First Quarter Fiscal Year 2021 Earnings Slides

CREATING VALUE BY TRANSFORMING THE COLLEGE EDUCATION EXPERIENCE

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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 expected further campus expansion, expected expansion of USU immersions, future student enrollment growth, the expansion of the highest LTV programs, our estimates with respect to Lifetime Value, bookings, and ARPU, expected Fiscal 2021 revenue growth, expected G&A trends, campus capital expenditures and campus operating metrics and generating cash from operations. 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 are included in our Risk Factors contained in our Form 10-K for the fiscal year ended April 30, 2020, our prospectus supplement dated August 31, 2020, and other filings with the Securities and Exchange Commission.

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 this non-GAAP financial measure (including reconciliations to GAAP) is provided in our press release dated September 14, 2020 and on our website at www.aspu.com – Financial Information.

Key Takeaways For Q1 FY’21 Financial Results

- Enrollment growth in high LTV programs accelerated revenue growth to 46%
- Decline in marketing spend to 18% of revenue boosted gross margin by 300 bps
- Operating margin expanded and net loss narrowed by 55%
- Adjusted Net Income* and Adjusted EPS* of $0.1 million and $0.00 per share
- EBITDA breakeven and Adjusted EBITDA of $1.3 million

(amounts in millions, except per share data)	Q1 FY’21	Year-over-Year Dollar Increase /Decrease	Year-over-Year % Better/(Worse)
Revenues	$15.2	$4.8	46%
GAAP Gross Profit	$9.0	$3.2	56%
Operating Loss	($0.4)	$1.2	78%
Net Loss	($0.9)	$1.2	55%
Net Loss per Share	($0.04)	$0.7	64%
Adjusted Net Income (Loss)*	$0.1	$1.5	NM
Adjusted Earnings (Loss) per Share*	$0.0	$0.08	NM
EBITDA	$0.0	$1.0	NM
Adjusted EBITDA	$1.3	$1.4	NM

*See Net Loss to Adjusted Net Loss Reconciliation Table on slide 15

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Aspen Group, Inc.
First Quarter Fiscal Year 2021
Operating Metrics

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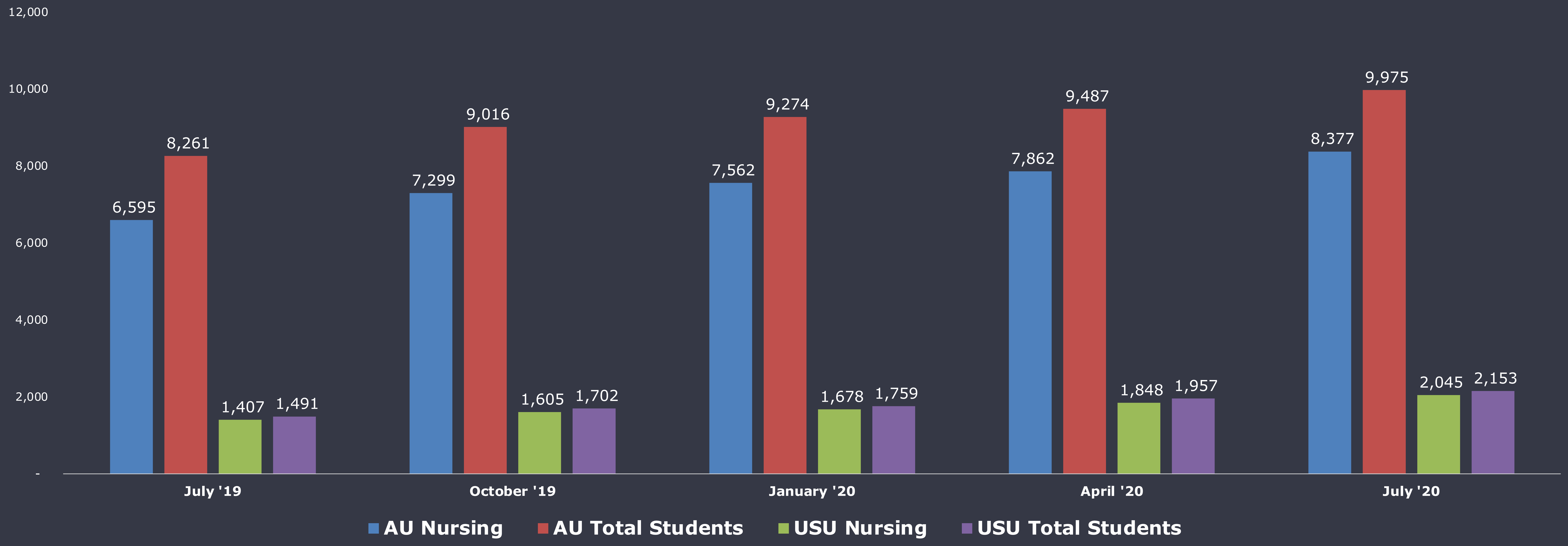
AGI Active Student Body Grew by 24% to 12,128 in Q1 FY’21; Nursing Students Represent 86% of Total Student Body

AU and USU Active Student Body* and Nursing Students by University



*Active Degree-Seeking Students are defined as degree-seeking students who were enrolled in a course during the quarter reported or are registered for an upcoming course.

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Q1 FY'21 Aspen University Marketing Efficiency Ratio (MER)[5] Improved by 16%

First quarter weighted average customer acquisition cost (CAC) increased by 4% year-over-year from $1,153 to $1,203

Marketing Efficiency Ratio

	Enrollments	CAC[1]	LTV[2]	Q1'21 MER	Q1'20 MER	MER[5] % Change
Aspen University	1,779	$1,181	14,548[3]	12.3X	10.6X	16%
USU	572	$1,272	17,820[4]	14.0X	16.5X	-15%
Weighted Average		**$1,203**				

1 Based on 6-month rolling weighted average CAC for each university's enrollments
2 Lifetime Value (LTV) of a new student enrollment
3 Weighted average LTV for all Aspen University enrollments in the quarter
4 LTV for USU's MSN-FNP Program
5 Marketing Efficiency ratio (MER) defined as revenue-per-enrollment (LTV) divided by cost-of-enrollment (CAC)

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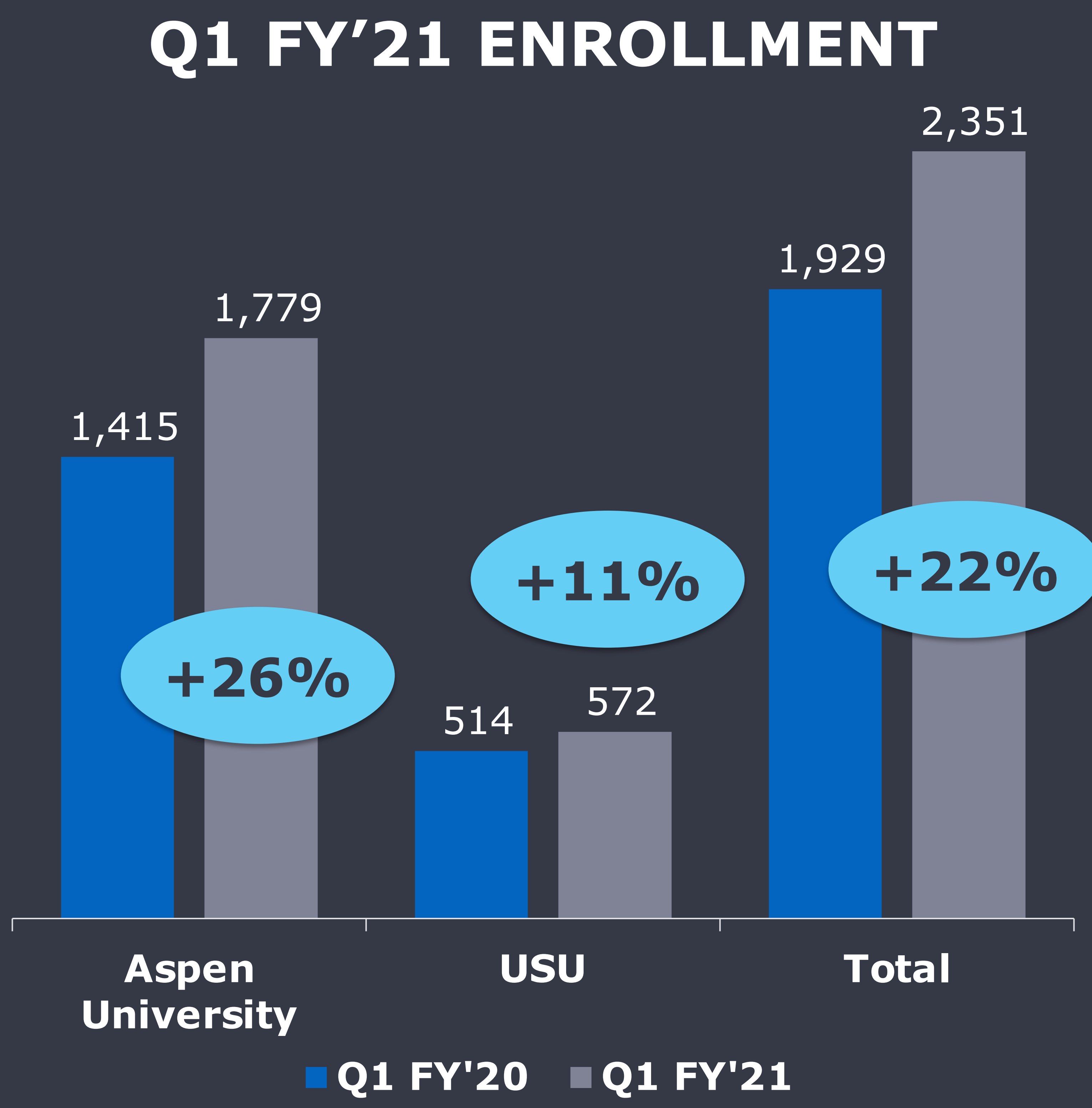
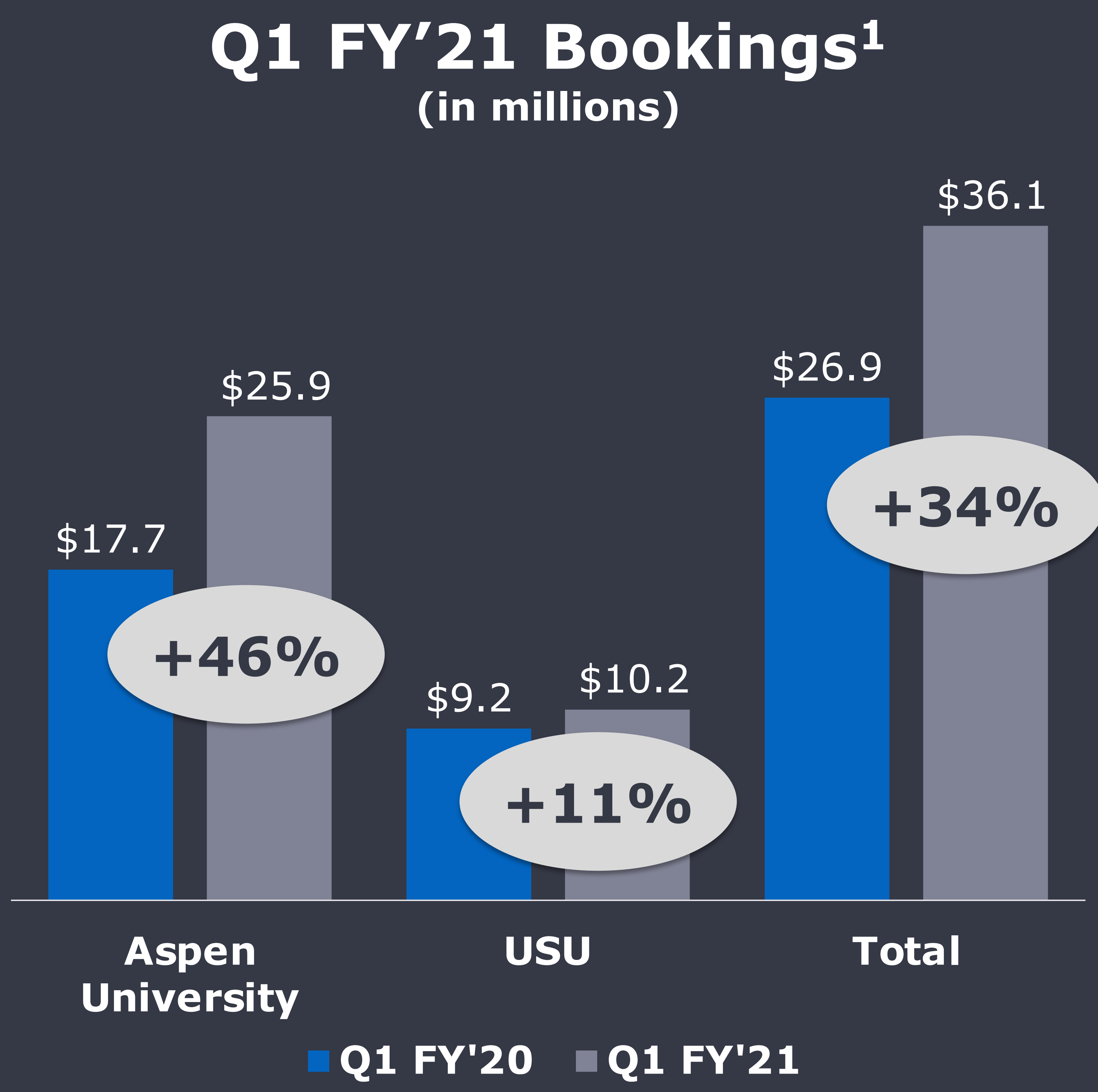
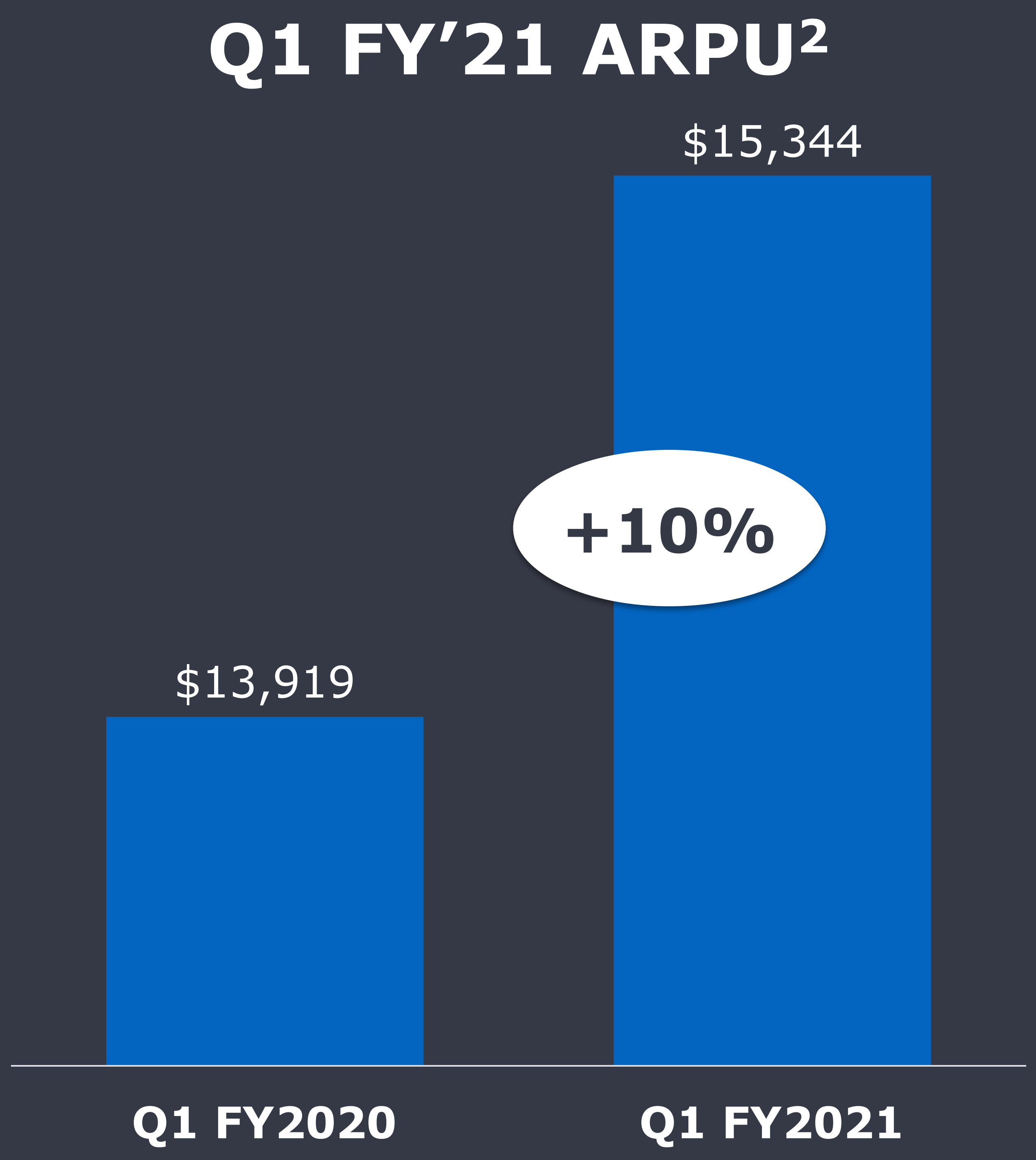
Q1 FY'21 High LTV Enrollment Growth Lifted Bookings By 34% Delivering 10% ARPU Growth







1 Bookings are defined by multiplying LTV by new student enrollments for each operating unit.
2 Average revenue per enrollment (ARPU) is defined by dividing total bookings by total enrollment.

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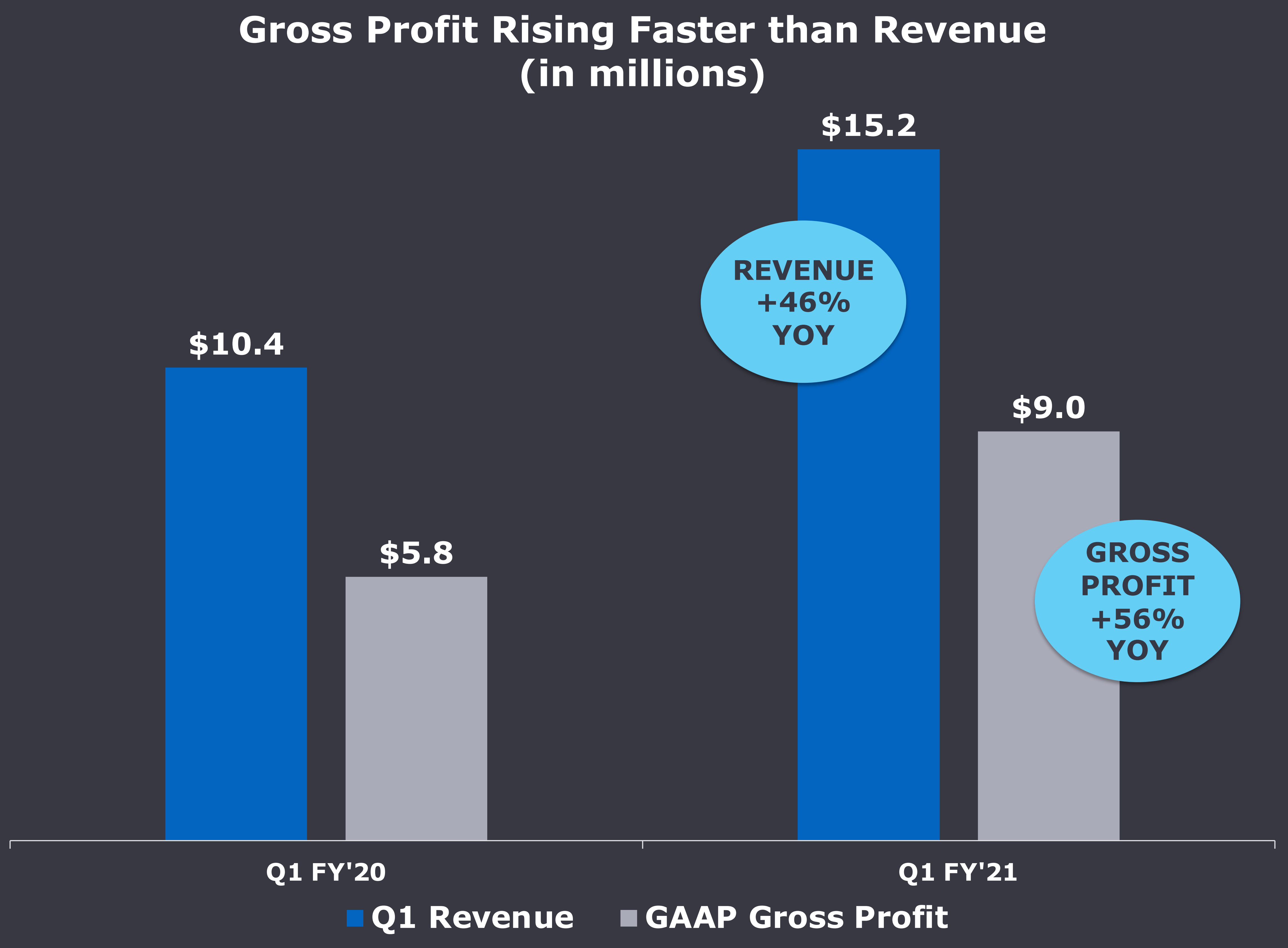
Acceleration of Gross Profit Contribution

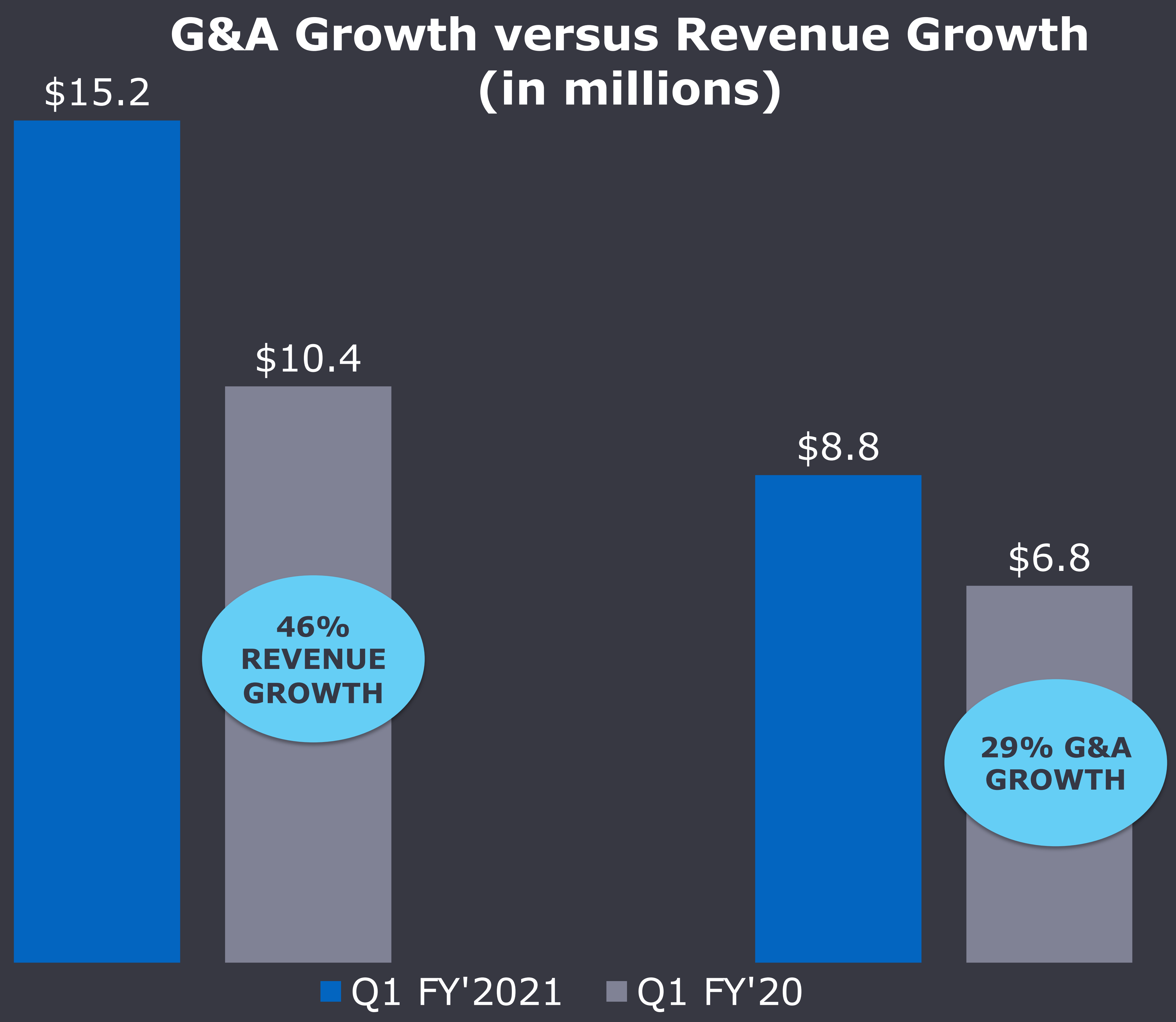


- YoY Q1 Revenue increased by $4.8 million or 46%
- YoY Q1 GAAP Gross Profit increased by $3.2 million or 56%
- **67% of revenue increase dropped to gross profit line**

Gross margin expansion of 300 basis points driven by lower marketing cost in Q1 FY’21 (as a percent of revenue)

- **Marketing spend fell from 21% to 18%**
- Instructional costs declined from 21% to 20%

Q1 FY’21 G&A YOY Increase of 28% on 46% Revenue Growth



- Revenue increased by $4.8 million or 46%
- G&A increased by $2.0 million or 29%
- The Company anticipates achieving the stated goal of G&A increasing at half the rate of revenue growth for FY’21 (Q1 FY’21 $2.0 million YOY G&A increase, or 42% of YOY revenue increase of $4.8 million)
- **G&A as a percent of revenue improved from 65% to 58%**

Q1 Fiscal Year 2021 Financial Results

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Q1 FY'21 Income Statement

	Three Months Ended		
	July 31, 2020	July 31, 2019	% Better/ (Worse)
Revenues	$15,165,562	$10,357,982	46%
Operating expenses:			
Cost of revenues	5,847,523	4,353,058	(34)%
General and administrative	8,793,756	6,796,251	(29)%
Bad debt expense	400,000	240,899	(66)%
Depreciation and amortization	490,624	606,574	19%
Total operating expenses	15,531,903	11,996,782	(29)%
Operating loss from operations	(366,341)	(1,638,800)	78%
Other expense:			
Other expense, net	(123,298)	22,802	NM
Interest expense	(455,457)	(423,689)	7%
Total other expense, net	(578,755)	(400,887)	(44)%
Loss from operations before income taxes	(945,096)	(2,039,687)	54%
Income tax benefit (expense)	(1,900)	35,595	NM
Net Loss	$ (943,196)	$ (2,075,282)	55%

NM = not meaningful

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Q1 FY'21 Net (Loss)/Income, Adjusted EBITDA and EPS for Consolidated and Subsidiaries

	Consolidated	AGI	AU	USU
Net Profit/(Loss)	$(943,196)	$(4,255,735)	$2,309,763	$1,002,776
Adjusted EBITDA	$1,307,298	$(2,977,839)	$3,161,133	$1,124,004
Net Profit/(Loss) Per Share, basic & diluted	$(0.04)	$(0.19)	$0.10	$0.05
Weighted Average Shares	22,094,409			

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Subsidiary KPIs—Q1 FY'21 Ratios

	Consolidated	AU	USU
Revenues	$15,165,562	$10,720,642	$4,444,920
	Ratios as a Percentage of Total AGI Revenue	Ratios as a Percentage of AU Revenue	Ratios as a Percentage of USU Revenue
Instructional costs and services	20%	19%	22%
Marketing and promotional costs	18%	18%	14%
Depreciation and amortization	3%	4%	1%
GAAP Gross Profit	59%	59%	64%
General and administrative expenses	58%	33%	40%

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Q1 FY'21 EBITDA Breakeven and Adjusted EBITDA Positive

Net Loss to Adjusted EBITDA Reconciliation

	Three Months Ended		
	July 31, 2020	July 31, 2019	% Better/ (Worse)
Net Loss	$(943,196)	$(2,075,282)	55%
Interest expense, net	455,223	420,067	(8)%
Taxes	(1,900)	90,277	NM
Depreciation and amortization	490,624	606,574	19%
EBITDA	751	$(958,364)	>100%
Bad debt expense	400,000	240,899	(66)%
Stock-based compensation	487,110	498,417	2%
Non-recurring charges	419,437	132,949	(100)%
Adjusted EBITDA	$1,307,298	$(86,099)	>100%

NM = not meaningful

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Net Loss to Adjusted Net Loss Reconciliation Table

Reconciliation of Net Income (Loss) to Adjusted Net Income (Loss) and Net Income (Loss) per Share to Adjusted Net Income (Loss) per Share

	Three Months Ended		
	July 31, 2020	July 31, 2019	% Better/ (Worse)
Net Loss	$ (943,196)	$ (2,075,282)	55%
Stock-based compensation	487,110	$498,417	2%
Non-recurring charges	543,384	$132,949	> (100%)
Adjusted Net Income (Loss)	$87,298	$ (1,443,916)	>100%
Net loss per share	$ (0.04)	$ (0.11)	64%
Adjusted Earnings (Loss) per share	$0.00	$ (0.08)	>100%
Weighted average number of common stock outstanding - basic and diluted	22,094,409	18,733,317	

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