
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

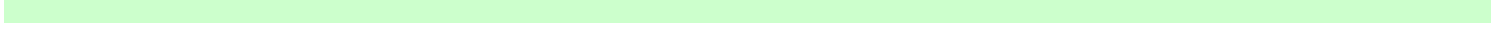
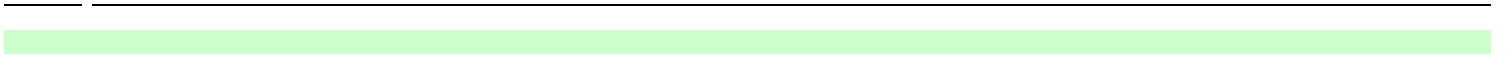
FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):





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Fiscal 2020 First Quarter Financial and Operational Results:

AGI delivered 1,929 new student enrollments for the fiscal quarter ended July 31, 2019, a 46% increase year-over-year. Aspen University accounted for 1,415 new student enrollments (including 198 Doctoral enrollments and 276 Pre-licensure Bachelor of Science in Nursing (“BSN”) Arizona campus enrollments). USU accounted for 514 new student enrollments (primarily Family Nurse Practitioner (“FNP”) enrollments), a 133% increase year-over-year. Enrollments for Aspen University’s Pre-Licensure BSN program increased 48% sequentially as the university began accepting enrollments for prerequisite students taking online courses in anticipation of entering the HonorHealth final two-year core campus program that is expected to launch on September 17, 2019.

In the charts below, we have provided a comparison of enrollments and bookings* from Q1 fiscal year 2019 to Q1 fiscal year 2020. The company’s enrollments rose 46% year-over-year, while bookings increased 83% year-over-year. This translates to a 24% average revenue per user (ARPU)* increase year-over-year, from \$11,185 to \$13,919, driven by the company’s focused marketing spending on the highest LTV degree programs during the quarter.

	Lifetime Value (LTV) Per Enrollment	Q1 FY'2019 Enrollments	Q1 FY'2019 Bookings	Q1 FY'2020 Enrollments	Q1 FY'2020 Bookings
AU Online (Nursing + Other) Unit	\$ 7,350	882	\$ 6,482,700	941	\$ 6,916,350
AU (Doctoral) Unit	\$ 12,600	118	\$ 1,486,800	198	\$ 2,494,800
AU (Pre-Licensure BSN) Unit	\$ 30,000	93	\$ 2,790,000	276	\$ 8,280,000
USU (FNP + Other) Unit	\$ 17,820	221	\$ 3,938,220	514	\$ 9,159,480
Total		1,314	\$ 14,697,720	1,929	\$ 26,850,630
Average Revenue Per User (ARPU)			\$ 11,185		\$ 13,919



*“Bookings” are defined by multiplying LTV by new student enrollments for each operating unit. “Average Revenue Per User or (ARPU)” is defined by dividing total bookings by total enrollments.

AGI’s overall active student body (including both Aspen University and USU) grew 34% year-over-year from 7,274 to 9,752 students as of July 31, 2019.

Of the 9,752 total active students at both universities, 82% or 8,002 students are degree-seeking Nursing students.

Following the



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ASPEN GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended	
	July 31,	
	<u>2019</u>	<u>2018</u>
Revenues	\$ 10,357,982	\$ 7,221,305
Operating expenses		
Cost of revenues (exclusive of depreciation and amortization shown separately below)	4,353,058	3,752,392
General and administrative	7,037,150	5,824,132
Depreciation and amortization	606,574	498,105
Total operating expenses	<u>11,996,782</u>	<u>10,074,629</u>
Operating loss	<u>(1,638,800)</u>	<u>(2,853,324)</u>
Other income (expense)		
Other income	22,802	56,401
Interest expense	<u>(423,689)</u>	<u>(40,353)</u>
Total other income/(expense), net	<u>(400,887)</u>	<u>16,048</u>
Loss before income taxes	(2,039,687)	(2,837,276)
Income tax expense	<u>35,595</u>	<u>—</u>
Net loss	<u>\$ (2,075,282)</u>	<u>\$ (2,837,276)</u>
Net loss per share allocable to common stockholders - basic and diluted	<u>\$ (0.11)</u>	<u>\$ (0.15)</u>
Weighted average number of common stock outstanding - basic and diluted	<u>18,733,317</u>	<u>18,317,830</u>

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

	Three months ended	
	July 31,	
	2019	2018
Cash flows from operating activities:		
Net loss	\$ (2,075,282)	\$ (2,837,276)
Adjustments to reconcile net loss to net cash used in operating activities:		
Bad debt expense	240,899	121,805
Depreciation and amortization	606,574	498,105
Loss on disposal of assets		
Change in accounts receivable		
Change in accounts payable		
Change in other assets and liabilities		
Change in deferred tax assets		
Change in other non-current assets and liabilities		
Change in cash and cash equivalents		
Net change in cash and cash equivalents		
Cash and cash equivalents at the beginning of the period		
Cash and cash equivalents at the end of the period		

