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**ASX ANNOUNCEMENT**  
**20 February 2025**

## Aspen Group HY25 Results

### Opening More Doors – Guidance Upgraded

Aspen Group (ASX: APZ) is pleased to report strong growth across its rental and development activities, continued improvement in portfolio quality and a strengthened balance sheet. FY25 underlying earnings guidance has been upgraded from 16.0 to 16.7 cents per security (up 21% on FY24), driven by higher net rental income.

### HY25 Financial Results Summary

**Total Comprehensive Income before tax \$42.5m**

**21.2 cents per security**

**19% ROE<sup>1</sup>**

Statutory Net Profit \$31.2m

(excludes \$0.15m increase in value of Darwin FSR (classified as PP&E) and includes \$11.2m provision for deferred tax)

**Net Asset Value (excluding DTL<sup>2</sup>)**

**Up 7% or 16 cents in 1H to \$2.39 per security**

**Attractively Valued Portfolio**

Rental portfolio WACR<sup>3</sup> unchanged at 6.8% - valued at only \$133k per dwelling/site

Development generating 20% ROIC<sup>4</sup> - land valued at only \$40k per approved site

**Balance Sheet Strengthened**

21% gearing<sup>5</sup> / 4.0x ICR<sup>6</sup>

**Underlying Operating Earnings<sup>7</sup>**

**Up 18% to 8.07 cents per security**

**Earnings & Cash Creation**

Net Rental Income up 13% to \$17.2m

Development Profit up 68% to \$5.5m

EBITDA up 33% to \$20.4m

Underlying Operating Earnings up 31% to \$16.1m

(% are compared to HY24)

**Distribution**

**5.00 cents per security – up 18%**

(88% tax deferred / 62% payout ratio)

The quality and scale of Aspen Group continues to improve through disciplined acquisitions and disposals, and cost-effective refurbishment and development. We have maintained competitive rents and sales prices for our customers which reduces risk and increases growth prospects for securityholders. Risks were mitigated further by maintaining a measured exposure to development and strengthening our balance sheet.

## Financial Highlights (compared to HY24)

### Rentals

- ✓ Total Net Rental Income (NRI) increased 13% to \$17.2m
- ✓ Average number of dwellings/sites in the rental pool increased by 7%
- ✓ Average weekly gross rent<sup>8</sup> increased 4% to \$328 per dwelling/site – Aspen's rents remain highly competitive and attractive to customers
- ✓ NRI margin increased 1ppt to 51% through tight cost controls and structural improvements in our portfolio
- ✓ Continued recycling of capital from properties with relatively high rents at c.3% yield into properties with lower rents more suited to Aspen's customer base with higher expected returns

### Development

- ✓ Total Development Profit increased 68% to \$5.5m with highly attractive margin of 33% and ROIC of 20%
- ✓ Record production, sales and average prices
- ✓ Lifestyle development profit more than doubled with sales volume increasing 50% and profit per sale increasing 38% to \$142k. Average sale price increased 10% to \$470k – still well below local median house prices and some competing villages
- ✓ Developed Residential land lots almost sold out with average sale price increasing 5% to \$218k - allows new homes to be developed cheaper than local existing house prices
- ✓ Significant growth outlook with low-cost approved pipeline of ~1,100 sites equating to ~10x current sales rate
- ✓ Aiming to double the approved pipeline and create significant value by securing new development approvals at Adelaide Caravan Park, Normanville, Highway 1, and our newly acquired land parcel at Ravenswood WA announced today
- ✓ Risks mitigated – development assets represent only ~9% of total assets, spread across 9 active projects diversified by geography, regulation, customers, and builders

## Positive Outlook and Upgrade to FY25 Earnings<sup>7</sup> Guidance

We expect continued strong performance and are pleased to announce an upgrade to FY25 guidance:

- **Underlying Operating EBITDA of \$41.5m** – up 29% on FY24
- **Underlying EPS of 16.7 cents** – up 21% on FY24
- **DPS of 10.0 cents** – up 18% on FY24

Please refer to Aspen's HY25 Financial Report and Results Presentation released on ASX today for further information including assumptions underlying the upgraded FY25 guidance.

**Aspen Group has a massive opportunity to profitably increase in scale given the structural shortages of quality accommodation for the majority of Australian households.**

Announcement authorised by the Board of Aspen Group Limited.

**END**

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1. ROE – Return on Equity = Comprehensive Income before tax (annualised) divided by opening Net Asset Value (excluding DTL)
2. DTL – Deferred Tax Liability provision of \$21.7m (10.8cps) for tax that would be payable by Aspen Group Limited if it sold all its assets at 31 December 2024 book value (Trust entity accounts do not provide for tax liabilities)
3. WACR – Weighted Average Capitalisation Rate
4. ROIC - Return on Invested Capital equals Development Profit divided by the average of opening and closing book value of all development assets including civils inventory, new lifestyle house inventory, spare raw land in investment properties and residential land inventory
5. Gearing = financial debt less cash / total assets less cash less retirement village resident loans and deferred revenue
6. ICR – Interest Cover Ratio as defined in Aspen’s debt covenant
7. Underlying Operating Earnings is a non-IFRS measure that is determined to present, in the opinion of the directors, the operating activities of Aspen in a way that appropriately reflects Aspen’s underlying operating performance – refer to financial report for full definition
8. Rent includes a small amount of ancillary revenues at some of our properties. Average Rent = total rent revenue divided by average number of available dwellings/sites in the rental pool for the period

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