

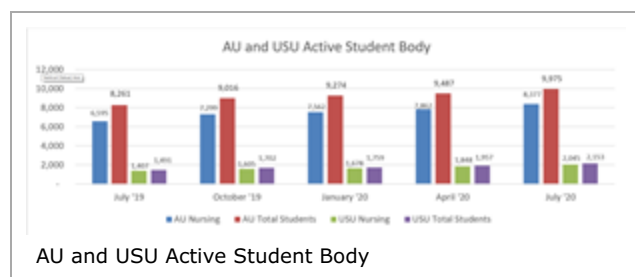
August 10, 2020



# Aspen Group, Inc. Announces Q1 FY'2021 Quarterly Enrollments Increased 32% Sequentially to a Record 2,351 New Students; Quarterly Bookings Grew 39% Sequentially to \$36.1 Million

Management to Announce Fiscal Year 2021 First Quarter Results on September 14, 2020

NEW YORK, Aug. 10, 2020 (GLOBE NEWSWIRE) -- Aspen Group, Inc. ("AGI") (Nasdaq: ASPU), an education technology holding company, today announced a quarterly record of 2,351 new student enrollments in the fiscal 2021 first quarter ending July 31, 2020, a sequential increase of 32%, and 22% year-over-year. Quarterly bookings increased sequentially by 39%, and by 34% year-over-year from \$26.9 million to \$36.1 million.



Aspen University generated 1,779 new student enrollments in the first quarter of fiscal year 2021, up 26% over the prior year. 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 first quarter with 572 new student enrollments driven primarily by MSN-Family Nurse Practitioner ("FNP") enrollments, a 32% sequential increase.

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

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Aspen University	1,415	1,823	1,371	1,344	1,779
USU	514	394	375	432	572
Total	1,929	2,217	1,746	1,776	2,351

“Management is very pleased to report record quarterly enrollments of 2,351 new students despite the ongoing COVID-19 pandemic and during the company’s historically seasonally weaker summer months,” said Chairman & CEO, Michael Mathews. “Our two highest LTV programs, USU’s MSN-FNP and Aspen’s BSN Pre-Licensure program, enjoyed enrollment tailwinds this quarter related to COVID. RN’s, looking to attain their nurse practitioner license to broaden their career options, drove MSN-FNP enrollment. Additionally, millennials, aspiring to become RNs, enrolled in the BSN Pre-Licensure program in record numbers, given that many have been furloughed or laid off since the pandemic first started,” stated Mathews.

In the first quarter of fiscal year 2021 the Marketing Efficiency Ratio (MER) for our universities, representing revenue-per-enrollment (LTV) over cost-per-enrollment (CAC), improved 16% for Aspen University and declined 15% for USU year-over-year, as shown in Table 2:

	Enrollments	CAC <sup>1</sup>	LTV <sup>2</sup>	Q1 '21 MER	Q1 '20 MER	MER % Change
Aspen University	1,779	\$ 1,181	\$ 14,548 <sup>3</sup>	12.3X	10.6X	16 %
USU	572	\$ 1,272	\$ 17,820 <sup>4</sup>	14.0X	16.5X	-15 %

<sup>1</sup>Based on 6-month rolling weighted average CAC for each university’s enrollments

<sup>2</sup>Lifetime Value (LTV) of a new student enrollment

<sup>3</sup>Weighted average LTV for all Aspen University enrollments in the quarter

<sup>4</sup>LTV for USU’s MSN-FNP Program

Compared to the previous year, AGI’s weighted average cost of enrollment increased 4%, from \$1,153 to \$1,203. Table 3 below shows the breakdown by university and the weighted average.

	Q1 '20 Enrollments	Q1 '20 CAC <sup>1</sup>	Q1 '21 Enrollments	Q1 '21 CAC <sup>1</sup>	CAC % Change
Aspen University	1,415	\$ 1,177	1,779	\$ 1,181	0 %
USU	514	\$ 1,078	572	\$ 1,272	18 %
Weighted Average		\$ 1,153		\$ 1,203	4 %

<sup>1</sup>Based on 6-month rolling average

Table 4 below shows, on a year-over-year basis, fiscal first quarter 2021 bookings increased 34% to \$36.1 million, delivering a company-wide average revenue per enrollment (APRU) increase of 10% to \$15,344.

**Table 4 First Quarter Bookings and Average Revenue Per Enrollment (ARPU)**

	Q1'2020 Enrollments	Q1'2020 Bookings	Q1'2021 Enrollments	Q1'2021 Bookings	Percent Change Total Bookings & ARPU
Aspen University	1,415	\$ 17,691,150	1,779	\$ 25,880,400	
USU	514	\$ 9,159,480	572	\$ 10,193,040	
Total	1,929	\$ 26,850,630	2,351	\$ 36,073,440	34 %
ARPU		\$ 13,919		\$ 15,344	10 %

AGI's overall active student body (includes both Aspen University and USU) grew 24% year-over-year from 9,752 to 12,128. Aspen University's total active degree-seeking student body grew 21% year-over-year from 8,261 to 9,975.

On a year-over-year basis, USU's total active student body grew from 1,491 to 2,153 or 44%. The chart below shows the student body growth over the past five quarters.

### **Fiscal 2020 First Quarter Earnings Conference Call Details:**

Aspen Group, Inc. will host a conference call to discuss its first quarter fiscal year 2021 financial results and business outlook on Monday, September 14th, 2020, 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 8489959. Subsequent to the call, a transcript of the audiocast will be available from the Company's website at [ir.aspen.edu](http://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 8489959.

### **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](http://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 enrollment growth, the continuing impact of COVID-19 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 using 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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A graph accompanying this announcement is available at  
<https://www.globenewswire.com/NewsRoom/AttachmentNg/e01f8745-8aae-438e-b754-0799f786ab36>



Source: Aspen Group Inc.