

September 17, 2025



Aspen Group Delivers Positive Net Income in Fourth Quarter Fiscal 2025

Q4 Fiscal 2025 Highlights (compared to Q4 Fiscal year 2024)

- Net income of \$0.6 million and positive operating cash flow of \$0.6 million
- Total revenue growth of 6% to \$11.6 million
- Lowered operating expense by \$4.7 million to deliver operating income of \$1.4 million
- Delivers positive Adjusted EBITDA of \$2.0 million as compared to (\$0.7) million
- Restructuring and efficiency gains are expected to drive positive operating cash flow in FY 2026

PHOENIX –September 17, 2025 - Aspen Group, Inc. (OTCQB: ASPU) (“AGI” or the "Company"), an education technology holding company, today announced financial results for its fourth quarter fiscal year 2025 ended April 30, 2025.

Fourth Quarter Fiscal Year 2025 Summary Results

	Three Months Ended April 30,		Twelve Months Ended April 30,	
	2025	2024	2025	2024
<i>\$ in millions, except per share data</i>				
Revenue	\$ 11.6	\$ 10.9	\$ 45.3	\$ 51.4
Gross Profit ¹	\$ 8.2	\$ 7.0	\$ 31.3	\$ 33.6
Gross Margin (%) ¹	71 %	64 %	69 %	65 %
Operating Income (Loss)	\$ 1.4	\$ (4.0)	\$ (0.7)	\$ (6.0)
Net Income (Loss) ²	\$ 0.6	\$ (7.4)	\$ (1.5)	\$ (13.6)
Earnings (Loss) per Share	\$ 0.02	\$ (0.29)	\$ (0.07)	\$ (0.53)
EBITDA ³	\$ 1.7	\$ (5.6)	\$ 2.9	\$ (4.8)
Adjusted EBITDA ³	\$ 2.0	\$ (0.7)	\$ 5.7	\$ 2.5

¹ GAAP gross profit calculation includes marketing and promotional costs, instructional costs and services, and amortization expense of \$0.4 million and \$0.5 million, and \$1.8 million and \$1.6 million for the three and twelve months ended April 30, 2025 and 2024, respectively.

² See reconciliations of Net income (loss) to EBITDA and Adjusted EBITDA under “Non-GAAP–Financial Measures” starting on page 5 for details of non-recurring non-cash charges for lease impairments, changes in fair value of the put warrant liability, and the loss on debt extinguishment included in Net income (loss).

³ Non-GAAP financial measures. See reconciliations of GAAP to non-GAAP financial measures under “Non-GAAP–Financial Measures” starting on page 4.

Michael Mathews, Chairman and CEO of AGI, stated: “We ended FY2025 with strong momentum, delivering positive net income and cash flow in the fourth quarter. Growth in organic enrollments and tuition increases in our Family Nurse Practitioner program drove a higher gross margin at USU, while disciplined instructional spending and the full benefit of prior cost restructurings lifted AGI’s overall gross margin. These improvements resulted in a 12% operating margin and our first quarterly profit. For the full year, we significantly narrowed our net loss to \$1.5 million, down from \$13.6 million in FY 2024. Managing cash remains a top priority, and we expect the continued benefits of our restructurings and efficiency initiatives to generate positive operating cash flow in Fiscal 2026. This will allow us to resume marketing spend at the right level to support the enrollment growth. Our progress reflects not only the strength of our operational model, but also the positive impact of our strategic enhancements on the business over the past year.”

Mr. Mathews added, “We have proven we can operate with minimal cash burn while increasing our operating income through disciplined cost control. In Fiscal 2026, we anticipate returning to enrollment growth with increased marketing spend and the continued success of our enrollment advisors, while also maintaining tight cash management. We entered the new fiscal year on a solid foundation, positioned for sustainable growth.”

Fiscal Q4 2025 Financial and Operational Results (compared to Fiscal Q4 2024)

Revenue increased by 6% to \$11.6 million compared to \$10.9 million. The following table presents the Company’s revenue, both per-subsiary and total:

Three Months Ended April 30,				
	2025	\$ Change	% Change	2024
AU	\$ 4,397,499	\$ (708,651)	(14)%	\$ 5,106,150
USU	7,171,999	1,409,413	24%	5,762,586
Revenue	\$ 11,569,498	\$ 700,762	6%	\$ 10,868,736

Aspen University's (“AU”) revenue decline of \$0.7 million, or 14%, reflects the completion of the teach-out of the pre-licensure program and lower post-licensure enrollments as a result of the decrease in marketing spend initiated in late Fiscal Q1 2023.

United States University (“USU”) revenue was up 24% compared to the prior year period. MSN-FNP program enrollments increased quarter-over-quarter due to regular seasonality and strong organic leads during the quarter. Additionally, USU’s performance was supported by strong demand from existing students returning from inactive status and higher revenue per student driven by more students entering their second year of the MSN-FNP program, which includes clinical rotations, and by tuition increases.

GAAP gross profit increased by \$1.2 million to \$8.2 million primarily due to higher revenue at USU due to increased revenue per student combined with reduced cost of revenue driven by increased efficiencies in the use of faculty. Consolidated gross margin was 71% compared to 64%, AU's gross margin was 67% versus 65%, and USU's gross margin was 74% versus 64%. The increase in gross margin is the result of higher revenue at USU combined with lower instructional costs from completing the AU BSN Pre-licensure program teach-out and increased efficiencies in the usage of faculty at both AU and USU.

AU instructional costs and services represented 26% of AU revenue, and USU instructional costs and services represented 23% of USU revenue. AU marketing and promotional costs represented 1% of AU revenue, and USU marketing and promotional costs represented 1% of USU revenue.

The following tables present the Company’s net income (loss), both per subsidiary and total:

	Three Months Ended April 30, 2025			
	Consolidated	AGI Corporate	AU	USU
Net income (loss) available to common stockholders	\$ 616,848	\$ (1,870,177)	\$ 305,213	\$ 2,181,812
Net income per share available to common stockholders	\$ 0.02			
	Three Months Ended April 30, 2024			
	Consolidated	AGI Corporate	AU	USU
Net income (loss) available to common stockholders	\$ (7,447,068)	\$ (7,056,305)	\$ (1,924,899)	\$ 1,534,136
Net loss per share available to common stockholders	\$ (0.29)			

The following tables present the Company’s Non-GAAP Financial Measures, both per subsidiary and total. See reconciliations of GAAP to non-GAAP financial measures under “Non-GAAP–Financial Measures” starting on page 4.

Three Months Ended April 30, 2025

	Consolidated	AGI Corporate	AU	USU
EBITDA	\$1,653,591	\$(1,473,450)	\$794,562	\$2,332,479
EBITDA Margin	14%	NM	18%	33%
Adjusted EBITDA	\$1,994,269	\$(1,740,083)	\$1,170,507	\$2,563,845
Adjusted EBITDA Margin	17%	NM	27%	36%

NM – Not meaningful

Three Months Ended April 30, 2024

	Consolidated	AGI Corporate	AU	USU
EBITDA	\$(5,622,156)	\$(6,015,312)	\$(1,276,726)	\$1,669,882
EBITDA Margin	52%	NM	(25)%	29%
Adjusted EBITDA	\$(689,339)	\$(2,208,484)	\$126,371	\$1,392,774
Adjusted EBITDA Margin	(6)%	NM	2%	24%

Adjusted EBITDA improved by \$2.7 million due to increased revenue per student at USU and the reduction in instructional costs and services related to the teach-out of the pre-licensure program, increased instructional efficiencies at AU and USU and a decrease in general and administrative costs attributed to our restructurings.

Operating Metrics

New Student Enrollments

On a Company-wide basis, new student enrollments were down 24% year-over-year. New student enrollments at AU decreased 18% year-over-year and at USU decreased 30% year-over-year. New student enrollments were primarily impacted by our reduction of marketing spend to a maintenance level. As a result of the restructurings and increased instructional efficiencies, we anticipate the resumption of marketing spend in Fiscal 2026 at a level necessary to provide enrollments needed to grow the student body and allow for the generation of positive operating cash flow.

New student enrollments for the past five quarters are shown below:

	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25
Aspen University	427	413	508	359	350
USU	370	410	442	196	258
Total	797	823	950	555	608

Total Active Student Body

AGI's active degree-seeking student body, including AU and USU, declined 18% year-over-year to 5,809 at April 30, 2025 from 7,048 at April 30, 2024. AU's total active student body decreased by 26% year-over-year to 3,375 at April 30, 2025 from 4,559 at April 30, 2024. On a year-over-year basis, USU's total active student body decreased by 2% to 2,434 at April 30, 2025 from 2,489 at April 30, 2024.

Total active student body for the past five quarters is shown below:

	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25
Aspen University	4,559	4,145	3,827	3,564	3,375
USU	2,489	2,477	2,560	2,475	2,434
Total	7,048	6,622	6,387	6,039	5,809

Nursing Students

Nursing student body for the past five quarters is shown below:

	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25
Aspen University	3,526	3,198	2,948	2,745	2,606
USU	2,262	2,254	2,300	2,297	2,254
Total	5,788	5,452	5,248	5,042	4,860

Liquidity

The Fiscal Q4 2025 ending unrestricted cash balance was \$0.7 million. As of September 12, 2025, the Company had \$0.4 million of unrestricted cash on hand. On September 15, 2025, we implemented a fifth restructuring plan, that will result in additional cash benefits for the Company starting in late October 2025. The restructuring resulted in the elimination of approximately 80 positions within AU and AGI. The resulting additional on-going quarterly compensation-related savings will be approximately \$1.7 million beginning in late October 2025.

Our restructuring efforts were designed to achieve break-even to positive annual operating cash flows, which will permit the resumption of marketing spend at a level that we expect will renew growth in our post-licensure nursing student body. In Fiscal Q4 2025, we had positive cash flow from operations of \$0.6 million.

Cost reductions associated with the five restructuring plans and other corporate cost reductions will ensure that the Company will have sufficient cash to meet its working capital needs for the next 12 months.

Non-GAAP – Financial Measures

This press release includes 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 (loss), operating income (loss), 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, Adjusted EBITDA and Adjusted EBITDA Margin, which are non-GAAP financial measures. We believe that management, analysts, and shareholders benefit from referring to the following non-GAAP financial measures to evaluate and assess our core operating results from period-to-period after removing the impact of items that affect comparability. Our management recognizes that the non-GAAP financial measures have inherent limitations because of the excluded items described below.

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 AGI 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.

AGI defines Adjusted EBITDA as EBITDA excluding: (1) bad debt expense; (2) stock-based compensation; (3) severance; (4) impairments of right-of-use assets and tenant leasehold improvements and (5) non-recurring (income) charges. The following table presents a reconciliation of net income (loss) to EBITDA and Adjusted EBITDA and of net income (loss) margin to the Adjusted EBITDA margin:

	Three Months Ended April 30,		For the Years Ended April 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 616,848	\$ (7,447,068)	\$ (1,544,892)	\$ (13,578,756)
Interest expense, net	325,603	1,010,121	1,368,892	4,979,486
Taxes	6,381	(74,404)	56,149	78,374
Depreciation and amortization	704,759	889,195	3,055,568	3,718,621
EBITDA	1,653,591	(5,622,156)	2,935,717	(4,802,275)
Provision for credit losses	600,000	744,661	1,950,000	2,094,661
Stock-based compensation	(706,895)	149,735	(291,548)	677,392
Severance	13,876	—	135,526	—
Impairments of right-of-use assets and tenant leasehold improvements	—	1,421,096	1,848,209	1,526,410
Loss on debt extinguishment	—	2,053,417	—	2,053,417
Change in fair value of put warrant liability	433,697	599,438	(537,072)	505,989
Non-recurring charges (income) - Other	—	(35,530)	(387,298)	402,568
Adjusted EBITDA	\$ 1,994,269	\$ (689,339)	\$ 5,653,534	\$ 2,458,162
Net loss Margin	5 %	(69) %	(3) %	(26) %
EBITDA Margin	14 %	(52) %	6 %	(9) %
Adjusted EBITDA Margin	17 %	(6) %	12 %	5 %

The following tables present a reconciliation of Net income (loss) to EBITDA and Adjusted EBITDA and of Net income (loss) margin to the Adjusted EBITDA margin by business unit:

Three Months Ended April 30, 2025

	Consolidated	AGI Corporate	AU	USU
Net income (loss)	\$ 616,848	\$ (1,870,177)	\$ 305,213	\$ 2,181,812
Interest expense, net	325,603	325,603	—	—
Taxes	6,381	2,369	3,962	50
Depreciation and amortization	704,759	68,755	485,387	150,617
EBITDA	1,653,591	(1,473,450)	794,562	2,332,479
Provision for credit losses	600,000	—	375,000	225,000
Stock-based compensation	(706,895)	(705,230)	(2,612)	947
Severance	13,876	4,900	3,557	5,419
Change in fair value of put warrant liability	433,697	433,697	—	—
Adjusted EBITDA	\$ 1,994,269	\$ (1,740,083)	\$ 1,170,507	\$ 2,563,845
Net income margin	5 %	NM	7 %	30 %
EBITDA margin	14 %	NM	18 %	33 %
Adjusted EBITDA margin	17 %	NM	27 %	36 %

NM – Not meaningful

Three Months Ended April 30, 2024

	Consolidated	AGI Corporate	AU	USU
Net income (loss)	\$ (7,447,068)	\$ (7,056,305)	\$ (1,924,899)	\$ 1,534,136
Interest expense (income), net	1,010,121	1,010,121	—	—
Taxes	(74,404)	(49,108)	(13,778)	(11,518)
Depreciation and amortization	889,195	79,980	661,951	147,264
EBITDA	(5,622,156)	(6,015,312)	(1,276,726)	1,669,882
Bad debt expense	744,661	—	1,077,468	(332,807)
Stock-based compensation	149,735	143,505	4,531	1,699
Impairments of right-of-use assets and tenant leasehold improvements	1,421,096	1,214,398	206,698	—
Loss on debt extinguishment	2,053,417	2,053,417	—	—
Change in fair value of put warrant liability	599,438	599,438	—	—
Non-recurring charges (income) - Other	(35,530)	(203,930)	114,400	54,000
Adjusted EBITDA	\$ (689,339)	\$ (2,208,484)	\$ 126,371	\$ 1,392,774
Net income (loss) margin	(69) %	NM	(38) %	27 %
EBITDA margin	(52) %	NM	(25) %	29 %
Adjusted EBITDA margin	(6) %	NM	2 %	24 %

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 the impact from and cost savings resulting from the fifth restructuring, our future marketing spend and the success of our future marketing efforts, positive operating cash flow in Fiscal 2026, and our future liquidity.

All statements other than statements of historical facts contained in this report, including statements regarding our future financial position, liquidity, business strategy and plans and objectives of management for future operations, are forward-looking statements. 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.

The results anticipated by any or all of these forward-looking statements might not occur. Important factors, uncertainties and risks that may cause actual results to differ materially from these forward-looking statements include, without limitation, the accuracy of our estimates relating to our fifth restructuring plan, the effectiveness of our increased marketing, our ability to sublease our remaining leases other than our executive offices and necessary space used by AU and USU, the continued high demand for nurses for our new programs and in general, student attrition, national and local economic factors including the labor market shortages and the possibility of an economic recession, the failure to obtain approval from the National Council for State Authorization Reciprocity Agreements, competition from other online universities including the competitive impact from the trend of major non-profit universities using online education and consolidation among our competitors, our ability to obtain and maintain the necessary regulatory approvals for the merger of AU into USU, the impact of U.S. tariff policy and any Federal Reserve interest rate changes on inflation, unfavorable regulatory changes, and our failure to continue obtaining enrollments at low acquisition costs and keeping teaching and administrative costs down. We undertake no obligation to publicly update or revise any forward-looking statements, whether as the result of new information, future events or otherwise.

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.

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GAAP Financial Statements

ASPEN GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

April 30,

2025

2024

Assets

Current assets:

Cash and cash equivalents	\$ 736,871	\$ 1,531,425
Restricted cash	338,002	1,088,002
Accounts receivable, net of allowance of \$5,731,139 and \$4,560,378, respectively	17,167,346	19,686,527
Prepaid expenses	443,366	502,751
Other current assets	518,171	1,785,621
Total current assets	19,203,756	24,594,326

Property and equipment:

Computer equipment and hardware	894,251	886,152
Furniture and fixtures	1,974,271	1,974,271
Leasehold improvements	5,621,087	6,553,314
Instructional equipment	529,299	529,299
Software	7,527,066	8,784,996
	16,545,974	18,728,032
Accumulated depreciation and amortization	(9,907,309)	(9,542,520)
Property and equipment, net	6,638,665	9,185,512
Goodwill	5,011,432	5,011,432
Intangible assets	7,900,000	7,900,000
Courseware and accreditation, net	256,994	363,975
Long-term contractual accounts receivable	19,846,823	17,533,030
Operating lease right-of-use assets, net	7,250,407	10,639,838
Deposits and other assets	657,850	718,888
Total assets	\$ 66,765,927	\$ 75,947,001

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ASPEN GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (CONTINUED)

	April 30,	
	2025	2024
Liabilities and Stockholders' Equity		
Liabilities:		
Current liabilities:		
Accounts payable	\$ 2,055,173	\$ 2,311,360
Accrued expenses	2,483,520	2,880,478
Advances on tuition	2,235,332	2,030,501
Deferred tuition	2,535,533	4,881,546
Due to students	2,115,581	2,558,492
Operating lease obligations, current portion	2,811,471	2,608,534
Debt, current portion	2,000,000	2,284,264
Other current liabilities	185,296	86,495
Total current liabilities	16,421,906	19,641,670
Long-term debt, net	5,224,524	6,776,506
Operating lease obligations, less current portion	12,398,678	14,999,687
Warrant liabilities	1,427,521	1,964,593
Other long-term liabilities	327,402	287,930
Total liabilities	35,800,031	43,670,386
Commitments and contingencies		

Stockholders' equity:

Preferred stock, \$0.001 par value; 1,000,000 shares authorized, 10,000 issued and outstanding at both April 30, 2025 and 2024, respectively	10	10
Common stock, \$0.001 par value; 85,000,000 shares authorized, 28,389,531 and 25,701,603 issued and outstanding at April 30, 2025 and 2024, respectively	28,390	25,702
Additional paid-in capital	122,152,533	121,921,048
Accumulated deficit	(91,215,037)	(89,670,145)
Total stockholders' equity	30,965,896	32,276,615
Total liabilities and stockholders' equity	\$ 66,765,927	\$ 75,947,001

ASPEN GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended April 30,	
	2025	2024
Revenue, net	\$ 45,302,082	\$ 51,395,302
Operating expenses:		
Cost of revenue (exclusive of depreciation and amortization shown separately below)	12,190,949	16,232,385
General and administrative	26,889,423	33,497,456
Impairments of right-of-use assets and tenant leasehold improvements	1,848,209	1,526,410
Loss on asset dispositions	35,984	308,055
Provision for credit losses	1,950,000	2,094,661
Depreciation and amortization	3,055,568	3,718,621
Total operating expenses	45,970,133	57,377,588
Operating loss	(668,051)	(5,982,286)

Other income (expense):		
Interest expense	(1,368,892)	(4,979,507)
Loss on debt extinguishment	—	(2,053,417)
Change in fair value of put warrant liability	537,072	(505,989)
Other income, net	11,128	20,817
Total other expense, net	(820,692)	(7,518,096)
Loss before income taxes	(1,488,743)	(13,500,382)
Income tax expense	56,149	78,374
Net loss	(1,544,892)	(13,578,756)
Dividends attributable to preferred stock	(370,600)	(59,836)
Net loss available to common stockholders	\$ (1,915,492)	\$ (13,638,592)
Net loss per share - basic and diluted available to common stockholders	\$ (0.07)	\$ (0.53)
Weighted average number of common shares outstanding - basic and diluted	27,140,245	25,590,919

ASPEN GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

YEARS ENDED APRIL 30, 2025 AND 2024

Preferred Stock	Common Stock	Additional Paid-In	Treasury	Accumulated	Total Stockholder
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	Shares	Amount	Shares	Amount	Capital	Stock	Deficit	Equity
Balance as of April 30, 2023	—	\$ —	25,592,802	\$ 25,593	\$ 113,429,992	\$ (1,817,414)	\$ (76,091,389)	\$ 35,546,78
Stock-based compensation	—	—	—	—	677,392	—	—	677,3
Common stock issued for vested restricted stock units	—	—	239,287	239	(239)	—	—	
Common stock issued for services	—	—	25,000	25	1,833	—	—	1,8
Cancellation of treasury stock	—	—	(155,486)	(155)	(1,817,259)	1,817,414	—	
Amortization of warrant-based cost issued for services	—	—	—	—	28,000	—	—	28,0
Accrued dividends	—	—	—	—	(59,836)	—	—	(59,83
Conversion of Convertible Notes into preferred stock	10,000	10	—	—	9,999,990	—	—	10,000,00
Relative fair value of warrants issued in connection with the 15% Debentures	—	—	—	—	154,000	—	—	154,0
Reclassification of warrants to put liability	—	—	—	—	(500,825)	—	—	(500,82
Warrant modifications	—	—	—	—	8,000	—	—	8,0
Net loss	—	—	—	—	—	—	(13,578,756)	(13,578,75
Balance as of April 30, 2024	10,000	\$ 10	25,701,603	\$ 25,702	\$ 121,921,048	\$ —	\$ (89,670,145)	\$ 32,276,61
Stock-based compensation	—	—	—	—	256,786	—	—	256,7
Common stock issued for vested restricted stock units	—	—	340,516	341	(341)	—	—	
Amortization of warrant-based cost issued for services	—	—	—	—	7,000	—	—	7,0

Warrants issued in connection with the 15% Debentures Amendment #6	—	—	—	—	12,965	—	—	12,965	
Common Stock issued for accrued dividends	—	—	2,347,412	2,347	(2,347)	—	—		
Accrued dividends	—	—	—	—	(42,578)	—	—	(42,578)	
Net loss	—	—	—	—	—	—	(1,544,892)	(1,544,892)	
Balance as of April 30, 2025	10,000	\$ 10	28,389,531	\$ 28,390	\$ 122,152,533	\$	—	\$ (91,215,037)	\$ 30,965,853

ASPEN GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	Years Ended April 30,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (1,544,892)	\$ (13,578,751)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Provision for credit losses	1,950,000	2,094,611
Depreciation and amortization	3,055,568	3,718,611
Stock-based compensation	256,786	677,311
Change in fair value of put warrant liability	(537,072)	505,911
Amortization of warrant-based cost	7,000	28,011
Warrant modification	—	8,011
Amortization of debt issuance costs	53,160	1,275,311
Amortization of debt discounts	—	405,311
Loss on debt extinguishment	—	2,053,411

Common stock issued for services	—	1,84
Loss on asset dispositions	35,984	308,04
Non-cash lease benefit	(318,971)	(850,46
Impairments of right-of-use assets and tenant leasehold improvements	1,848,209	1,526,47
Changes in operating assets and liabilities:		
Accounts receivable	(1,744,612)	(4,188,55
Prepaid expenses	59,385	107,14
Other current assets	1,267,450	1,283,21
Deposits and other assets	61,038	(508,35
Accounts payable	(256,187)	60,41
Accrued expenses	(396,958)	415,51
Due to students	(442,911)	(66,33
Advances on tuition and deferred tuition	(2,141,182)	1,044,01
Other current liabilities	98,801	(22,83
Other long-term liabilities	39,472	37,91
Net cash provided by (used in) operating activities	1,350,068	(3,663,80
Cash flows from investing activities:		
Purchases of courseware and accreditation	(57,210)	(182,75
Purchases of property and equipment	(960,969)	(1,147,42
Net cash used in investing activities	(1,018,179)	(1,330,17
Cash flows from financing activities:		
Repayment of portion of 15% Senior Secured Debentures	(1,721,066)	(3,328,97
Payments of debt issuance costs	(155,377)	(233,16

Proceeds from 15% Senior Secured Debentures, net of original issuance discount and fees	—	10,451,01
Repayment of 2018 Credit Facility	—	(5,000,00
Advance from related party	—	200,01
Repayment of advance from related party	—	(200,00
Net cash (used in) provided by financing activities	(1,876,443)	1,888,91
Net decrease in cash and cash equivalents	(1,544,554)	(3,105,04
Cash, cash equivalents and restricted cash at beginning of year	2,619,427	5,724,41
Cash, cash equivalents and restricted cash at end of year	\$ 1,074,873	\$ 2,619,41

(Continued)

ASPEN GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

(Unaudited)

Years Ended April 30,

2025

2024

Supplemental disclosure cash flow information:

Cash paid for interest	\$ 1,315,733	\$ 3,289,824
Cash paid for income taxes	\$ 56,149	\$ 98,343

Supplemental disclosure of non-cash investing and financing activities:

Accrued dividends	\$ 102,412	\$ 59,836
Relative fair value of warrants issued as part of the 15% Senior Secured Debentures	\$ 12,965	\$ 154,000
Common stock issued for accrued dividends	\$ 328,025	\$ —
Reclassification of put warrants issued as part of the 15% Senior Secured Debentures from equity to liabilities	\$ —	\$ 500,825
Issuance of put warrants as part of the 15% Senior Secured Debentures	\$ —	\$ 1,964,593
Exchange of \$10 million Convertible Notes from debt to equity	\$ —	\$ 10,000,000

The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the accompanying consolidated balance sheet to the total amounts shown in the accompanying unaudited consolidated statements of cash flows:

April 30,

2025

2024

Cash and cash equivalents	\$ 736,871	\$ 1,531,425
Restricted cash	338,002	1,088,002
Total cash and cash equivalents and restricted cash	\$ 1,074,873	\$ 2,619,427