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ASX ANNOUNCEMENT
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Aspen Group 3Q 2026 Update
On Track

Aspen Group (ASX: APZ) is pleased to report strong operational and financial results for the 9 month period to 31 March 2026 and that it is well on track to achieve earnings guidance for FY26 and FY27.

	31 March YTD			
Underlying Operating Earnings[1]	**2025**	**2026**	**Increase**	**FY26 Guidance**
Net Rental Income[2] (NRI)	**$26.1m**	**$31.4m**	**20%**	**$41.0m**
NRI Margin	*52%*	*55%*	*3ppt*	
Realised Development Profit (DP)	**$7.5m**	**$19.0m**	**153%**	**$21.5m**
Settlements #	*69*	*142*	*105%*	*160*
DP Margin[3] (% / $ per sale)	*33% / $109k*	*33% / $134k*	*0% / $25k*	
EBITDA	**$29.8m**	**$43.1m**	**45%**	**$53.3m**
Pre Tax Earnings	**$23.9m**	**$40.0m**	**67%**	**$48.9m**
Pre Tax EPS	**12.0 cents**	**17.6 cents**	**47%**	**21.5 cents**

Management accounts – not audited.

Rentals

Aspen's long-term accommodation remains essentially full, and we continue to increase our Residential rents by about 5% per annum on average. We estimate that our Perth residential rents are now about 10-15% below current market and our CoVE Upper Mount Gravatt residential rents have been discounted by 20% during the current refurbishment works. Our Lifestyle NRI continues to grow rapidly through new development and contracted rent increases of 3.5% per annum. The conversion of the transportables at Australind from motel rooms to fully self-contained 2-bedroom houses is progressing well. We expect to commence leasing the houses from May with rents starting at $440pw and there is already a waiting list of tenants.

Overall, Aspen's total short stay revenue and profitability are strong, however results are mixed across the Parks portfolio. Darwin Freespirit Resort NRI is well ahead of pcp, in part due to accommodating customers who have been displaced from their homes by the northern Australia floods during its low season. The park will soon enter its peak season and booked revenue for the 3 months to June 2026 is up about 70% compared to the same time last year, providing a buffer against a potential increase in cancellations due to higher diesel prices and a softer economy. Aspen Karratha Village NRI is well ahead of pcp and is expected to remain very full for the next several months at least. NRI for our other Parks combined is flat on pcp, somewhat reflecting refurbishment work disruptions in the first half. Easter school holiday trade in early April is tracking around the same as the comparable period last year.

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Development

By the end of March, we achieved 88% of Development Profit guidance for FY26, and we expect to achieve 100% in May.

We currently hold 42 Lifestyle contracts and 2 Residential land contracts, totaling 20% of FY27 settlement guidance of 220. We have just launched the next stage of Mount Barker and will soon launch the first stage of Ravenswood which have 90 Residential land lots combined.

Our sale prices are highly competitive, and our Development Profit margins have been expanding over the past 12 months, providing some protection against a potential slowdown in residential markets and potential disruption and cost increases in the building industry due to the Iran war and higher oil prices. There is minimal cost risk for current production stages because they are already largely complete and we have fixed price contracts. If there is significant disruption in the building industry, the acute undersupply of affordable housing will worsen, and Aspen's rents and prices will increase further in our opinion. We expect households to continue to need or prefer accommodation with lower price points that offer better value for money.

We recently received approval for the next stage of Lifestyle houses at Paralowie for 62 houses. We currently have another 10 lodged development applications for our other projects.

Balance Sheet

Aspen's balance sheet is very well positioned in the current economic environment with gearing[4] of only 18% and an interest cover ratio[5] approaching 6x. Aspen's debt is supported by solid and diversified rental streams and low corporate overheads. Aspen does not need to realise development profits to remain in compliance with debt covenants – we have the option of renting or selling newly developed dwellings and land to maximise returns for securityholders. Aspen has ample balance sheet capacity to fund its organic growth ambitions and take advantage of new acquisition opportunities as they arise.

Aspen remains well on track to meet FY26 and FY27 guidance[6] and we expect continued strong growth across the business over the medium and long term.

Announcement authorised by the Board of Aspen Group Limited.

END

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1. 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
2. Rent includes ancillary and deferred management fee revenue at some of our properties
3. Realised Development Profit margin equals realised Development Profit divided by revenue from development activities
4. Gearing equals financial debt less cash divided by total assets less cash less retirement village resident loans and deferred revenue
5. ICR – Interest Cover Ratio as defined in Aspen's debt facility covenant
6. Subject to no material change in Aspen's operating environment

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