August 18, 2026

Aspen Group Reports Fourth Quarter and Fiscal Year 2026 Results

- United States University revenue increased 5% during Fiscal 2026, driven by solid organic lead generation
- Generated operating cash flow of $1.0 million in the fourth quarter, up from $0.6 million, enabling the resumption of marketing spend
- Gross margin expanded by 533 bps to 76% in the fourth quarter, lifting full year gross margin to 75%
- Fourth quarter net loss of $(4.3) million reflects two non-recurring non-cash charges totaling $3.2 million; Fiscal 2026 net loss was $(1.8) million
- Record fourth quarter Adjusted EBITDA of $3.3 million, up from $2.0 million; Fiscal 2026 Adjusted EBITDA reaches $10.6 million, a Company record, up from $5.7 million

PHOENIX, Aug. 18, 2026 (GLOBE NEWSWIRE) -- Aspen Group, Inc. (OTCQB: ASPU) ("AGI" or the "Company"), an education technology holding company, today announced financial results for its fourth quarter of fiscal year 2026, ended April 30, 2026.

Fourth Quarter Fiscal Year 2026 Summary Results

	Three Months Ended April 30,		Years Ended April 30,	
$ in millions, except per share data	**2026**	**2025**	**2026**	**2025**
Revenue	$ 10.3	$ 11.6	$ 43.3	$ 45.3
Gross Profit[1]	$ 7.8	$ 8.2	$ 32.5	$ 31.3
Gross Margin (%)[1]	76%	71%	75%	69%
Net Income (Loss)[2]	$ (4.3)	$ 0.6	$ (1.8)	$ (1.5)
Earnings (Loss) per Share - Basic	$ (0.14)	$ 0.02	$ (0.07)	$ (0.07)
Earnings (Loss) per Share - Diluted	$ (0.14)	$ 0.01	$ (0.07)	$ (0.07)
EBITDA[3]	$ (3.5)	$ 1.7	$ 1.9	$ 2.9
Adjusted EBITDA[3]	$ 3.3	$ 2.0	$ 10.6	$ 5.7

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[1] GAAP gross profit calculation includes marketing, promotional and instructional costs, and amortization expense of $0.3 million and $0.4 million, and $1.5 million and $1.8 million, respectively for the three and twelve months ended April 30, 2026 and 2025, 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 the two non-recurring non-cash charges for lease impairments and changes in fair value of the put warrant liability 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 5.

Matt LaVay, Chief Executive Officer of AGI, stated: "Our fourth quarter and Fiscal 2026 results provide further evidence that our restructuring initiatives have stabilized the business and established a more efficient operating model. Our improved cost structure has enabled the continued generation of operating cash flow. For Fiscal 2026, AGI generated $2.9 million of operating cash flow, a year-over-year improvement of $1.5 million. While our fourth quarter GAAP net loss was impacted by two non-recurring non-cash charges, our underlying financial performance remained strong as indicated by a Company record Adjusted EBITDA of $10.6 million.

"Importantly, during Fiscal 2026, United States University generated 5% revenue growth, driven primarily by solid organic lead generation. Beginning in the first quarter of Fiscal 2027, we resumed direct marketing spend funded by cash flow. Subject to the successful refinancing of our debt, we expect to further increase our marketing spend to support enrollment growth and strengthen our long-term growth prospects.

"In parallel, we negotiated a one-year extension of our existing debt facility with JGB Capital and continue to make progress toward its refinancing. With our improved operating cash flow, we are optimistic that we can complete a refinancing of our indebtedness. The planned merger of Aspen University and United States University continues to advance, with prospective Aspen University students increasingly enrolling in comparable United States University programs. We believe these initiatives, together with our streamlined operating model, position Aspen Group to enter Fiscal 2027 from a position of greater financial strength and a stronger foundation for long-term growth."

Fiscal Q4 2026 Financial and Operational Results (compared to Fiscal Q4 2025)

Revenue declined by 11% to $10.3 million compared to $11.6 million which was primarily a result of our very limited maintenance marketing spend. The following table presents the Company's revenue, both per subsidiary and total:

	Three Months Ended April 30,			
	2026	$ Change	% Change	2025
USU	$ 6,930,929	$ (241,070)	(3)%	$ 7,171,999
AU	3,327,785	(1,069,714)	(24)%	4,397,499
Revenue	$ 10,258,714	$ (1,310,784)	(11)%	$ 11,569,498

United States University ("USU") revenue declined modestly by 3% compared to the prior year period. Although overall enrollment levels reflect the impact of very limited maintenance marketing spend, enrollments increased sequentially due to 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.

Aspen University's ("AU") revenue decline of $1.1 million, or 24%, is the result of the discontinuation of new student enrollments associated with the pending merger with USU and lower enrollments due to a maintenance level marketing spend starting in Fiscal 2023.

GAAP gross profit declined by $0.4 million to $7.8 million. Consolidated gross margin was 76% compared to 71%, AU's gross margin was 76% versus 67%, and USU's gross margin was 77% versus 74%. GAAP gross profit declined primarily due to lower consolidated revenue while gross margin improved on increased revenue per student combined with reduced cost of revenue at USU and AU driven by increased efficiencies in the use of faculty.

USU instructional costs and services represented 20% of USU revenue; and AU instructional costs and services represented 19% of AU revenue. Both USU and AU marketing and promotional costs represented less than 1% of revenue.

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

	Three Months Ended April 30, 2026			
	Consolidated	AGI Corporate	USU	AU
Net income (loss)	$ (4,329,917)	$ (2,052,024)	$ 1,381,652	$ (3,659,545)
Net loss per share– Basic	$ (0.14)			
Net loss per share – Diluted	$ (0.14)			

	Three Months Ended April 30, 2025			
	Consolidated	AGI Corporate	USU	AU
Net income (loss)	$ 616,848	$ (1,870,177)	$ 2,181,812	$ 305,213
Net earnings per share - Basic	$ 0.02			
Net earnings per share - Diluted	$ 0.01			

The Fiscal Q4 2026 net loss includes non-recurring non-cash charges related to right-of-use asset and tenant improvement impairments of $2.8 million and the fair value adjustment of the put warrant liability of $0.4 million. The impairments are the result of the fact that AU is no longer able to utilize space for BSN Pre-licensure operations due to the discontinuation of this program. The increase in the fair value of the put warrant liability is primarily due to the increase in the AGI common stock price from April 30, 2025 to April 30, 2026.

The following tables present the Company's Non-GAAP measures, both per subsidiary and total. See reconciliations of GAAP to non-GAAP financial measures under "Non-GAAP–Financial Measures" starting on page 5.

	Three Months Ended April 30, 2026			
	Consolidated	AGI Corporate	USU	AU
EBITDA	$ (3,513,826)	$ (1,743,119)	$ 1,560,023	$ (3,330,730)
EBITDA Margin	(34)%	NM	23%	(100)%
Adjusted EBITDA	$ 3,265,348	$ (1,047,046)	$ 2,925,060	$ 1,387,334
Adjusted EBITDA Margin	32%	NM	42%	42%

NM – Not meaningful

	Three Months Ended April 30, 2025			
	Consolidated	AGI Corporate	USU	AU
EBITDA	$ 1,653,591	$ (1,473,450)	$ 2,332,479	$ 794,562
EBITDA Margin	14%	NM	33%	18%
Adjusted EBITDA	$ 1,994,269	$ (1,740,083)	$ 2,563,845	$ 1,170,507
Adjusted EBITDA Margin	17%	NM	36%	27%

Adjusted EBITDA improved by $1.3 million primarily due to increased revenue per student at USU, increased instructional efficiencies at AU and USU and reduced general and administrative costs attributed to our restructurings.

Operating Metrics

New Student Enrollments

On a Company-wide basis, new student enrollments declined by 50% and were impacted by the ongoing maintenance level of marketing spend. Additionally, we discontinued the enrollment of new AU students because of the pending merger with USU.

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

	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
USU	258	280	310	228	258
Aspen University	350	338	297	213	49
Total	608	618	607	441	307

We anticipate USU student enrollments will increase in the first half of Fiscal 2027 due to a significant increase in marketing spend starting in Q1 Fiscal 2027 and prospective Aspen University students increasingly enrolling in comparable USU programs.

Total Active Student Body

AGI's active degree-seeking student body for the past five quarters, including USU and AU, is shown below:

	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
USU	2,434	2,369	2,302	2,096	2,120
Aspen University	3,375	3,140	2,771	2,386	1,956
Total	5,809	5,509	5,073	4,482	4,076

Nursing Students

AGI’s nursing student body for the past five quarters is shown below:

	Q4'25	Q1'26	Q2'26	Q3'26	Q4'26
USU	2,254	2,215	2,153	1,965	1,992
Aspen University	2,606	2,418	2,122	1,815	1,472
Total	4,860	4,633	4,275	3,780	3,464

Liquidity

The Fiscal Q4 2026 ending unrestricted cash balance was $0.9 million. As of August 14, 2026, the Company had $0.6 million of unrestricted cash on hand. In Q2 Fiscal 2026, we implemented a fifth restructuring plan that resulted in additional cash benefits for the Company starting in Q3 Fiscal 2026. The restructuring resulted in the elimination of approximately 75 positions within AU and AGI. The resulting additional ongoing quarterly compensation-related savings from the restructuring are approximately $1.5 million.

Our restructuring efforts were designed to achieve sustained operating cash flows, and the resumption of marketing spend in order to renew growth in our student body. The quarter generated operating cash flow of $1.0 million, which is the sixth consecutive quarter of operating cash flow. As a result of sustained operating cash flows, we resumed marketing spend in Q1 Fiscal 2027.

Cost reductions associated with the restructuring plans and other corporate cost reductions 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, EBITDA Margin 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 company under applicable SEC rules.

AGI defines Adjusted EBITDA as EBITDA excluding: (1) provision for credit losses; (2) stock-based compensation; (3) charges from our put warrants; and (4) non-recurring charges. The following table presents a reconciliation of net income (loss) to EBITDA (loss) 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,	
	2026	2025	2026	2025
Net income (loss)	$ (4,329,917)	$ 616,848	$ (1,836,698)	$ (1,544,892)
Interest expense, net	249,007	325,603	1,131,292	1,368,892
Income tax expense (benefit)	(20,480)	6,381	44,962	56,149
Depreciation and amortization	587,564	704,759	2,516,592	3,055,568
EBITDA	(3,513,826)	1,653,591	1,856,148	2,935,717
Provision for credit losses	3,408,643	600,000	4,758,643	1,950,000
Stock-based compensation	77,472	(706,895)	148,235	(291,548)
Severance	81,692	13,876	404,980	135,526
Impairments of right-of-use assets and tenant leasehold improvements	2,791,426	—	2,791,426	1,848,209
Change in fair value of put warrant liability	374,748	433,697	374,748	(537,072)
Non-recurring charges (income) - Other	45,193	—	242,050	(387,298)
Adjusted EBITDA	$ 3,265,348	$ 1,994,269	$ 10,576,230	$ 5,653,534

Net income (loss) Margin	(42)%	5%	(4)%	(3)%
EBITDA Margin	(34)%	14%	4%	6%
Adjusted EBITDA Margin	32%	17%	24%	12%

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

	Three Months Ended April 30, 2026			
	Consolidated	AGI Corporate	USU	AU
Net income (loss)	$ (4,329,917)	$ (2,052,024)	$ 1,381,652	$ (3,659,545)
Interest expense (income), net	249,007	249,897	—	(890)
Income tax expense (benefit)	(20,480)	(10,379)	17,356	(27,457)
Depreciation and amortization	587,564	69,387	161,015	357,162
EBITDA	(3,513,826)	(1,743,119)	1,560,023	(3,330,730)
Provision for credit losses	3,408,643	—	1,354,965	2,053,678
Stock-based compensation	77,472	77,472	—	—
Severance	81,692	79,567	2,125	—
Impairments of right-of-use assets and tenant leasehold improvements	2,791,426	164,286	—	2,627,140
Change in fair value of put warrant liability	374,748	374,748	—	—
Non-recurring charges - Other	45,193	—	7,947	37,246
Adjusted EBITDA	$ 3,265,348	$ (1,047,046)	$ 2,925,060	$ 1,387,334

Net income (loss) margin	(42)%	NM	20%	(110)%
EBITDA margin	(34)%	NM	23%	(100)%
Adjusted EBITDA margin	32%	NM	42%	42%

NM - Not meaningful

	Three Months Ended April 30, 2025			
	Consolidated	AGI Corporate	USU	AU
Net income (loss)	$ 616,848	$ (1,870,177)	$ 2,181,812	$ 305,213
Interest expense, net	325,603	325,603	—	—
Income tax expense	6,381	2,369	50	3,962
Depreciation and amortization	704,759	68,755	150,617	485,387
EBITDA	1,653,591	(1,473,450)	2,332,479	794,562
Provision for credit losses	600,000	—	225,000	375,000
Stock-based compensation	(706,895)	(705,230)	947	(2,612)
Severance	13,876	4,900	5,419	3,557
Change in fair value of put warrant liability	433,697	433,697	—	—
Adjusted EBITDA	$ 1,994,269	$ (1,740,083)	$ 2,563,845	$ 1,170,507

Net income (loss) margin	5%	NM	30%	7%
EBITDA margin	14%	NM	33%	18%
Adjusted EBITDA margin	17%	NM	36%	27%

	Year Ended April 30, 2026			
	Consolidated	AGI Corporate	USU	AU
Net income (loss)	$ (1,836,698)	$ (8,684,831)	$ 9,193,233	$ (2,345,100)
Interest expense (income), net	1,131,292	1,132,182	—	(890)
Income tax expense	44,962	3,993	22,218	18,751
Depreciation and amortization	2,516,592	274,265	633,093	1,609,234
EBITDA	1,856,148	(7,274,391)	9,848,544	(718,005)
Provision for credit losses	4,758,643	—	2,029,965	2,728,678
Stock-based compensation	148,235	146,972	1,263	—
Severance	404,980	216,041	8,775	180,164
Impairments of right-of-use assets and tenant leasehold improvements	2,791,426	164,286	—	2,627,140
Change in fair value of put warrant liability	374,748	374,748	—	—
Non-recurring charges - Other	242,050	26,325	84,213	131,512
Adjusted EBITDA	$ 10,576,230	$ (6,346,019)	$ 11,972,760	$ 4,949,489

Net income (loss) margin	(4)%	NM	33%	(15)%
EBITDA margin	4%	NM	35%	(5)%
Adjusted EBITDA margin	24%	NM	43%	33%

	Year Ended April 30, 2025			
	Consolidated	AGI Corporate	USU	AU
Net income (loss)	$ (1,544,892)	$ (8,896,051)	$ 8,672,299	$ (1,321,140)
Interest expense, net	1,368,892	1,368,892	—	—
Income tax expense	56,149	7,690	5,296	43,163
Depreciation and amortization	3,055,568	292,018	584,219	2,179,331
EBITDA	2,935,717	(7,227,451)	9,261,814	901,354
Provision for credit losses	1,950,000	—	900,000	1,050,000
Stock-based compensation	(291,548)	(304,375)	5,013	7,814
Severance	135,526	18,472	34,895	82,159
Impairments of right-of-use assets and tenant leasehold improvements	1,848,209	—	—	1,848,209
Change in fair value of put warrant liability	(537,072)	(537,072)	—	—
Non-recurring income - Other	(387,298)	—	—	(387,298)
Adjusted EBITDA	$ 5,653,534	$ (8,050,426)	$ 10,201,722	$ 3,502,238

Net income (loss) margin	(3)%	NM	32%	(7)%
EBITDA margin	6%	NM	34%	5%
Adjusted EBITDA margin	12%	NM	38%	19%

Definitions

EBITDA Margin – is defined as EBITDA divided by revenue.

Adjusted EBITDA Margin – is defined as Adjusted EBITDA divided by revenue.

We believe EBITDA Margin and Adjusted EBITDA Margin are useful for management, analysts and investors as these measures allow for a more meaningful comparison between our performance and that of our competitors. EBITDA Margin and Adjusted EBITDA Margin have certain limitations in that they do not take into account the impact to our consolidated statement of operations of certain expenses.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including our expectations that we will refinance our debt, and following that event we will see increased marketing spend and enrollment growth in 2027. 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 impact of international conflicts including the war in Iran and tariffs on the economy and affordability in general, competition from nursing schools in local markets, the competitive impact from the trend of major non-profit universities using online education and consolidation among our competitors, the impact, if any from any future U.S. government shutdowns, and our ability to reach an agreement with another lender which will permit us to refinance our outstanding Convertible Debentures. 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.

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, 2026	April 30, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 860,384	$ 736,871
Restricted cash	462,898	338,002
Accounts receivable, net of allowance of $7,913,937 and $5,731,139, respectively	12,751,986	17,167,346
Prepaid expenses	394,688	443,366
Other current assets	513,486	518,171
Total current assets	14,983,442	19,203,756
Property and equipment:		
Computer equipment and hardware	799,250	894,251
Furniture and fixtures	1,974,271	1,974,271
Leasehold improvements	4,471,740	5,621,087
Instructional equipment	506,664	529,299
Software	5,833,430	7,527,066
	13,585,355	16,545,974
Accumulated depreciation and amortization	(9,288,001)	(9,907,309)
Property and equipment, net	4,297,354	6,638,665
Goodwill	5,011,432	5,011,432
Intangible assets	7,900,000	7,900,000
Courseware and accreditation, net	191,212	256,994
Long-term contractual accounts receivable	23,813,441	19,846,823
Operating lease right-of-use assets, net	3,467,641	7,250,407
Deposits and other assets	497,355	657,850
Total assets	$ 60,161,877	$ 66,765,927

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ASPEN GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (CONTINUED)

	April 30, 2026	April 30, 2025
Liabilities and Stockholders' Equity		
Liabilities:		
Current liabilities:		
Accounts payable	$ 3,133,698	$ 2,055,173
Accrued expenses	2,375,663	2,483,520
Advances on tuition	1,258,459	2,235,332
Deferred tuition	2,190,378	2,535,533
Due to students	2,055,477	2,115,581
Operating lease obligations, current portion	3,308,872	2,811,471
Debt, current portion	1,400,000	2,000,000
Other current liabilities	93,504	185,296
Total current liabilities	15,816,051	16,421,906
Long-term debt, net	3,930,844	5,224,524
Operating lease obligations, less current portion	9,089,806	12,398,678
Warrant liabilities	1,802,269	1,427,521
Other long-term liabilities	327,402	327,402
Total liabilities	30,966,372	35,800,031
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, 2026 and 2025, respectively	10	10
Common stock, $0.001 par value; 85,000,000 shares authorized, 31,744,718 and 28,389,531 issued and outstanding at April 30, 2026 and 2025, respectively	31,745	28,390
Additional paid-in capital	122,215,485	122,152,533
Accumulated deficit	(93,051,735)	(91,215,037)
Total stockholders' equity	29,195,505	30,965,896
Total liabilities and stockholders' equity	$ 60,161,877	$ 66,765,927

ASPEN GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	April 30,	
	2026	**2025**
Revenue, net	$ 43,308,522	$ 45,302,082
Operating expenses:		
Cost of revenue (exclusive of depreciation and amortization shown separately below)	9,336,768	12,190,949
General and administrative	24,179,297	26,889,423
Impairments of right-of-use assets and tenant leasehold improvements	2,791,426	1,848,209
Loss on asset dispositions	12,101	35,984
Provision for credit losses	4,758,643	1,950,000
Depreciation and amortization	2,516,592	3,055,568
Total operating expenses	43,594,827	45,970,133
Operating loss	(286,305)	(668,051)
Other income (expense):		
Interest expense	(1,132,182)	(1,368,892)
Change in fair value of put warrant liability	(374,748)	537,072
Other income, net	1,499	11,128
Total other expense, net	(1,505,431)	(820,692)
Loss before income taxes	(1,791,736)	(1,488,743)
Income tax expense	44,962	56,149
Net loss	(1,836,698)	(1,544,892)
Dividends attributable to preferred stock	(396,068)	(370,600)
Net loss available to common stockholders	$ (2,232,766)	$ (1,915,492)
Per share information available to common stockholders:		
Loss per share - Basic and diluted	$ (0.07)	$ (0.07)
Weighted average number of common stock outstanding:		
Basic and diluted	30,311,486	27,140,245

ASPEN GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDEDAPRIL 30, 2026AND2025

	Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance as of April 30, 2024	**10,000**	**$ 10**	**25,701,603**	**$ 25,702**	**$ 121,921,048**	**$ (89,670,145)**	**$ 32,276,615**
Stock-based compensation	—	—	—	—	256,786	—	256,786
Common stock issued for vested restricted stock units	—	—	340,516	341	(341)	—	—
Amortization of warrant-based cost issued for services	—	—	—	—	7,000	—	7,000
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	325,678	—	328,025
Accrued dividends	—	—	—	—	(370,603)	—	(370,603)
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)**	**$ 30,965,896**
Stock-based compensation	—	—	—	—	148,235	—	148,235
Common stock issued for vested restricted stock units	—	—	305,169	305	(305)	—	—
Common stock issued for services	—	—	250,000	250	(250)	—	—
Common Stock issued for accrued dividends	—	—	2,800,018	2,800	311,340	—	314,140
Accrued dividends	—	—	—	—	(396,068)	—	(396,068)
Net loss	—	—	—	—	—	(1,836,698)	(1,836,698)
Balance as of April 30, 2026	**10,000**	**$ 10**	**31,744,718**	**$ 31,745**	**$ 122,215,485**	**$ (93,051,735)**	**$ 29,195,505**

ASPEN GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended April 30,	
	2026	**2025**
Cash flows from operating activities:		
Net loss	$ (1,836,698)	$ (1,544,892)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Provision for credit losses	4,758,643	1,950,000
Depreciation and amortization	2,516,592	3,055,568
Stock-based compensation	148,235	256,786
Change in fair value of put warrant liability	374,748	(537,072)
Amortization of warrant-based cost	—	7,000
Amortization of debt issuance costs	106,321	53,160
Loss on asset dispositions	12,101	35,984
Non-cash lease benefit	(1,294,903)	(318,971)
Impairments of right-of-use assets and tenant leasehold improvements	2,791,426	1,848,209
Changes in operating assets and liabilities:		
Accounts receivable	(4,309,901)	(1,744,612)
Prepaid expenses	48,678	59,385
Other current assets	4,685	1,267,450
Deposits and other assets	160,495	61,038
Accounts payable	1,078,525	(256,187)
Accrued expenses	(189,785)	(396,958)
Due to students	(60,104)	(442,911)
Advances on tuition and deferred tuition	(1,322,028)	(2,141,182)
Other current liabilities	(91,792)	98,801
Other long-term liabilities	—	39,472
Net cash provided by operating activities	2,895,238	1,350,068
Cash flows from investing activities:		
Purchases of courseware and accreditation	(61,133)	(57,210)
Purchases of property and equipment	(585,696)	(960,969)
Net cash used in investing activities	(646,829)	(1,018,179)
Cash flows from financing activities:		
Repayment of portion of 15% Senior Secured Debentures	(2,000,000)	(1,721,066)
Payments of debt issuance costs	—	(155,377)
Net cash used in financing activities	(2,000,000)	(1,876,443)
Net increase (decrease) in cash and cash equivalents	248,409	(1,544,554)
Cash, cash equivalents and restricted cash at beginning of year	1,074,873	2,619,427
Cash, cash equivalents and restricted cash at end of year	$ 1,323,282	$ 1,074,873

(Continued)

ASPEN GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

	Years Ended April 30,	
	2026	2025
Supplemental disclosure cash flow information:		
Cash paid for interest	$ 1,025,861	$ 1,315,733
Cash paid for income taxes	$ 66,975	$ 56,149
Supplemental disclosure of non-cash investing and financing activities:		
Accrued dividends	$ 184,341	$ 102,412
Common stock issued for accrued dividends	$ 314,140	$ 328,025
Relative fair value of warrants issued as part of the 15% Senior Secured Debentures	$ —	$ 12,965

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 consolidated statements of cash flows:

	April 30,	
	2026	2025
Cash and cash equivalents	$ 860,384	$ 736,871
Restricted cash	462,898	338,002
Total cash, cash equivalents and restricted cash	$ 1,323,282	$ 1,074,873

ASPEN GROUP INC.

Source: Aspen Group Inc.