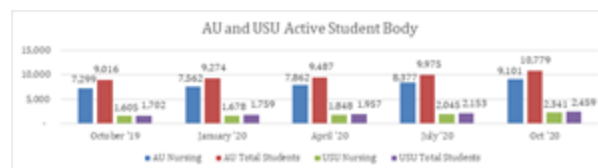
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A graph accompanying this announcement is available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/f74ebdce-625c-4f40-bb3a-d58dac70fcfe>



Source: Aspen Group Inc.

AGI Active Student Body



AU and USU Active Student Bod