



Aspen Group Limited

Annual Report 2025



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## Chairman's Letter

Dear Securityholders

My name is Guy Farrands, and I have the privilege of serving as your new Non-Executive Chairman following the retirement of Clive Appleton. On behalf of the Board, our staff and our investors, I extend deep gratitude to Clive for his exceptional service and contribution to Aspen. Under his leadership, Aspen successfully executed a several strategic transactions, most notably those that facilitated the entry of John Carter and David Dixon into the business. These initiatives have delivered substantial value to security holders and strengthened Aspen's capacity to generate sustainable long-term returns.

The financial results for the FY25 year were strong. Underlying operating earnings per security increased by 22% to 16.8 cents, owing to strong growth in margins while our rents remained affordable. Aspen maintains a careful approach to leverage, and in FY25 total interest cost was more than four times covered by net rental and ancillary services income alone. Aspen raised additional equity in May to further strengthen its balance sheet and gearing as at 30 June was only 13%.

Aspen operates in a market environment characterised by persistent housing undersupply and consequent affordability pressures. Aspen's customers are the approximately 40% of Australian households with income less than \$100,000 per annum that can afford to pay no more than about \$400 per week to rent or \$400,000 to purchase their housing needs.

There is a large opportunity for Aspen to provide more affordable, quality housing for customers while generating attractive returns for security holders. Fifty years ago affordable housing was provided by governments, where public housing completions approached 20% of total new dwelling supply. This has collapsed to approximately 2% of total new supply as governments have shifted to providing subsidies which support demand.

We invest in resilient stabilised properties that offer prospects for superior returns, and dispose of some when rents increase to levels not suitable for our core customer base. We also create quality accommodation that we can lease at affordable prices through brownfield and greenfield development. The recent acquisitions of the stabilised ACH retirement village portfolio in South Australia and the 18HA, development-oriented Australind project in Western Australia are good examples of our acquisition strategy. Some individual houses in Perth and Burleigh Heads were sold in the year. Our rental portfolio currently stands at approximately 4,100 dwellings/sites with a book value of \$141,000 per dwelling/site, and we also own over 2,000 sites to be developed subject to government approvals with a book value of only \$32,000 per site which puts Aspen in a very strong position to grow on a profitable basis.

Aspen has issued guidance for FY26 as follows:

- Underlying EPS: 13% increase to 19 cents per security
- Distributions per security: 10% increase to 11 cents per security

On behalf of the Board, I thank our staff for their strong performance during the year and thank you for your ongoing support and confidence in Aspen. We look forward to updating you on our progress in the year ahead.

Yours sincerely,

**Guy Farrands** Chairman



# **Aspen Group Limited**

(The Company)  
(ABN 50 004 160 927)

# **Aspen Property Trust**

(The Trust)  
(ARSN 104 807 767)

Annual Report for the year ended

30 June 2025

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# Aspen Group Limited

## Directors' report

### 30 June 2025



The Directors of Aspen Group Limited (“AGL” or the “Company”) present their report together with the Company’s financial report for the year ended 30 June 2025 and the Independent Auditor’s Report thereon. The Company’s financial report comprises the consolidated financial report of the Company and its controlled entities, including Aspen Property Trust (“APT” or the “Trust”) and its controlled entities (collectively the “Group”).

The shares of the Company are “stapled” with the units of the Trust and trade on the Australian Securities Exchange (“ASX”) as one security (ASX Code: APZ). Evolution Trustees Limited (“ET” or “Responsible Entity”) is the responsible entity of the Trust. Perpetual Corporate Trust Limited is custodian of the Trust. Aspen Funds Management Limited provided investment management services to the Group throughout the year. In this report, the Company and the Trust are referred to collectively as Aspen, Aspen Group or the Group.

In accordance with Accounting Standard AASB 3 Business Combinations, the stapling of the Company and the Trust is regarded as a business combination. The Company has been identified as the parent for the purposes of preparing the consolidated financial statements.

#### Directors

The Directors of the Company at any time during or since the end of the current period were:

#### Non-Executive Directors (NEDs)

Guy Farrands (Chairman)  
Edwina Gilbert  
John Freedman (appointed 25 September 2024)  
Clive Appleton (retired 15 November 2024)

#### Executive Directors

John Carter (Joint Chief Executive Officer)  
David Dixon (Joint Chief Executive Officer)

#### Company Secretaries

David Dixon  
Mark Licciardo

#### Qualifications, experience and special responsibilities

#### Guy Farrands – Independent Chairman (appointed Chair on 15 November 2024)

BSc, Grad Dip Man, FAPI, MAICD

Mr Farrands has over 35 years' experience in direct and ASX listed property markets in Australia and internationally across commercial, retail, industrial, residential and retirement property classes.

He was Managing Director and/or CEO of the ASX listed groups ALE Property Group, GEO Property Group and Valad Property Group.

Mr Farrands was also Chief Financial Officer of Viva Energy REIT (now Waypoint REIT).

His previous roles include Division Director of the real estate division of Macquarie Bank's Investment Banking Group where he managed IPOs, equity raisings and mergers and acquisitions, Associate Director and Joint Head of Property for Heine Management Limited, and Manager in the Investment Sales Department at Jones Lang LaSalle.

Appointed a Non-Executive Director of Aspen Group Limited on 26 November 2012 and Chairman on 15 November 2024.

*Directorships of other listed entities within last 3 years:*

Nil

**Edwina Gilbert - Non-Executive Director**

*BLaw, BArts, GAICD*

Ms Gilbert has over 20 years executive experience in the automotive sector. She was the Managing Director of family automotive Phil Gilbert Motor Group operating and property ownership until 2021 and after that she held other various positions including Chair of Phil Gilbert Motor Group until June 2024.

She is currently a non-executive director of CAR Group Limited (Chair of its Risk Committee and Member of the Audit and People and Culture Committee), and Infomedia Limited (Member of the Audit and People and Culture Committee).

Ms Gilbert was formerly a non-executive director of The Australian Automotive Dealers Association, the peak industry association for franchised automotive dealers.

Appointed a non-executive director of Aspen Group Limited on 18 August 2023.

*Directorships of other listed entities within last 3 years:*

Non-Executive Director of CAR Group Limited - held from May 2016 to current (ASX:CAR)

Non-Executive Director of Infomedia Limited - held from March 2023 to current (ASX:IFM)

**John Freedman - Non-Executive Director** (appointed on 25 September 2024)

*BBus, M Real Estate, MAICD*

Mr Freedman was formerly CFO of Aveo Group after its delisting from ASX, EGM Finance of Lendlease Investment Management Australia, and Head of Real Estate & Contractors Equity Research at UBS.

Mr Freedman is currently a Non-executive Director of privately held aged care group, Advantaged Care Group, and the not-for-profit, My Foundations Youth Housing, which provides low-cost housing for young people in metropolitan Sydney and country NSW.

Mr Freedman was appointed as non-executive director of Aspen Group Limited on 25 September 2024 and as Chair of the Audit, Risk and Compliance Committee on 15 November 2024.

*Directorships of other listed entities within last 3 years:*

Nil

**John Carter - Executive Director**

*MBA (Syd), BAppSc (Property Resource Mgmt) (UniSA), AAPI, GAICD*

Mr Carter has over 35 years' experience in real estate and financial markets. On 14 March 2019, Mr Carter was appointed Joint Chief Executive Officer of Aspen Group Limited. In 2004, he established Mill Hill Capital to pursue private equity opportunities in real estate, agriculture and equities. Prior to this Mr Carter was Managing Director, Co-Head of Equities and on the Australian Executive Committee of UBS in Australasia from 2001 to 2004.

From 1991 to 2001 Mr Carter was Head of Real Estate at UBS. While at UBS, he led over \$30 billion of M&A and capital raising transactions for Australia's leading real estate and infrastructure companies.

Prior to UBS Mr Carter was involved in commercial real estate at two international real estate consultancy groups.

Appointed a Non-Executive Director of Aspen Group Limited on 23 February 2015. With Mr Carter's appointment as Joint CEO of Aspen Group Limited, he became an Executive Director from 14 March 2019.

*Directorships of other listed entities within last 3 years:*

Nil

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**David Dixon - Executive Director**

*B Bus (Finance & Economics)*

Mr Dixon has over 35 years' experience in real estate and financial markets in Australia. He is currently Joint Chief Executive Officer of Aspen Group Limited being appointed on 14 March 2019.

Mr Dixon is joint owner and managing director of Mill Hill Capital, a private equity real estate group. From 2010 to 2014 David was Head of Real Estate Investment Banking (REIB) at Morgan Stanley. Mr Dixon was Joint Head of REIB at Credit-Suisse from 2006 to 2010 and Deutsche Bank from 1998 to 2006 including a dual role in the broader Equity Capital Markets division.

Prior to Deutsche Bank, David helped build Bankers Trust's real estate funds management franchise into one of Australia's largest, most active investor at the time.

*Directorships of other listed entities within last 3 years:*

Nil

**Clive Appleton – Independent Chairman (retired on 15 November 2024)**

Bec, MBA, AMP (Harvard), GradDip (Mktg), FAICD

Mr Appleton has had a successful career in property and funds management with over 40 years' experience in several of Australia's leading retail property investment, management and development groups.

Mr Appleton's early career was spent with the Jennings Group where he held senior executive roles from 1986, responsible for managing and developing the retail assets jointly owned by Jennings Properties Limited (JPL) and Jennings Property and Investment Group. In 1990, following a restructure of JPL to become Centro Properties Limited, Mr Appleton became Managing Director.

From 1997 to 2004 he was the Managing Director of the Gandel Group, one of Australia's leading retail property investment, management and development groups.

In 2005 Mr Appleton joined APN Property Group Limited as Managing Director.

From December 2011 to June 2015, Mr Appleton was a Non-Executive Director of Federation Centres.

Appointed as a Non-Executive Director of Aspen Group Limited on 30 April 2012.

*Directorships of other listed entities within last 3 years:*

Non-Executive Director of Vicinity Limited – appointed September 2018 to October 2024 (ASX:VCX)

**Directors' meetings**

Directors	Board of Directors		Audit, Risk and Compliance Committee	
	Held	Attended	Held	Attended
Guy Farrands	9	9	4	4
Edwina Gilbert	9	9	4	4
John Freedman (appointed 25 September 2024) <sup>1</sup>	8	8	3	3
John Carter	9	9	4	4
David Dixon	9	9	4	4
Clive Appleton (retired 15 November 2024) <sup>1</sup>	2	2	2	2

<sup>1</sup> Number of meetings held and attended since appointment date, or up to date of retirement

**Interests of Directors**

Securities in the Group held by directors, company secretaries or their associates as at 30 June 2025 were:

	<b>Issued Securities No. of units</b>	<b>Performance Rights No. of units</b>
Guy Farrands	221,390	-
Edwina Gilbert	197,344	-
John Freedman (appointed 25 September 2024)	43,183	-
John Carter	8,309,011	1,204,885
David Dixon	7,921,686	1,204,885
Clive Appleton (retired 15 November 2024) <sup>1</sup>	940,583	-
Mark Licciardo	-	-

<sup>1</sup> Number of securities held up to date of retirement.

**Company Secretaries**

David Dixon was appointed as Aspen Group Limited's Joint Chief Executive Officer on 14 March 2019 and was appointed to the position of Joint Company Secretary on 18 November 2019.

Mark Licciardo was appointed to the position of Joint Company Secretary on 30 September 2016. Mark is the founder of Mertons Corporate Services, now part of Acclime Australia and is responsible for Acclime Australia's Listed Services Division. He is also an ASX experienced director and chair of public and private companies, with expertise in the listed investment, infrastructure, biotechnology, and digital sectors. He currently serves as a director on a number of Australian company boards as well as foreign controlled entities and private companies. During his executive career, Mark held roles in banking and finance, funds management, investment and infrastructure development businesses, including being the Company Secretary for ASX:100 companies Transurban Group and Australian Foundation Investment Company Limited. Mark holds a Bachelor of Business degree in accounting, a Graduate Diploma in Governance and is a Fellow of the Chartered Governance Institute, the Governance Institute of Australia, and the Australian Institute of Company Directors.

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### Operating and financial review

The profit for the Aspen Group after providing for income tax amounted to \$57,050,000 (30 June 2024: \$48,440,000).

### Aspen's business

Aspen's mission is to provide quality rental accommodation on competitive terms. Our core customer base is the approximate 40% of Australian households with income of less than \$100,000 per annum who can afford to pay no more than about \$400 per week to rent a home. Aspen's fully integrated platform encompasses operations, asset management, development, and capital management. We provide a broad spectrum of products and services to our customers within residential, lifestyle and park communities, under different lease types and terms. We seek to maximise the profitability and value of our properties and reduce risk by continually optimising the product and customer mix based on demand, relative pricing and expenses, regulatory requirements, capital usage and other factors.

Aspen's business has two main components or segments:

- Rentals – leasing dwellings and land sites to tenants
- Development – creating and selling new Lifestyle dwellings (and leasing the associated land sites) and Residential land lots

### Rentals

At 30 June 2025, Aspen's rental pool comprised 4,156 good quality dwellings and land sites (up 5% on 30 June 2024) valued at \$588 million (up 15% on 30 June 2024).

Aspen's rental pool is offered to tenants on a broad range of lease terms and duration including but not limited to overnight (short stay), 12-month fixed term, and lifetime. Our longer stay (12 months or more) rentals are essentially full, consistent with Australia's residential market vacancy rate of about 1.3%. The only exception is CoVE Upper Mount Gravatt where demand was impacted by new restrictions on foreign student visas and occupancy fell below 50% in FY25, however it has now recovered towards 100%.

At some of our properties, we offer shorter term rentals to maximise profitability through dynamic yield management - optimising the balance of rental rate, lease term, occupancy and costs. This short stay business was mixed during the year with some weakness in tourist demand offset by stronger demand from our corporate customers. Pleasingly, tourist demand has picked up lately including at Darwin FreeSpirit Resort which is currently in its peak season, and forward bookings are well ahead of the same time last year across our parks portfolio.

Aspen's rents are well supported by household income, government subsidies and corporate profitability, and the quality of our tenant base has been improving over the past several years. Rental arrears and property damage are negligible. Our average weekly rent in FY25 across the entire rental pool was \$325 per dwelling/site, an increase of 3% on FY24. We have been recycling out of higher rent / value properties into those more suited to our core customer base which has helped keep a lid on average rent, improve growth prospects and reduce risk.

Rents continue to grow across Aspen's Residential properties located in metropolitan areas, yet they remain competitive and affordable, averaging only \$365 per week in FY25 (up 5% from \$348 per week in FY24). The economic rent required for new supply in Aspen's markets is typically above Aspen's rents which helps limit new competition. Net rental income for the Residential portfolio in FY25 was \$13.16 million, up 26% compared to FY24, with the operating margin improving 3 percentage points to 66%.

Aspen's Lifestyle properties continue to grow rapidly through new acquisitions and development. The solid increase in rental revenue is being driven by 3-4% per annum increase in rental rates and more than 10% per annum growth in the number of newly developed and leased land sites. Aspen's current Lifestyle land rent is competitively priced at around \$200 per week, which is below the maximum weekly rent at which Commonwealth Rent Assistance (CRA) benefit caps out. CRA is now up to \$100 per week (up from \$89 per week in FY24) for a pensioner couple to help pay their rent. Net rental income for the Lifestyle portfolio in FY25 was \$4.76 million, up 11% on FY24, with operating margin improving 1 percentage point to 61%.

Aspen's Park properties offer a mixture of dwelling and land leases to tenants with highly varied duration. They generated an average rent of \$343 per week per dwelling/site, a pleasing increase of 4% on the FY24 result despite the generally tighter economic conditions, cost of living pressures, generally flat tourism, and two corporate customers suffering project disruptions. Net rental income for the Park portfolio in FY25 was \$17.06 million, up 6% on FY24, with operating margin improving by 1 percentage point to 43%.

## Development

The momentum across Aspen's development business is very positive, with revenue, profitability and margin metrics improving.

In FY25 Aspen acquired two major development projects at Ravenswood and Australind in Western Australia for a total purchase price of \$44.25 million. At 30 June 2025, Aspen's development pipeline comprised 1,140 approved sites and 1,048 planned sites valued at \$93 million (up 85% on 30 June 2024).

Aspen offers new Lifestyle houses at prices well below the median price of local freehold houses. Our average sale price (inclusive of GST) in FY25 was only \$464,000 and we do not charge exit fees on our Lifestyle land lease. Aspen's residents typically lease their land site for around \$200 per week and many are eligible for Commonwealth Rent Assistance to help pay the rent.

Aspen also develops and sells new Residential land lots and the average sale price in FY25 was only \$226,000. At this price, our customers can typically build a new home cheaper than buying existing houses in the local area.

In FY25, 111 new Lifestyle houses and Residential land lots were sold, up 14% on FY24. Total Development Profit was \$12.72 million in FY25, up 47% on FY24, with development profit margin improving 2 percentage points to 32%.

Aspen more than doubled production in FY25 to over 200 new dwellings and land lots and it owns a significant development pipeline acquired at low cost. Aspen is now very well positioned to materially increase sales and development profits over many years to come.

## Financial Performance

Aspen generated total comprehensive income of \$58.02 million, net profit after income tax of \$57.05 million and Underlying Operating Earnings of \$34.06 million.

Underlying Operating Earnings is a non-IFRS Accounting Standards 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 operating performance. Underlying Operating Earnings excludes non-cash items including depreciation and amortisation, asset/liability revaluation gains and losses, share based payments and movements in deferred tax assets and liabilities. Other Non-Operating Earnings adjustments are made for transactions occurring infrequently and those that are outside the course of Aspen's ongoing business activities. Underlying Operating Earnings is determined having regard to principles which include providing clear reconciliation between Statutory Net Profit and Underlying Operating Earnings in the directors' report and financial report, including both positive and negative adjustments, maintaining consistency between reporting periods, and taking into consideration property industry practices.

Non-IFRS Accounting Standards financial information has not been audited in accordance with Australian Auditing Standards.

Aspen's underlying financial performance improved in FY25 compared to FY24:

- Net profit after tax increased 18% to \$57.05 million equating to 28.13 cents per security.
- Underlying EBITDA increased 29% to \$41.39 million.
- Underlying Operating Earnings increased 35% to \$34.06 million.
- Underlying Operating Earnings per security increased 22% to 16.80 cents.
- Full year ordinary distributions per security increased 18% to 10.00 cents.
- Total rental and ancillary services revenue increased 9% to \$67.42 million driven by a 6% increase in the average number of dwellings/sites in the rental pool and a 3% increase in average weekly gross rent per dwelling/site.
- Net rental income increased 14% to \$34.97 million and net rental margin increased from 50% to 52% mainly due to excellent operational management and a change in portfolio mix.
- Total development revenue increased 35% to \$39.49 million driven by a 14% increase in number of settled sales and 18% increase in the average sale price per dwelling/site.
- Development profit increased 47% to \$12.72 million at a margin of 32% which improved from 30% in FY24.
- Net corporate overheads increased by 7% to \$8.38 million due to cost inflation, an enlarged management platform and higher remuneration.
- Net finance expense increased 5% to \$7.33 million due mainly to higher interest rates and additional debt drawn to acquire new properties during the year. This was partially offset by the repayment of debt during the second half of the year following the equity raising and selling our stake in Eureka Group Holdings Limited (EGH).

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The tables below summarise Aspen's Underlying Operating Earnings (non-statutory) and bridge to statutory profit:

	30 June 2025	30 June 2024	Change	Change
	\$'000	\$'000	\$'000	%
<b>Rental and ancillary services revenue</b>	<b>67,423</b>	61,807	5,616	9%
Direct property expenses	<b>(32,454)</b>	(31,019)	(1,435)	5%
<b>Net rental income (NRI)</b>	<b>34,969</b>	30,788	4,181	14%
Net rental margin (%)	<b>52%</b>	50%	2%	4%
<b>Revenue from development activities <sup>1</sup></b>	<b>39,494</b>	29,317	10,177	35%
Cost of sales <sup>1</sup>	<b>(26,778)</b>	(20,641)	(6,137)	30%
<b>Development profit <sup>1</sup></b>	<b>12,716</b>	8,676	4,040	47%
Development margin (%)	<b>32%</b>	30%	2%	7%
<b>NRI and development profit</b>	<b>47,685</b>	39,464	8,221	21%
Investment income <sup>2</sup>	<b>2,086</b>	564	1,522	270%
Net corporate overheads	<b>(8,380)</b>	(7,819)	(561)	7%
<b>Underlying EBITDA</b>	<b>41,391</b>	32,209	9,182	29%
Net finance expense	<b>(7,328)</b>	(6,948)	(380)	5%
Tax <sup>3</sup>	-	-	-	-
<b>Underlying Operating Earnings</b>	<b>34,063</b>	25,261	8,802	35%
No. of Securities (weighted – '000)	<b>202,801</b>	182,883	19,918	11%
<b>Underlying Operating Earnings per security (cents)</b>	<b>16.80</b>	13.81	2.99	22%
<b>Ordinary distributions per security (cents)</b>	<b>10.00</b>	8.50	1.50	18%

<sup>1</sup> Excludes proceeds from sale of investment properties from the Perth House Portfolio and Burleigh Heads

<sup>2</sup> For the purposes of calculating Aspen's Underlying Operating Earnings, the investment income comprises the actual dividend income received during the period amounting to \$1.166 million plus the projected investment income of \$0.920 million which represents Aspen's share of Eureka Group Holdings Limited's (EGH) estimated underlying earnings of 3.0 cps (up to the date of the disposal of EGH shares) above the actual dividend income. The statutory profit on Aspen's stake in EGH was \$3.025 million in FY25 (\$6.878 million in FY24).

<sup>3</sup> For the purpose of illustrating Underlying Operating Earnings, the net deferred tax movement (which is a non-cash item and is shown in the Statement of Profit or Loss) has been excluded.

**Reconciliation of Statutory Profit and Operating Results:**

	30 June 2025	30 June 2024
	\$'000	\$'000
<b>Total comprehensive income for the year</b>	<b>58,024</b>	54,020
Revaluation of property, plant, and equipment (Darwin FreeSpirit)	<b>(974)</b>	(5,580)
<b>Statutory net profit for the year</b>	<b>57,050</b>	48,440
<i>Adjustments:</i>		
Depreciation of property, plant and equipment	<b>1,548</b>	1,494
Property revaluation (gains) / losses	<b>(46,820)</b>	(39,616)
Fair value loss on retirement village resident loans	<b>476</b>	1,350
Gain on initial recognition of investment in securities	-	(2,910)
Fair value gain on investment in securities <sup>2</sup>	<b>(993)</b>	(3,473)
Fair value loss on interest rate swaps	<b>2,464</b>	1,570
Deferred tax expense recognised	<b>19,010</b>	15,829
Gain on sale of investment properties	<b>(1,146)</b>	(658)
Security-based payments expense	<b>2,290</b>	1,730
Others <sup>1</sup>	<b>184</b>	1,505
<b>Underlying Operating Earnings</b>	<b>34,063</b>	<b>25,261</b>

<sup>1</sup> Others are those excluded from CODM's review of operating profits. This includes asset acquisition transaction costs and other non-underlying adjustments arising from interest and payment of lease liabilities.

<sup>2</sup> Net gain on investment in securities of \$0.993 million comprises total gain on investment in securities of \$1.860 million less investment income based on estimated underlying earnings per share of \$0.920 million represented by Aspen's share of Eureka Group Holdings Limited's (EGH) estimated underlying earnings of 3.0 cps amounting to \$2.086 million (up to the date of the disposal of EGH shares) less the actual dividend income received for the period of \$1.166 million.

## Balance Sheet

As at 30 June 2025, compared to 30 June 2024:

- Total assets increased 10% to \$733.46 million.
- Total property assets increased by 18% to \$678.09 million.
- NAV per security excluding DTL increased by 14% to \$2.54.
- Portfolio WACR\* marginally increased 14bps from 6.80% to of 6.94%.
- During the year, as part of our ongoing capital recycling initiatives, Aspen sold 11 houses from the Perth house portfolio and 16 townhouses from the Burleigh Heads portfolio for total proceeds of \$21.56 million. The remaining 2 townhouses in the Burleigh Heads portfolio were marketed for sale with 1 settled and 1 under contract post year-end.
- During the year, Aspen disposed of all its stake in Eureka Group Holdings Limited (EGH). The net proceeds (\$60.94 million) were mainly used to reduce debt.
- During the year, Aspen acquired 4 new properties: an apartment complex at Viveash (\$2.10 million), land adjoining our Aspen Lifestyle Alexandrina Cove SA (\$1.28 million), land at Ravenswood WA (\$12.00 million), and Australind Grove, a brand-new accommodation complex in WA (\$32.25 million). The Group also acquired 3 additional apartments in Burwood VIC (\$0.36 million). Total financial debt decreased 42% to \$96.92 million. Gearing\*\* was 12.66% which is significantly below our long-term target range of 30-40%. In May 2025, the Group renegotiated its syndicated debt facility with Westpac and Bank of Queensland. The limit increased \$50 million to \$260 million, the term extended to September 2028, and the drawn margin reduced 15 bps to 185bps. In the last quarter of FY25, the Group completed its equity raising consisting of an institutional placement of \$70 million and securityholder purchase plan of \$4 million at an issue price of \$2.90 per stapled security. The funds were primarily used to reduce the debt.

\* Weighted average capitalisation rate

\*\* Net debt excluding resident loans / total assets less cash less resident loans and deferred management revenue

	30 June 2025	30 June 2024	Change	Change
	\$'000	\$'000	\$'000	%
Investment properties	635,093	515,611	119,482	23%
Investment property assets held for sale	1,700	18,871	(17,171)	(91%)
Property, plant and equipment (includes Darwin FreeSpirit)	41,300	40,172	1,128	3%
<b>Carrying value of properties</b>	<b>678,093</b>	<b>574,654</b>	<b>103,439</b>	<b>18%</b>
Cash	9,991	4,524	5,467	121%
Inventories (includes Mt Barker and CQ land, and lifestyle houses)	39,521	25,389	14,132	56%
Investment in Eureka Group Holdings Limited	-	58,320	(58,320)	(100%)
Other assets	5,851	6,065	(214)	(4%)
<b>Total assets</b>	<b>733,456</b>	<b>668,952</b>	<b>64,504</b>	<b>10%</b>
Financial debt <sup>1</sup>	96,918	166,015	(69,097)	(42%)
Deferred tax liability	29,600	10,590	19,010	180%
Distribution payable	11,496	8,569	2,927	34%
Other liabilities	49,793	50,121	(328)	(1%)
<b>Total liabilities</b>	<b>187,807</b>	<b>235,295</b>	<b>(47,488)</b>	<b>(20%)</b>
<b>Net Asset Value (NAV)</b>	<b>545,649</b>	<b>433,657</b>	<b>111,992</b>	<b>26%</b>
<b>NAV per security (\$)</b>	<b>2.41</b>	<b>2.18</b>	<b>0.23</b>	<b>11%</b>
<b>NAV per security excluding DTL (\$)</b>	<b>2.54</b>	<b>2.23</b>	<b>0.31</b>	<b>14%</b>

<sup>1</sup> Net of borrowing transaction costs of \$1.082 (30 June 2024: \$0.932 million)

## Outlook

Conditions in the markets in which Aspen operates are expected to be reasonable over the next 12-24 months with inflation and interest rates stabilising, robust employment levels and decent wage growth, and the general undersupply of housing likely to persist, particularly at Aspen's affordable end of the market.

Aspen intends to grow its portfolio through acquisition and development.

## Business risks

Aspen has policies and processes in place for the oversight and management of business risks. Further details of the risk management framework and processes are detailed in Aspen's Corporate Governance Statement, and a discussion of risks, including credit risk, liquidity risk, market risk and operation risk factors are detailed in Note 18 of the financial statements. Listed below are relevant key risks for the business identified in the risk management matrix:

- **Leasing and sales rates** – there are a number of risks associated with the development, leasing and sale of dwellings and land which could impact future earnings. These risks include the timing of achieving planning and regulatory approvals, delays in building supplies, the potential for cost overruns, variable demand for our products, and the level of rents and pricing achieved.
  - **Short stay demand** – we offer short term leases when we believe it sufficiently increases profitability. Compared to our longer stay sources of income, short stay income is volatile and often seasonal, and occupancy levels and rents are more dependent on variables which could negatively impact Aspen's short stay earnings. Some examples include subdued economic conditions, changes in consumer preferences, weather conditions, increased competition, and increased operating costs particularly labour, energy, council rates, and land tax.
  - **Due diligence and integration risk** - Aspen is expected to continue to acquire properties. There is a risk that income is materially lower and or capital expenditure requirements are materially higher than expected regardless of the level of due diligence undertaken. This risk is elevated in the case of properties that are dependent on seasonal tourism with highly variable income and costs, and refurbishment and development activities. Additionally, acquisitions involve transaction costs and disruption through the transition of ownership and management which may impact operating performance, particularly in the short term.
- Environmental risk** – Aspen's properties are subject to environmental risks including but not limited to bushfires, storm events, coastal erosion and flooding. As the climate continues to change in future these risks may increase. Aspen holds insurance for these types of events, but insurance cover is becoming more limited and may become prohibitively expensive.
- Interest rates** – Aspen's financial liabilities consist of variable interest-bearing borrowings and therefore changes in interest rates will have an impact on profitability. The risk is partially mitigated as Aspen has \$80.00 million of its base interest rate exposure fixed at 367 bps until September 2027.
- Property valuation** - The core assets for Aspen are its underlying real estate properties, therefore changes in property values impact the financial position and equity of the Group. An increase or decrease in property value could have a material impact on net asset value and the loan-to-value ratio for Aspen's debt facility.

## Safety and environment

No significant accidents or injuries involving Aspen employees were recorded during the year.

## Significant changes in the state of affairs of the Group

Other than noted elsewhere in this Annual Report, there were no significant changes in the state of affairs of Aspen Group that occurred during the year.

## Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of Aspen, or to intervene in any proceedings to which Aspen is a party, for the purpose of taking responsibility on behalf of Aspen for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of Aspen with leave of the Court under section 237 of the Corporations Act 2001.

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**Remuneration report - Audited**

**Introduction**

The directors present the remuneration report for Aspen Group for the year ended 30 June 2025. This report forms part of the directors' report and has been audited in accordance with the *Corporations Act 2001*. This report sets out remuneration information for Aspen Group's:

- Non-Executive Directors; and
- Joint Chief Executive Officers (Executives).

These personnel, collectively known as the Key Management Personnel (KMP), are accountable for planning, directing and controlling the affairs of Aspen Group and its controlled entities.

The broader management group (who are participants in various incentive programmes) are referred to as senior managers.

Remuneration of KMP is referred to as compensation throughout this report.

**Key management personnel**

The table below provides details of the KMP for FY25. For those KMP who served as KMP for part of the year, this Remuneration Report only sets out the amounts they received as remuneration in their capacity as a KMP.

<b>Name</b>	<b>Position</b>	<b>Term as KMP during the year</b>
<b>Executives Directors:</b>		
John Carter	Joint Chief Executive Officer	KMP for full year
David Dixon	Joint Chief Executive Officer	KMP for full year
<b>Non-Executive Directors:</b>		
Guy Farrands	Non-Executive Chair	KMP for full year (Chair from 15 November 2024)
Edwina Gilbert	Non-Executive Director	KMP for full year
John Freedman	Non-Executive Director	KMP from 25 September 2024
Clive Appleton	Non-Executive Chair	KMP up to 15 November 2024

**Remuneration Governance**

The Board oversees the remuneration practices of Aspen and is responsible for:

- establishing an overarching remuneration framework;
- the assessment of the performance of the CEOs which is conducted on both an informal and continuous basis, as well as formally at the end of each financial year; and
- approval of all elements of KMP and senior manager compensation.

Expert consultants are engaged where necessary to help the Board establish policies to attract, reward, motivate and retain employees. The Board is committed to ensuring KMP and senior manager pay is fair and comparable to like companies, and importantly, aligns financial rewards with the interests of securityholders.

**Remuneration consultants**

The Board has in prior years engaged remuneration consultants to advise on remuneration practices and to assess the quantum and structure of fixed remuneration and variable incentives.

In FY25 there were no consultants engaged by the Board and consequently no recommendations obtained, and no disclosures required under the *Corporations Act 2001*.

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**Remuneration framework**

The objective of Aspen’s remuneration framework is to remunerate both competitively and appropriately such that Aspen Group attracts, retains and motivates skilled and qualified KMP and senior managers.

The framework considers, amongst other things:

Alignment to securityholders’ interests:

- key financial drivers of securityholder value, including net rental income, earnings per security, distributions per security, net asset value and total securityholder returns
- key non-financial drivers of securityholder value, including culture and risk management
- attracting and retaining high calibre KMP and senior managers

Alignment to employees’ interests:

- rewards capability and experience
- provides recognition for both individual contribution and teamwork
- provides a clear structure of earning rewards

The remuneration framework provides a mix of fixed and variable (“at risk”) pay. As employees gain seniority within Aspen and have a greater role in driving business growth, the balance of this mix shifts to a higher proportion of the “at risk” components.

**Executive remuneration structure**

Aspen’s executives had the following remuneration mix for FY25:

FIXED Fixed Remuneration CASH	AT RISK Short term incentive (STI) CASH	AT RISK Long Term Incentive (LTI) EQUITY
<ul style="list-style-type: none"> <li>• Base salary and superannuation</li> <li>• Reviewed annually by the NEDs</li> <li>• Determined by experience, qualifications and role</li> </ul>	<ul style="list-style-type: none"> <li>• 50% of STI awarded is paid in cash up front and 50% is paid in cash at the end of the following financial year subject to continued employment and other conditions</li> <li>• STI dependent on individual performance relative to KPIs</li> </ul>	<ul style="list-style-type: none"> <li>• Performance Rights Plan subject to three-year vesting period and two performance hurdles:                             <ul style="list-style-type: none"> <li>- 50% Relative Total Securityholder Return (TSR)</li> <li>- 50% Net Asset Value (NAV) growth</li> </ul> </li> </ul>
Base level of reward competitive with the marketplace	Encourages sustainable performance in the medium to longer term	Encourages sustainable performance in the medium to longer term
Remuneration mix	CEOs (Executives)	Senior Managers (indicative range)
Fixed compensation	35%	34% - 45%
STIs	9%	12% - 18%
LTIs	56%	54% - 37%

STI and LTI components are “at risk” and are only realised if respective performance hurdles are achieved.

**Fixed compensation**

Fixed compensation consists of an annual base salary plus employer contributions to superannuation funds plus any applicable fringe benefits provided. No guaranteed base salary increases are included in any executive contracts. Executive remuneration levels are reviewed annually by the Board through a process that considers, amongst other things:

- the Executive’s position and level of experience
- individual performance and overall performance of Aspen
- market forces, especially as they relate to companies of comparable complexity and size, revenue and in similar industries to Aspen
- advice from external consultants or other market sources.

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**Variable compensation – Short-Term Incentives (STI)**

The STI is an “at risk” incentive awarded annually and is paid in a combination of immediate cash and APZ securities components, subject to agreed KPIs. All STIs are paid at the discretion of the Board. In addition, the STI pool can be scaled up or down by the Board depending upon the actual performance of Aspen. The STI plan links the performance of individual employees to the operational and financial objectives of Aspen. These individual KPIs are agreed with employees at the start of each financial year or commencement of employment as part of the individual’s performance review process.

The Board reserves the right to award no STI at all.

The KPIs measured are linked to Aspen’s overall business strategy and incorporate qualitative indicators of effectiveness, performance and behaviour including, amongst other things:

- Financial priorities – e.g. net asset value, earnings and distribution targets, forecast accuracy, expense management
- Business priorities – e.g. business growth, business systems, customer relationships
- People leadership and governance – e.g. leadership, culture, risk management, stakeholder engagement and ethics
- Strategic priorities – e.g. evaluating and implementing change, corporate reputation, future growth initiatives.

STIs for Executives are paid in cash with 50% payable following the approval of the annual financial statements and 50% payable at the end of the following financial year. To receive the benefit of the deferred STI amount, the Executive must have achieved a further hurdle – that employment with Aspen remains in place and no notice of resignation has been served by the Executives.

The following table outlines the treatment of STI upon an employee’s departure from Aspen:

Event	Eligibility criteria
Resignation during performance year	Employee may be considered for a pro-rata STI payment for that performance year depending on performance.
Redundancy during performance year	Employee will be considered for a pro rata STI payment. Performance is rated at the time of termination. Any deferred STI amounts for KMP is paid upon redundancy
Redundancy after end of performance year	Employee will be considered for a full year STI payment
Dismissal	Employees will not be considered for an STI payment in the event they are dismissed for cause, including for poor performance
Death	Employees will be considered for a pro-rata STI if employment terminates due to death. Any payment will be made to the estate. This includes any deferred STI amounts for Executives
Change of control	STIs will be payable immediately on the settlement of a change in control of Aspen. Each employee who is currently not undergoing performance management will be paid their current year’s STI opportunity based on their performance rating at the time of change of control on a pro rata basis. Any extra vesting conditions for deferred STI amounts are deemed to be immediately satisfied after a change of control

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**Variable compensation – Long-Term Incentives (LTI)**

The objective of the LTI plan is to reward and retain Executives and senior managers. Awards are linked to Aspen's relative Total Shareholder Returns ("TSR") and Net Asset Value ("NAV"); therefore, an employee's remuneration is aligned to the creation of securityholder wealth. Under this plan, the more Aspen's net asset value, security price, and distribution increase over the relevant vesting period, the greater the potential benefit to employees.

Aspen's LTI is delivered via a Performance Rights Plan ("PRP"), which has been in place since 2010 and which was refreshed at the 2023 Annual General Meeting. The PRP facilitates the grant of performance rights to Executives and senior managers of Aspen. A performance right granted under the PRP is a conditional right to acquire a stapled security for nil consideration (although the terms of the PRP enable the Board to impose an exercise price if considered appropriate).

A performance right holder will only be able to convert their performance rights to the extent the vesting conditions are satisfied. Performance is assessed relative to two measures, TSR and NAV, with each measure accounting for 50% of the potential entitlement. The vesting conditions for each measure determine the award and are measured over a three-year period from the start of the financial year in which they are offered.

The Board may consider introducing additional or different conditions for future grants of rights should prevailing market conditions support such a decision. Presently, continued employment and meeting TSR and NAV hurdles are the only two vesting conditions.

*TSR hurdle*

The Board decided to use relative TSR as the vesting condition because relative TSR is easily measured, verifiable by external data and therefore transparent for securityholders, and it is commonly used by ASX companies.

TSR is a measure of the return to securityholders (over the vesting period) provided by security price appreciation, plus distributions expressed as a percentage of initial investment. TSR was selected because it measures Aspen's returns for securityholders.

The S&P ASX 300 real estate sector index is used as a comparator group as it represents Aspen's listed property peers that Aspen competes with for equity and talent. The TSR hurdle is tested at the end of the performance period (three years from grant) by calculating the TSR performance of each entity in the comparator group. The performance of each entity is then ranked, using percentiles. Aspen Group's performance is calculated at the end of each performance period and compared to the percentile rankings. Vesting of performance rights under this hurdle will only occur if Aspen Group outperforms a majority of the entities making up the S&P ASX 300 Property Sector index over the three-year period.

The following vesting schedule applies to the award of any performance rights to eligible participants:

Relative TSR over 3 years	Proportion of TSR related rights vested
At or below the 51 <sup>st</sup> percentile	0%
At the 51 <sup>st</sup> percentile	50%
Between the 51 <sup>st</sup> percentile and the 75 <sup>th</sup> percentile	Straight-line between 50% and 100%
At the 75 <sup>th</sup> percentile or above	100%

*NAV hurdle*

NAV is a measure of the underlying value of securities of the Group. NAV is measured and reported by the Group at each reporting period and is the reference base for the testing of this measure. The NAV hurdle is tested by calculating NAV growth over the three-year measurement period. As distributions by the Group have the effect of reducing the NAV of the Group, the measurement of NAV will take into account distributions over the vesting period. Distributions over the three-year period shall be added to NAV to determine the rate of growth achieved. The vesting of Performance Rights will be determined using the matrix in the table below:

NAV compound growth over 3 years	Proportion of NAV related rights vested
Below 7 percent per annum	0%
At or above 7 percent per annum but below 8 percent per annum	Straight-line between 50% and 100%
At or above 8 percent per annum	100%

The respective TSR and NAV hurdles must be satisfied to gain the proportion of Performance Rights referred to in the last column (assuming the other vesting conditions have been satisfied).

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The following table outlines treatment of LTI upon an employee's departure from Aspen Group:

Event	Eligibility criteria
Resignation	Any unvested LTIs will automatically lapse and be deemed forfeited. However, the Board may choose, at its absolute discretion, to allow the unvested LTIs to remain in effect
Dismissal	Any unvested LTIs will automatically lapse and be deemed forfeited
Redundancy, retirement or death	Any LTIs will automatically lapse and be deemed forfeited. However, the Board may choose, at its absolute discretion, to allow the unvested LTIs to remain in effect
Change of control	LTIs will be payable immediately on the settlement of a change in control of Aspen.

Unvested forfeited LTIs may be redistributed subject to the Board and Executive approval.

### Executive remuneration outcomes

#### Overview of FY25 financial performance

In considering Aspen's performance in the current financial year, the Board had regard to the following metrics:

	2025	2024	2023	2022	2021
Underlying Operating Earnings (million)	\$34.06	\$25.26	\$20.90	\$11.84	\$9.00
Underlying Operating Earnings per security (cents)	16.80	13.81	12.00	8.65	7.57
Ordinary distributions per security (cents)	10.00	8.50	7.75	6.60	6.60
Security price (30 <sup>th</sup> June)	\$3.95	\$1.79	\$1.75	\$1.47	\$1.31
Net Asset Value (NAV) per security (30 <sup>th</sup> June)	\$2.41	\$2.18	\$2.01	\$1.79	\$1.31
Return on equity (Underlying Operating Earnings per security / Opening NAV per security)	7.7%	6.9%	6.7%	6.6%	6.6%
NAV growth (change in NAV per security plus distribution per security / Opening NAV per security)	15.1%	12.7%	17.0%	41.3%	19.5%

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The Board also considered the relative performance of KMP against the execution of Aspen's strategy. A high-level scoreboard of Aspen performance for FY25 for the purpose of assessing the award of STI and LTI has been considered by reference to both positive and negative factors:

Positive performance indicators	Negative performance indicators
<p>Increased average tenure of senior management team in head office.</p> <p>Increased scale - total assets up 10% to \$733 million through improving net rental income, new acquisitions and development, while selling properties when they become less suitable for Aspen's core customer base.</p> <p>Strong growth in revenues (17%) and Underlying Operating Earnings (35%).</p> <p>Net Rental Income margin and Development Profit margin improved 2ppts to 52% and 32% respectively.</p> <p>Significant increases in profitability and shareholder returns:</p> <ul style="list-style-type: none"> <li>- Underlying operating earnings per security up 22%</li> <li>- Distribution per security up 18%</li> <li>- Net Asset Value per security up 11%.</li> </ul> <p>Risk mitigation:</p> <ul style="list-style-type: none"> <li>- Increased portfolio quality and diversity</li> <li>- Maintained a measured balance of Net Rental Income and Development Profit to enhance stability and predictability of earnings</li> <li>- Gearing reduced to 13% (below long term target of 30-40%)</li> <li>- Strong interest cover ratio of 4.6x.</li> </ul> <p>Renegotiated syndicated debt facility, to increase limit, extend maturity to September 2028, and reduce margin.</p> <p>APZ security price and liquidity on ASX increased significantly over the year.</p> <p>Successfully raised \$74 million of new equity from an institutional placement and securityholder purchase plan.</p>	<p>Some unwanted turnover of employees at the properties.</p> <p>Performance of CoVE Upper Mount Gravatt, Darwin FreeSpirit Resort and Highway 1 below budget.</p>

#### STI outcomes

For the year ended 30 June 2025, two KMP were awarded STI, determined after performance reviews were completed and approved by the Board. The combined total STI (inclusive of super) awarded to these KMP was \$0.290 million (30 June 2024: \$0.263 million). As a result of the individual performance assessments the average percentage awarded of the maximum STI opportunity for these executives was 100%. A summary of the STIs payable to these executives during FY25 is outlined below:

	Cash STI <sup>1,2</sup> \$	Deferred cash STI payment <sup>1,3</sup> \$	Total FY25 award \$	% of max STI opportunity awarded in year	% of STI not yet vested	% of STI opportunity forfeited in year
John Carter	\$72,500	\$72,500	\$145,000	100%	0%	0%
David Dixon	\$72,500	\$72,500	\$145,000	100%	0%	0%
<b>Total</b>	<b>\$145,000</b>	<b>\$145,000</b>	<b>\$290,000</b>			

<sup>1</sup> Inclusive of superannuation

<sup>2</sup> The STI is payable upon approval and release of the FY25 financial results

<sup>3</sup> The deferred STI payment is payable in cash at the end of FY26.

**LTI outcomes**

The table below summarises how Aspen performed compared to vesting conditions for active LTI schemes at 30 June 2025:

	<b>FY25 Scheme</b>	<b>FY24 Scheme</b>	<b>FY23 Scheme</b>
<b>Effective grant date</b>	29 August 2024	17 August 2023	17 August 2022
<b>Award starting date</b>	1 July 2024	1 July 2023	1 July 2022
<b>Vesting date</b>	30 June 2027	30 June 2026	30 June 2025
<b>Current Status</b>	Aspen ranked 1 <sup>st</sup> of 30 stocks in the comparator group with a return of 128.0% for the year to 30 June 2025.  NAV growth was 15.1% for the year to 30 June 2025.  These LTIs are subject to the performance hurdles until 30 June 2027.	Aspen ranked 1 <sup>st</sup> of 30 stocks in the comparator group with a return of 144.8% for the 2 years to 30 June 2025.  NAV growth was 13.6% per annum compound for the 2 years to 30 June 2025.  These LTIs are subject to the performance hurdles until 30 June 2026.	Aspen ranked 1 <sup>st</sup> of 30 stocks in the comparator group with a return of 203.8% for the 3 years to 30 June 2025.  NAV growth was 14.4% per annum compound for the 3 years to 30 June 2025.  100% of these LTIs will vest post 30 June 2025.

**Executive contract details**

*Remuneration structure and contract terms for CEOs*

The contracts of employment for the Joint CEOs, John Carter and David Dixon, have no fixed term and specify the duties and obligations of the role.

*Salary and benefits*

The Joint CEOs currently each receive an annual total fixed remuneration (“TFR”) of \$550,000 inclusive of superannuation. No directors’ fees have been paid to either of the Joint CEOs for being a director or officer of Aspen or any other group company (from the date of appointment as CEO).

*Incentive arrangements*

The Joint CEOs may be entitled to discretionary short-term incentives (STI), under Aspen Group’s Short-Term Incentive Policy (STI Policy), depending on Aspen’s and their performance against financial and non-financial metrics determined by the Board.

The Joint CEOs are eligible to participate in Aspen’s Performance Rights Plan (PRP) in respect of each completed financial year and to receive a discretionary Long-Term Incentive (LTI) allocation.

The remuneration package for the Joint CEOs was designed and negotiated to ensure a strong alignment of their financial rewards with the creation of value for Aspen Group securityholders. The equity component of their packages, which includes the issue of performance rights, will be subject to approval at the Annual General Meeting in November 2025.

*Termination*

The employment contracts may be terminated by Aspen Group or the Joint CEOs by giving 6 months’ notice of an intention to terminate employment. Termination benefits to the extent permitted under the Corporations Act are included in the contracts in the event of certain termination events.

**Contract terms for senior managers**

It is Aspen’s policy that employment contracts for Executives and senior managers have no fixed term but are capable of termination on generally one to six months’ notice and that Aspen retains the right to terminate the contract immediately, by making payment equal to one to six months’ pay in lieu of notice.

The entitlement of employees to unvested STI and LTI awards is dealt with under the STI and LTI plan rules and the specific terms of grant.

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Details of the nature and amount of each major element of remuneration of key management personnel are:

Executives	Year	Short-term		Total	Post-employment			Total	% of Remuneration Performance Related	Value of LTI as % of Total Remuneration
		Base salary <sup>1</sup>	STI		Super-annuation benefits	Other Long Term	LTI <sup>2</sup>			
		\$	\$	\$	\$	\$	\$			
John Carter	2025	519,461	145,000	664,461	30,000	11,472	622,818	1,328,751	57.8%	46.9%
	2024	496,482	131,250	627,732	27,500	8,678	447,236	1,111,146	52.1%	40.2%
David Dixon	2025	519,461	145,000	664,461	30,000	11,472	622,818	1,328,751	57.8%	46.9%
	2024	496,482	131,250	627,732	27,500	8,678	447,236	1,111,146	52.1%	40.2%
<b>Total</b>	<b>2025</b>	<b>1,038,922</b>	<b>290,000</b>	<b>1,328,922</b>	<b>60,000</b>	<b>22,944</b>	<b>1,245,636</b>	<b>2,657,502</b>	<b>57.8%</b>	<b>46.9%</b>
	2024	992,964	262,500	1,255,464	55,000	17,356	894,472	2,222,292	52.1%	40.2%

**Notes in relation to the table of key management personnel remuneration**

<sup>1</sup>Base salary includes annual leave, and superannuation payments which exceeded the Federal Government superannuation cap.

<sup>2</sup>The stapled securities issued under the various LTI plans are treated for accounting purposes as options and their fair value is calculated at the date of grant using a Monte Carlo option-pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value of these Long-Term Incentive Instruments (LTI) disclosed is the portion of the fair value of the instruments allocated to the profit and loss in the respective reporting period.

**LTI grants and movements during the year**

The following table provides details of rights granted during the year under the LTI plan, as well as the movement during the year in options and rights granted under the LTI plan in previous financial years:

Current Executives	Equity type	Balance as at 30 June 2024	Granted during the year as remuneration	Fair Value at Grant date	Rights converted during the year	Fair value of rights converted	Lapsed during the year	Value of rights lapsed	Balance as at 30 June 2025
		No.	No.	\$	No.	\$	No.	\$	No.
John Carter	Performance rights	1,037,183	439,648	892,705	(271,946)	362,096	-	-	1,204,885
David Dixon	Performance rights	1,037,183	439,648	892,705	(271,946)	362,096	-	-	1,204,885

**Non-executive director remuneration structure**

The total remuneration for Non-Executive Directors for the 2025 financial year was \$389,616 (2024: \$358,077).

The remuneration level is within the maximum level of \$700,000 previously approved by security holders at the 2023 AGM. Within this limit, the Board reviews the remuneration packages of all Non-Executive Directors on an annual basis. In making its recommendations, the Board has due regard to the current market conditions for the supply of these services and the duties and responsibilities of each member. Remuneration levels are compared to that of similar businesses and advice is sought from external consultants as required.

Non-Executive Directors do not receive performance-based remuneration such as cash bonuses or the ability to participate in Aspen Group's LTI scheme.

The annual fees paid in FY25 were:

Position	Annual Fees
	\$
Non-Executive Chairman	175,000
Non-Executive Directors	214,616
<b>Total</b>	<b>389,616</b>

### Non-executive directors' remuneration

Details of the remuneration paid to Non-Executive Directors are in the table below:

	Year	Base fee \$	Superannuation \$	Total remuneration \$
Guy Farrands	2025	128,493	14,777	143,270
	2024	90,090	9,910	100,000
Edwina Gilbert	2025	89,686	10,314	100,000
	2024	74,844	8,233	83,077
John Freedman (appointed from 25 September 2024) <sup>1</sup>	2025	64,850	7,458	72,308
	2024	-	-	-
Clive Appleton* (retired 15 November 2024) <sup>1</sup>	2025	74,038	-	74,038
	2024	175,000	-	175,000
<b>Total Non-Executive Directors</b>	2025	<b>357,067</b>	<b>32,549</b>	<b>389,616</b>
	2024	339,934	18,143	358,077

\* Director applied for superannuation guarantee exemption for FY25 and FY24 and elected to receive superannuation as part of base pay.

<sup>1</sup> prorated from date of appointment / up to date of retirement

### KMP transactions

#### Loans

There were no loans made during the year, or outstanding at year end, to KMP (current or former).

#### Movements in securities

The movement during the reporting year in the number of ordinary securities in Aspen held, directly, indirectly, or beneficially, by KMP, including their related parties, including securities held in escrow under the STI scheme is as follows:

	Year	Balance at beginning of year	Net increase / (decrease)	Balance at end of year
<b>Current Executives</b>				
David Dixon	2025	7,613,078	308,608	7,921,686
	2024	7,263,721	349,357	7,613,078
John Carter	2025	7,990,059	318,952	8,309,011
	2024	7,637,452	352,607	7,990,059
<b>Non-Executive Directors</b>				
Guy Farrands	2025	211,046	10,344	221,390
	2024	196,042	15,004	211,046
Edwina Gilbert	2025	-	197,344	197,344
	2024	-	-	-
John Freedman (appointed 25 September 2024)	2025	-	43,183	43,183
	2024	-	-	-
Clive Appleton (retired 15 November 2024) <sup>1</sup>	2025	940,583	-	940,583
	2024	843,416	97,167	940,583

<sup>1</sup> held up to date of retirement

Directors and KMP received distributions on the above securities from the date acquired.

This concludes the Remuneration Report, which is audited.

**Principal activities**

The principal activity of Aspen during the year was owning, operating and developing accommodation properties. There was no significant change in the nature of the activities of Aspen during the year and from the prior year.

**Distributions**

Distributions paid and declared to unitholders for the financial year ended 30 June 2025 were as follows:

	<b>Consolidated 30 June 2025 \$'000</b>
Interim distribution for the year ended 30 June 2025 of 5.00 cents (30 June 2024: 4.25 cents) per ordinary stapled security	<b>10,040</b>
Final distribution for the year ended 30 June 2025 of 5.00 cents (30 June 2024: 4.25 cents) per ordinary stapled security	<b>11,319</b>
	<b>21,359</b>

On 20 June 2025, Aspen announced the final distribution for the year ended 30 June 2025 of 5.00 cents per security and this distribution will be paid on or around 29 August 2025.

**Securities under option or issued on exercise of options**

There were no securities under option as at 30 June 2025 (30 June 2024: nil).

**Matters subsequent to the end of the financial year**

On 17 July 2025, the Group entered into a contract to acquire a portfolio of small retirement villages comprising of 19 properties from ACH Group, an Adelaide based not-for-profit organisation. The purchase price is \$18.7 million pre-transaction costs. The acquisition is expected to be settled in August 2025.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect Aspen Group's operations, the results of those operations, or Aspen Group's state of affairs in future financial years.

**Indemnification and insurance of officers and auditors**

During the financial year Aspen paid premiums in respect of directors' and officers' liability and legal expense insurance contracts for the year ended 30 June 2025 and, since year end Aspen has paid premiums in respect of such insurance contracts up to the annual insurance renewal date of 30 September 2026. Such insurance contracts insure against certain liability (subject to specific exclusions), persons who are or have been directors or executive officers of Aspen.

The directors have not included details of the nature of the liabilities covered nor the amount of the premiums paid in respect of the directors' and officers' liability and legal expenses insurance contracts, as such disclosure is prohibited under the terms of the contract.

Aspen has agreed to indemnify current and former officers of the Company against all liabilities to another person (other than Aspen) that may arise from their positions as officers of Aspen, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that Aspen will meet the full amount of any such liabilities, including costs and expenses.

Other than this, Aspen has not otherwise, during or since the end of the financial year, indemnified or agreed to indemnify any officer or auditor of Aspen or of any related body corporate against a liability incurred as such by an officer or auditor.

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### **Environmental, Social, and Corporate Governance**

Aspen aims to be a trusted and ethical business wherever its operations are located and in doing so, return value to investors as well as local stakeholders. This objective applies across its business of owning, operating and developing real estate.

The needs of current and future generations are at the heart of our decision-making processes. Our key decisions recognise the interdependence between environment, people and economics. We recognise the importance of sustainability in our day-to-day operations, and it is integrated into our organisational culture, stakeholder engagement, governance and management practices. This environment helps our people excel and our customers and communities to prosper. Aspen's employees proudly deliver sustainable outcomes for investors, customers, communities and the environment.

#### **Social**

Aspen aspires to improve society and reduce inequality by providing quality accommodation on competitive terms to a wide variety of Australian households. Many of our customers are disadvantaged with below-average wealth and income and find it difficult to secure suitable accommodation. Our average dwelling rent is under \$400 per week and land site rent is about \$200 per week. The average price at which we sell new houses at our Lifestyle communities is under \$500,000.

Aspen values quality stakeholder relationships that are connected, responsive and collaborative. Through these relationships we understand the communities' needs, aspirations, cultures, and their sense of place. We support our customers in a variety of ways so that they can live happier and healthier lives. For instance, we foster a social, diverse, and inclusive culture in some of our communities by providing on-site management, customer services and community spaces and facilities. This gives our customers a sense of home and meaningful connections to the community. We collaborate with charitable organisations to help people with extra needs.

Some of our properties are located in past and present Indigenous communities and we actively seek to help these communities. For instance, to help protect the Barlings Beach Aboriginal Place, we completed an archaeological dig within our Barlings Beach park community with the assistance of the Mogo Local Aboriginal Land Council. Another example is the protection and proposed public display of an Aboriginal Scar Tree within our Mount Barker residential community.

#### **Environmental**

With a growing portfolio of properties located across Australia, the environmental impact of our communities, environmental risks, and opportunities to mitigate risks (including doing business due to changes in customer preference, technology and legal requirements) and reduce our ecological footprint are important matters to our organisation.

Looking after the environment, today and for future generations, is essential. We recognise the need to continually reduce environmental impacts and work towards sustainable resource use. Additionally, we apply the precautionary principle when considering environmental impacts: uncertainty in the long-term outcomes of environmental effects should not delay action to reduce pollution and reduce consumption of non-renewable materials.

Our portfolio is highly diversified in terms of age, location and community types which may have environmental impacts and affect performance, and we consider this through our acquisition, operating and development processes. In reviewing our environmental performance and objectives we consider not only the impact of our own operations but the performance of the dwellings within our communities that are owned by our customers.

Reduced resource use, energy intensity and CO<sub>2</sub> emissions are inherent in Aspen's business model because we typically provide accommodation with some or all of the following attributes:

- Communal living – efficient sharing of resources such as living, dining, entertaining and recreational spaces, and transport (e.g. community bus)
- Dwelling size less than half the Australian average for new homes – it is estimated that about 40% of household energy use is for temperature control (heating and cooling) and this is proportional to floorspace
- New homes and community facilities with improved building techniques, designs and materials that meet increasingly stringent regulatory standards including for energy efficiency (e.g. replacing obsolete vans/annexes with highly insulated modern dwellings that require significantly less energy to operate)
- Reduced resource wastage in development / refurbishment work – we prefer to recycle and refurbish old buildings over demolishing and re-building new
- Installing electricity instead of gas appliances where possible
- Replacing our vehicles (including buggies) with more efficient or electric/hybrid versions when appropriate
- Renewable energy installations such as rooftop solar, solar-boosted gas/electric water heaters and solar street lighting
- Water saving devices such as replacing showerheads for more efficient use of water and replacing water pipes to distribute water more efficiently and reduce leakage / wastage
- Metering to make customers more aware of their electricity, gas and water use, and charging directly for it to influence behaviour
- Relatively high levels of vegetation that absorbs CO<sub>2</sub>
- Community gardens - local food production reduces transport requirements and absorbs CO<sub>2</sub>
- Recycling and composting facilities - composting food reduces emissions relative to burying food

We continually embrace new technologies to deliver innovative products and services to our customers whilst minimising costs and our ecological footprint.

Some of our properties, particularly our park communities, are located in attractive natural environments. This includes properties located along coastlines and other waterways and close to bushland, which increases the risks of erosion, flood, and fire. We also own properties in regions where cyclones are common such as Karratha and Darwin. We seek to protect these properties through, amongst other things, undertaking physical risk assessments, constructing more robust buildings and infrastructure and maintaining them well, and good land management practices such as bushfire management programs and maintaining sand dunes and natural waterways. None of Aspen's properties have suffered material physical damage from flood, fire, or storm events over the past 10 years.

#### ***Sustainable Procurement***

Due to the nature and location of Aspen's business and property portfolio we consider the risk to be low. However, we acknowledge that the risks of modern slavery may be heightened in some of our group's supply chains and operations as a result of geographical location of some of our suppliers and the materials used in products supplied to us. In particular, products or materials sourced in South-East Asia. It is also acknowledged that being in the construction industry, there is a risk of being directly linked to modern slavery practices due to the labour used by other businesses on site.

The Group is currently reviewing its operations and supply chains to enforce more effective systems and controls. This includes:

- reviewing and where necessary updating internal policies and procedures
- introducing a notice specifically related to modern slavery in requests for tenders & quotations
- engaging more with subcontractors and suppliers to strengthen the qualification process

#### ***Employees***

We work to maintain a performance oriented and inclusive culture, to attract, develop and retain talented people, and to drive a high level of employee engagement and success. We embrace and value all employee differences including gender, gender-identity, age, culture, race, religion and lifestyle choices, and support each of our employees to achieve their potential and their career goals. Our commitment to diversity extends to all aspects of employment, from recruitment to career development, promotion and remuneration. We recognise the competing demands that are often placed on employees outside of work and we seek to provide appropriate options to achieve work-life balance.

We employ the candidate that we believe is best suited to the role; however, we are also committed to maintaining a diverse workforce including the number of females in leadership and other traditionally male dominated roles within the business.

Aspen's rapid business growth has created significant opportunities for employees. We believe that investing in the development of our people will benefit the business as well as motivate individual employees to achieve their own career objectives while delivering sustainable results. Our development, talent and succession planning processes seek to ensure that we maximise learning and progression for our people, and continue to attract and retain individuals aligned with our vision and values. These processes include:

- A defined performance management process that sets clear and measurable goals for individual employees that are aligned with the Group's strategy, culture, and values
- Continuous performance reviews
- Career development planning
- Role-specific training across all departments
- Sponsoring employees for personal development through tertiary education and other courses

Individual performance is regularly assessed both internally and through customer feedback and all our head office employees and senior management at the properties can benefit from Aspen's incentive bonus schemes.

#### ***Occupational Health and Safety***

In operating and developing our communities the safety and health of our people, residents and guests is paramount. We continue to create and maintain safe and healthy environments, ensuring that the operations of the Group are conducted in a manner which safeguards the health and wellbeing of our employees, residents, guests, contractors, and other visitors to our communities. Relevant staff have KPIs which are related to health and safety, reinforcing the importance of our health and safety framework. We ensure that contractors who control development activity and tradespeople at our properties hold appropriate accreditation standards for health, safety, environment, and quality and are appropriately inducted on work practices required at our projects.

We engage the services of SafetyCulture, Marsh Advisory, insurers and other experts to provide support and training to on the ground teams, to help identify and mitigate health and safety risks, and to help ensure compliance with relevant legislation. We also have a whistle-blowing policy with direct reporting to the Non-Executive Directors (no recorded incident in FY25). Ensuring that we have adequate resources and processes to address risks to health and safety, responding to any issues in a timely manner and reporting to management and the Board are key priorities.

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**Governance**

Aspen Group comprises the stapled head entities Aspen Group Limited and Aspen Property Trust. Aspen Group Limited is a company with a Board of Directors. Aspen Property Trust is a trust governed by a Responsible Entity, Evolution Trustees Limited which is independent from Aspen Group Limited and has its own Board of Directors. Both Boards are comprised of a majority of independent Directors. The two members of the AGL Board who are considered non-independent are the Joint Chief Executive Officers by virtue of their executive roles and substantial shareholdings in Aspen Group.

Aspen's governance framework is led by the Aspen Group Limited Board and the senior executives. They currently focus on the following from a sustainability perspective:

- The health and safety of employees, contractors, customers and visitors
- Legal and regulatory requirements
- Environmental impacts
- Stakeholder engagement

The Board has ultimate responsibility for ensuring that Aspen's sustainability strategies are robust and that systems are in place for managing Aspen's key areas of sustainability risk and opportunity.

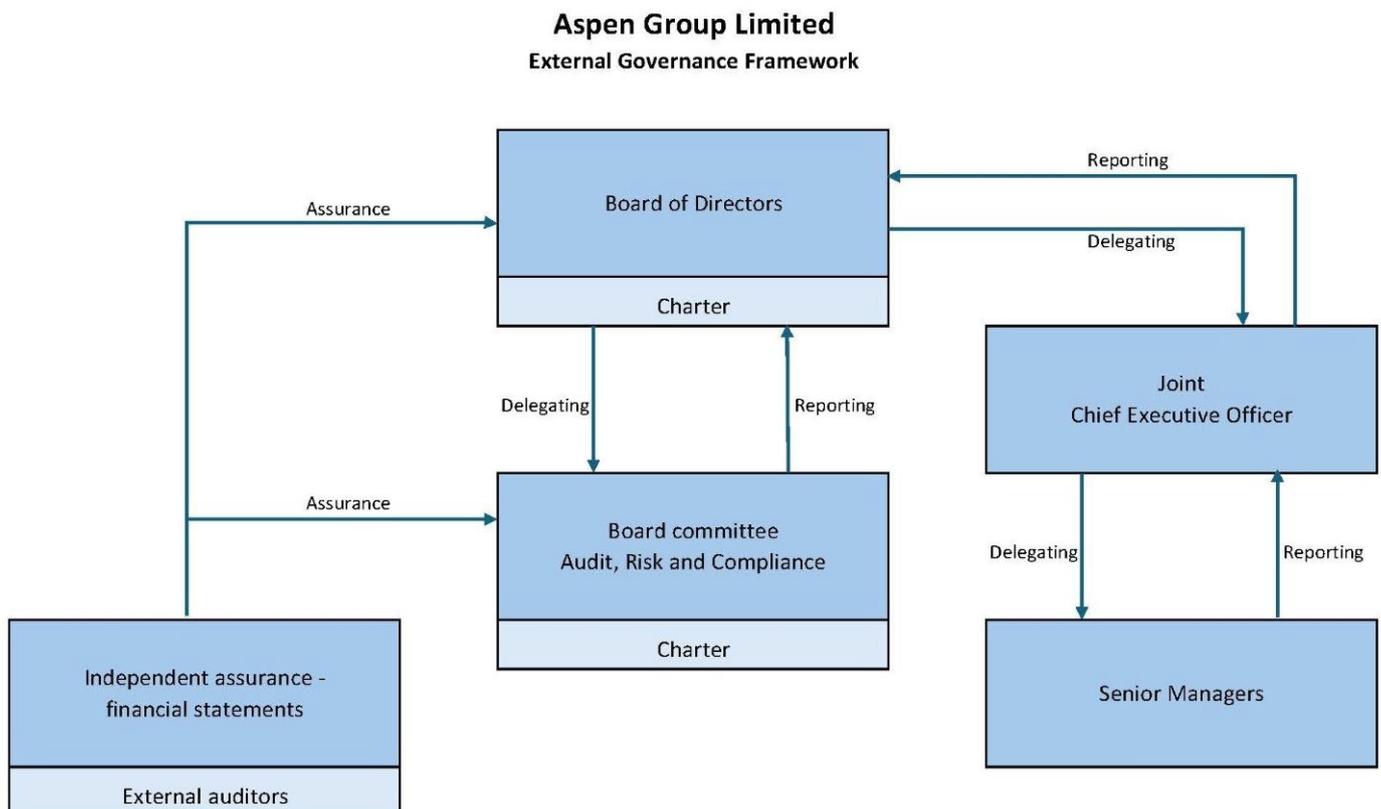
Our senior executives ensure that the organisation continues to perform in a way that demonstrates integrity on our environmental position, our commitment to the communities in which we operate and the opportunities we provide for our people and business partners to contribute to current and future generations.

Our current Key Management Personnel include the Joint Chief Executive Officers. They are aligned to the long-term performance of Aspen Group through their substantial personal shareholdings and the structure of their remuneration packages with over 50% of total remuneration deferred for up to 3 years and subject to vesting conditions including qualitative and quantitative performance measures.

Aspen's Corporate Governance Statement is available on its website at

<https://aspengroup.com.au/investor-centre/environmental-social-corporate-governance/>

Aspen's governance framework is outlined below, showing the relationship between the Board, its Committees, and the Joint CEOs.



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#### **Non-audit services**

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 24 to the financial statements.

The directors are of the opinion that the services as disclosed in Note 24 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

#### **Officers of the Company who are former partners of Deloitte Touche Tohmatsu**

There are no officers of the Company who are former partners of Deloitte Touche Tohmatsu.

#### **Auditor**

Deloitte Touche Tohmatsu continues in office in accordance with section 327 of the *Corporations Act 2001*.

#### **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is provided with this report.

#### **Rounding of amounts**

The Consolidated Group is of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191 and in accordance with the Instrument, amounts in the Financial Report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors made pursuant to Sec 298(2) of the *Corporations Act 2001*.

On behalf of the directors of Aspen Group Limited

---

**Guy Farrands**  
Chairman

21 August 2025

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21 August 2025

The Board of Directors  
Aspen Group Limited  
Upper Ground, 285A Crown Street,  
Surry Hills NSW 2010

Dear Board Members

### Auditor's Independence Declaration to Aspen Group Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Aspen Group Limited.

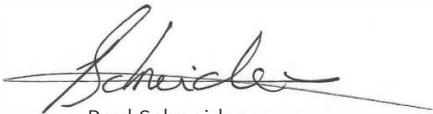
As lead audit partner for the audit of the financial report of Aspen Group Limited for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Paul Schneider  
Partner  
Chartered Accountants

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## Independent Auditor's Report to the Members of Aspen Group Limited

Report on the Audit of the Financial Report

### *Opinion*

We have audited the financial report of Aspen Group Limited (the "Company") and its controlled entities (together referred to as the "Group") which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics* for Professional Accountants (including Independence Standards) issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

*Key Audit Matters (continued)*

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
<p><b>Fair value assessment of property assets</b></p> <p>The Group accounts for its property assets valued at \$677.902 million (2024: \$574.482 million) comprising property, plant and equipment (PP&amp;E) of \$41.109 million (2024: \$40.000 million) and Investment Property of \$636.793 million (2024: \$534.482 million) by adopting the fair value model measurement approach in accordance with AASB 13 Fair Value Measurement, as disclosed in Notes 8 and 9.</p> <p>The Group determines the fair value of its PP&amp;E and investment properties on the basis of external valuations conducted on a 3-year rotation basis and director valuations in interval years. The valuations include significant judgements and factors such as prevailing market conditions, the individual nature, condition and location of each asset, as well as net operating income (NOI) and capitalisation rate valuation inputs.</p>	<p>Together with our property valuation specialists, our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Assessing management’s process for valuing PP&amp;E and investment property assets held at fair value in accordance with the Group’s stated accounting policy, including the review and approval of the valuations by the directors;</li> <li>• Assessing the independence, competence and objectivity of the external valuers;</li> <li>• Performing a risk assessment of the portfolio by comparing the key valuation inputs and assumptions to independent property market reports and other evidence to identify properties which were assessed as displaying a greater risk of material misstatements;</li> <li>• On a sample basis for the properties that were assessed as displaying a greater risk of material misstatement with reference to our identified risk characteristics performing the following with respect to the valuation models:               <ul style="list-style-type: none"> <li>▪ reviewing the external or internal valuations and testing the integrity of the information used by agreeing key inputs such as net operating income to underlying records and source documents;</li> <li>▪ benchmarking the capitalisation rates with reference to external market trends and transactions and challenging whether those assumptions where appropriate;</li> <li>▪ evaluating the net operating income with reference to current and forecast financial results.</li> </ul> </li> <li>• We also assessed the adequacy of the disclosures included in Notes 8 and 9 to the Group’s financial statements</li> </ul>

## *Other Information*

The directors are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of this auditor's report, and also includes the following information which will be included in the Group's annual report (but does not include the financial report and our auditor's report thereon): Chairman's report and additional ASX disclosures and Shareholder Information, which is expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Chairman's report and additional ASX disclosures and Shareholder Information in the Annual Report, which we have not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action.

## *Responsibilities of the Directors for the Financial Report*

The directors are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

## *Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## *Auditor's Responsibilities for the Audit of the Financial Report (continued)*

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on the Remuneration Report**

#### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 10 to 18 of the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Aspen Group Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

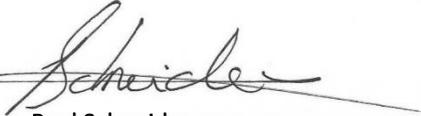
**Report on the Remuneration Report (continued)**

*Responsibilities*

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



DELOITTE TOUCHE TOHMATSU



**Paul Schneider**

Partner  
Chartered Accountants  
Melbourne, 21 August 2025

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**Aspen Group Limited**  
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**30 June 2025**



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**General information**

The financial statements cover Aspen Group consisting of Aspen Group Limited (the "Company") and the entities it controlled and Aspen Property Trust ("the Trust") and its controlled entities, at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Aspen Group's functional and presentation currency.

The shares of the Company are "stapled" with the units of the Trust and trade on the Australian Securities Exchange ("ASX") as one security (ASX Code: APZ). Evolution Trustees Limited ("ET" or "Responsible Entity") is the responsible entity of the Trust. Perpetual Corporate Trust Limited is custodian of the Trust. Aspen Funds Management Limited provided investment management services to the Group throughout the year. In this report, the Company and the Trust are referred to collectively as Aspen, Aspen Group or the Group.

**Aspen Group Limited**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2025**



	Note	Consolidated	
		30 June 2025 \$'000	30 June 2024 \$'000
<b>Revenue</b>			
Rental income		61,618	56,615
Lifestyle home and land sales		39,494	29,317
Food and Beverage, and other ancillary sales		5,805	5,192
		<b>106,917</b>	<b>91,124</b>
Other revenue		1,212	577
<b>Total revenue</b>	3	<b>108,129</b>	<b>91,701</b>
Net fair value gain on Investment properties		46,820	39,616
Gain from sale of investment properties		1,146	658
Fair value loss on retirement village resident loans		(476)	(1,350)
Net fair value gain on revaluation of investments at fair value through profit and loss		1,913	3,473
Gain on initial recognition of investment in securities		-	2,910
<b>Expenses and other items</b>			
Operational expenses		(9,029)	(8,621)
Property expenses	4	(12,694)	(12,168)
Employee expenses	4	(18,911)	(17,224)
Administration expenses		(2,687)	(2,350)
Cost of homes sold		(26,778)	(20,641)
Depreciation and amortisation expense		(1,548)	(1,494)
Other expenses		-	(1,687)
<b>Earnings before interest and income tax expense (EBIT)</b>		<b>85,885</b>	<b>72,823</b>
Finance costs		(7,741)	(7,288)
Finance income		380	304
Fair value loss on interest rate swaps		(2,464)	(1,570)
<b>Profit before income tax expense</b>		<b>76,060</b>	<b>64,269</b>
Income tax expense	5	(19,010)	(15,829)
<b>Profit after income tax expense for the year</b>		<b>57,050</b>	<b>48,440</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Revaluation of property, plant and equipment		974	5,580
Other comprehensive income for the year, net of tax		974	5,580
<b>Total comprehensive income for the year</b>		<b>58,024</b>	<b>54,020</b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per security	16	28.13	26.49
Diluted earnings per security	16	27.68	26.12

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

**Aspen Group Limited**  
**Consolidated statement of financial position**  
**As at 30 June 2025**



	Note	Consolidated	
		30 June 2025 \$'000	30 June 2024 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6	9,991	4,524
Trade and other receivables		1,884	2,408
Inventories	11	28,044	12,613
Derivative financial assets		-	1,689
Prepaid expenses		2,567	671
Investment property assets held for sale	10	1,700	18,871
<b>Total current assets</b>		<b>44,186</b>	<b>40,776</b>
<b>Non-current assets</b>			
Investment properties	9	635,093	515,611
Property, plant and equipment	8	41,300	40,172
Inventories	11	11,477	12,776
Intangible assets		121	60
Right-of-use assets		596	607
Investments at fair value through profit and loss	22	683	58,950
<b>Total non-current assets</b>		<b>689,270</b>	<b>628,176</b>
<b>Total assets</b>		<b>733,456</b>	<b>668,952</b>
<b>Current liabilities</b>			
Trade and other payables	7	8,595	9,766
Distributions payable		11,496	8,569
Resident loans	21	33,351	33,146
Provisions		2,895	2,849
Deferred management revenue (DMF)		699	661
Lease liabilities		55	165
<b>Total current liabilities</b>		<b>57,091</b>	<b>55,156</b>
<b>Non-current liabilities</b>			
Interest bearing loans and borrowings	17	96,918	166,015
Lease liabilities		687	578
Derivative financial liabilities		775	-
Deferred tax liability	5	29,600	10,590
Deferred management revenue (DMF)		2,736	2,956
<b>Total non-current liabilities</b>		<b>130,716</b>	<b>180,139</b>
<b>Total liabilities</b>		<b>187,807</b>	<b>235,295</b>
<b>Net assets</b>		<b>545,649</b>	<b>433,657</b>
<b>Equity</b>			
Issued capital	14	706,961	632,616
Reserves	14	22,741	20,785
Accumulated losses		(180,216)	(215,907)
		549,486	437,494
Non-controlling interest	20	(3,837)	(3,837)
<b>Total equity</b>		<b>545,649</b>	<b>433,657</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

**Aspen Group Limited**  
**Consolidated statement of changes in equity**  
**For the year ended 30 June 2025**



<b>Consolidated</b>	<b>Issued capital \$'000</b>	<b>Reserves \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Non-controlling interest \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 July 2023	599,104	14,118	(248,220)	(3,837)	361,165
Profit after income tax expense for the year	-	-	48,440	-	48,440
Other comprehensive income for the year, net of tax	-	5,580	-	-	5,580
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>5,580</b>	<b>48,440</b>	<b>-</b>	<b>54,020</b>
<i>Transactions with security holders in their capacity as security holders:</i>					
Security-based payments	-	1,730	-	-	1,730
Security-based compensation - issued during the year	643	(643)	-	-	-
Issue of stapled securities, net of transaction costs	32,869	-	-	-	32,869
Distributions paid (Note 13)	-	-	(16,127)	-	(16,127)
<b>Balance at 30 June 2024</b>	<b>632,616</b>	<b>20,785</b>	<b>(215,907)</b>	<b>(3,837)</b>	<b>433,657</b>
<b>Consolidated</b>	<b>Issued capital \$'000</b>	<b>Reserves \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Non-controlling interest \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 July 2024	632,616	20,785	(215,907)	(3,837)	433,657
Profit after income tax expense for the year	-	-	57,050	-	57,050
Other comprehensive income for the year, net of tax	-	974	-	-	974
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>974</b>	<b>57,050</b>	<b>-</b>	<b>58,024</b>
<i>Transactions with security holders in their capacity as security holders:</i>					
Security-based payments	-	2,290	-	-	2,290
Security-based compensation - issued during the year	1,308	(1,308)	-	-	-
Issue of stapled securities, net of transaction costs	73,037	-	-	-	73,037
Distributions payable or paid (Note 13)	-	-	(21,359)	-	(21,359)
<b>Balance at 30 June 2025</b>	<b>706,961</b>	<b>22,741</b>	<b>(180,216)</b>	<b>(3,837)</b>	<b>545,649</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

**Aspen Group Limited**  
**Consolidated statement of cash flows**  
**For the year ended 30 June 2025**



	Note	Consolidated	
		30 June 2025 \$'000	30 June 2024 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		110,538	92,705
Payments to suppliers (inclusive of GST)		(87,639)	(61,758)
Net cash from operating activities	15	22,899	30,947
<b>Cash flows from investing activities</b>			
Payment for development of investment properties		(24,098)	(30,644)
Proceeds from sale of investment property assets, net of selling costs		21,562	14,816
Acquisition of property, plant and equipment		(1,521)	(1,829)
Acquisition of investment properties, including transaction costs		(49,575)	(21,637)
Proceeds from sale of investment in listed securities, net of transaction costs		60,943	-
Dividends received on investments in listed securities		402	564
Interest received		380	304
Net cash from/(used in) investing activities		8,093	(38,426)
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		72,700	38,000
Repayment of borrowings		(141,647)	(10,000)
Payment of financing and borrowing costs		(9,539)	(9,416)
Payment of lease liability		(232)	(218)
Distributions paid		(18,432)	(15,285)
Issue of stapled securities, net of issue costs		71,625	-
Net cash (used in)/from financing activities		(25,525)	3,081
Net increase/(decrease) in cash and cash equivalents		5,467	(4,398)
Cash and cash equivalents at the beginning of the financial year		4,524	8,922
Cash and cash equivalents at the end of the financial year	6	9,991	4,524

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

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# Aspen Group Limited

## Notes to the consolidated financial statements

### 30 June 2025



#### Note 1. Introduction

Aspen Group (“the Group” or “Aspen”) is a stapled entity comprising Aspen Group Limited (“the Company”) and its controlled entities, and Aspen Property Trust (“the Trust”) and its controlled entities.

Aspen was established for the purpose of facilitating a joint quotation of the Trust and the Company and their controlled entities on the ASX, with both entities being stapled together. The Deed of the Trust and the Constitution of the Company ensure that, for so long as the two entities remain jointly quoted, the number of units in the Trust and the number of shares in the Company shall be equal and that unitholders and shareholders be identical. With the establishment of Aspen via a stapling arrangement, the combined group has common business objectives and operates as a combined entity in the core business of owning, developing and operating affordable accommodation assets.

The Trust, the Company and their controlled entities are domiciled in Australia. The address of Aspen’s registered office is Suite 21, 285A Crown Street, Surry Hills, New South Wales 2010.

The consolidated financial statements of Aspen as at and for the year ended 30 June 2025 are combined financial statements that present the financial statements and accompanying notes of both the Company and the Trust along with their subsidiaries and their interests in associates and jointly controlled entities. Aspen is a for-profit entity and is primarily involved in investment in and operation of accommodation assets.

The consolidated financial statements were authorised for issue by the Board on 21 August 2025. The directors have the power to amend and reissue the financial statements.

The consolidated financial statements are general-purpose financial statements which:

- have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB);
- comply with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB);
- have been prepared on a historical cost basis, except for derivative financial instruments, investment property, certain classes of property, plant and equipment, share-based payments, resident loans, investment in listed company, and investment in unlisted company, which are recognised at fair value;
- are presented in Australian dollars with all values rounded to the nearest thousand dollars (\$’000) unless otherwise stated, in accordance with ASIC Corporations Instrument 2016/191; and
- disclose comparative information where required for consistency with the current year’s presentation.

#### Key judgements and estimates

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Information about judgements, estimates and assumptions that have a significant effect on the consolidated financial statements are found in the following notes:

- Note 5: Deferred tax assets / liabilities
- Note 8: Property, plant and equipment
- Note 9: Investment properties
- Note 21: Resident loans

#### Basis of consolidation

These consolidated financial statements consist of the Company, the Trust, and their controlled entities. A list of controlled entities (subsidiaries) at year end is contained in Note 19. The Company has been identified as the parent for the purpose of preparing the consolidated financial statements.

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Further details on the basis of consolidation can be found within the following notes:

- Note 19: Subsidiaries
- Note 20: Non-controlling interests

# Aspen Group Limited

## Notes to the consolidated financial statements

### 30 June 2025



#### Note 1. Introduction (continued)

##### Accounting policies

Material accounting policies are provided throughout the notes to the financial statements.

##### Financial performance and position

During the year ended 30 June 2025 Aspen recorded a profit after tax of \$57.050 million (30 June 2024: profit after tax of \$48.440 million). At 30 June 2025, Aspen had net assets of \$545.649 million (30 June 2024: \$433.657 million) and cash reserves of \$9.991 million (30 June 2024: \$4.524 million).

The consolidated statement of financial position shows a net current asset deficiency as at 30 June 2025 totalling \$12.905 million (30 June 2024: \$14.380 million). This position arises predominantly as a result of Resident Loans totalling \$33.351 million (30 June 2024: \$33.146 million) classified as current liabilities which, as described in Note 21, are not expected to result in an equivalent outflow of funds during the next twelve months. The Resident Loans are recognised as a gross up of the carrying value of associated non-current assets classified as Investment Properties, resulting in a mismatch between the resident loans recognised as current liabilities and underlying property assets recognised as non-current assets.

In addition, as noted in Note 18 of the financial statements, the Group has multi-option facilities (including overdraft) totalling \$8.780 million which are available to be drawn down to provide short term cash flows if required.

The consolidated financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Board believes that Aspen will continue as a going concern, and Aspen's cash flow forecast supports the Board's opinion that Aspen's working capital position will remain positive for at least the next twelve months from the date of signing the consolidated financial statements.

#### Note 2. Segment information

##### Operating segments

Aspen Group is organised into two reportable segments:

- Rental – this segment consists of rental of dwellings across different properties type including residential, lifestyle and parks.
- Development – this segment consists of development and sales of lifestyle homes and residential land lots.

Other includes items that are not allocated to a reportable segment. This includes the sale of investment in securities, depreciation, fair value gain on revaluation of investment properties, fair value changes on retirement resident loans, corporate overheads and income, interest income and interest expense.

##### Recognition and measurement

An operating segment is a component of Aspen that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of Aspen's other components. The operating results of all segments are reviewed regularly by Aspen's joint chief executive officers (Chief Operating Decision Makers – "CODM") to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

The identification of Aspen's operating segments has changed during the current year based on expansion in the Group's business activities and resultant changes in the internal reporting to the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) to assess performance and determine the allocation of resources. Reporting of prior year segment information has been changed to reflect the new identified segments in the current year. Accordingly, the comparative period numbers have been changed to conform with current year disclosure.

The CODM reviews Underlying Operating Earnings by reportable segment. The Underlying Operating Earnings also includes Net Corporate Overheads, Investment Income and net Finance expense (included in Other). All other items below the Underlying Operating Earnings are reviewed on a total basis as a part of other segment.

Segment capital expenditure is the total cost incurred during the year to acquire investment properties and property, plant and equipment.

##### Geographical segments

Aspen is based in Australia and has its current operating activities spread throughout Australia. There are no other geographical segments.

Aspen Group Limited  
Notes to the consolidated financial statements  
30 June 2025



Note 2. Segment information (continued)

Segment information is provided below:

	Rental		Development		Other		Consolidated	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Residential	20,087	16,662	6,988	6,902	-	-	27,075	23,564
Lifestyle	7,828	7,154	32,506	22,415	-	-	40,334	29,569
Parks	39,508	37,991	-	-	-	-	39,508	37,991
Total segment revenue <sup>1</sup>	67,423	61,807	39,494	29,317	-	-	106,917	91,124
Net rental income and development profit	34,969	30,788	12,716	8,676	-	-	47,685	39,464
Investment income <sup>6</sup>	-	-	-	-	2,086	564	2,086	564
Net corporate overheads	-	-	-	-	(8,380)	(7,819)	(8,380)	(7,819)
<b>Total Underlying EBITDA <sup>2</sup></b>	<b>34,969</b>	<b>30,788</b>	<b>12,716</b>	<b>8,676</b>	<b>(6,294)</b>	<b>(7,255)</b>	<b>41,391</b>	<b>32,209</b>
Net finance expense	-	-	-	-	(7,328)	(6,948)	(7,328)	(6,948)
<b>Underlying Operating Earnings</b>	<b>34,969</b>	<b>30,788</b>	<b>12,716</b>	<b>8,676</b>	<b>(13,622)</b>	<b>(14,203)</b>	<b>34,063</b>	<b>25,261</b>
Depreciation and amortisation	-	-	-	-	(1,548)	(1,494)	(1,548)	(1,494)
Net Fair value gain on Investment properties	-	-	-	-	46,820	39,616	46,820	39,616
Fair value loss on retirement village resident loans	-	-	-	-	(476)	(1,350)	(476)	(1,350)
Fair value (loss) / gain on revaluation of investment in securities <sup>7</sup>	-	-	-	-	993	3,473	993	3,473
Gain on initial recognition of investment in securities	-	-	-	-	-	2,910	-	2,910
Fair value loss on interest rate swaps	-	-	-	-	(2,464)	(1,570)	(2,464)	(1,570)
Security-based payments expense	-	-	-	-	(2,290)	(1,730)	(2,290)	(1,730)
Gain from sale of investment properties	-	-	-	-	1,146	658	1,146	658
Others <sup>3</sup>	-	-	-	-	(184)	(1,505)	(184)	(1,505)
Income-tax expense	-	-	-	-	(19,010)	(15,829)	(19,010)	(15,829)
<b>Profit after tax attributable to parent entity</b>	<b>34,969</b>	<b>30,788</b>	<b>12,716</b>	<b>8,676</b>	<b>9,365</b>	<b>8,976</b>	<b>57,050</b>	<b>48,440</b>
<i>Segment assets and liabilities reviewed by CODM can be analysed as follows:</i>								
Segment assets <sup>4</sup>	677,902	574,482	39,365	25,245	16,189	69,225	733,456	668,952
Segment liabilities <sup>5</sup>	-	-	-	-	(187,807)	(235,295)	(187,807)	(235,295)
Additions to non-current assets during the year	75,815	45,631	-	-	143	32,989	75,958	78,620

<sup>1</sup> All segment revenues are derived from external customers. The group is not reliant on any single customer.

<sup>2</sup> Underlying EBITDA represents earnings before interest, tax, depreciation and amortisation, fair value gains/losses, and excludes non-underlying items which are included in other income / expenses – see Footnote 3 for non-underlying items.

<sup>3</sup> Others are those items excluded from CODM's review of operating profits. This includes asset acquisition transaction costs and other non-underlying adjustments arising from interest and payment of lease liabilities.

<sup>4</sup> Other segment assets include all assets of the Group excluding the property assets (investment properties, property, plant and equipment, and cabins and land inventories).

<sup>5</sup> Other segment liabilities include all liabilities of the Group, including the property liabilities.

<sup>6</sup> For the purposes of calculating Aspen's Underlying Operating Earnings, the investment income comprises the actual dividend income received during the period amounting to \$1.166 million plus projected investment income of \$0.920 million which represents Aspen's share of Eureka Group Holdings Limited's (EGH) estimated underlying earnings of 3.0 cps (up to the date of the disposal of EGH shares) above the actual dividend income.

<sup>7</sup> Net gain on investment in securities of \$0.993 million comprises total gain on investment in securities of \$1.913 million less investment income based on estimated underlying earnings per share of \$0.920 million represented by Aspen's share of Eureka Group Holdings Limited's (EGH) estimated underlying earnings of 3.0 cps amounting to \$2.086 million (up to the date of the disposal of EGH shares) less the actual dividend income received for the period of \$1.166 million.

**Aspen Group Limited**  
**Notes to the consolidated financial statements**  
**30 June 2025**



**Note 3. Revenue**

**External revenue by timing of revenue**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Timing of revenue recognition		
Performance obligation satisfied at a point in time	46,465	35,073
Performance obligation satisfied over time	61,664	56,628
	<b>108,129</b>	<b>91,701</b>

**Recognition and measurement**

**Revenue**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and can be reliably measured. Revenue brought to account but not received at reporting date is recognised as a receivable.

Rental income (short and long stay) is recognised on a straight-line basis over the accommodation period. Fixed rental increases are recognised on a straight-line basis over the period until the next market review date. Rent received in advance is recognised as contract liabilities.

Development sales from the sale of houses and land is recognised at the point in time when control of the land / home is transferred to the customer, on settlement of the transaction.

Food and beverage, other ancillary sales, and net gaming revenue are recognised at the point in time when the provision of the service is provided to the customer.

**Note 4. Expenses and other items**

**a) Property expenses**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Repairs and maintenance	1,621	1,577
Utilities	5,141	4,950
Insurance	1,877	1,726
Rates and taxes	3,328	3,195
Other property expenses	727	720
<b>Total property expenses</b>	<b>12,694</b>	<b>12,168</b>

**(b) Employee expenses**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Salary and wages	15,330	14,290
Superannuation	1,279	1,140
Security-based payments	2,290	1,730
Other employee costs	12	64
<b>Total employee expenses</b>	<b>18,911</b>	<b>17,224</b>

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**Aspen Group Limited**  
**Notes to the consolidated financial statements**  
**30 June 2025**



**Note 4. Expenses and other items (continued)**

**Security-based payments expense**

Securities may be issued to employees of Aspen under the Performance Rights Plan (“PRP”). The securities issued are accounted for as options in Aspen. The fair value of the options granted is recognised as an employee expense by Aspen with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the options. The amount recognised is adjusted to reflect the actual number of security options that vest, except for those that fail to vest due to market vesting conditions not being met. The fair value is measured at the grant date using an appropriate pricing model, taking into account the terms and conditions upon which the options were granted. The fair value is expensed on a straight-line basis over the vesting period.

**Employee benefits expense**

Employee benefit expenses are capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset.

**Goods and services tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (“GST”), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

**Capitalisation of finance costs**

Finance costs are capitalised if they are directly attributable to the acquisition, construction or production of significant value enhancing property, plant and equipment, investment properties and inventories (land development) that takes a prolonged period of time to complete. Once capitalised, these finance costs form part of the qualifying asset. Total finance costs capitalised in the current year totalled \$1.668 million (30 June 2024: \$1.836 million). Finance costs have been capitalised during the year as part of the carrying amounts of the following assets:

- Inventories (land development): \$0.481 million (30 June 2024: \$0.523 million)
- Investment properties: \$1.187 million (30 June 2024: \$1.313 million)

**Note 5. Tax expense**

	Consolidated	
	30 June 2025	30 June 2024
	\$'000	\$'000
<i>Income tax expense</i>		
Current tax	5,591	4,423
Deferred income tax	13,419	11,406
<b>Aggregate income tax expense</b>	<b>19,010</b>	<b>15,829</b>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Profit before income tax expense	76,060	64,269
Tax at the statutory tax rate of 30%	22,818	19,281
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible items	532	1,931
Other	(129)	831
Prima facie income tax on profits from trust - taxed at unit-holder level	23,221	22,043
	(4,211)	(6,214)
<b>Income tax expense</b>	<b>19,010</b>	<b>15,829</b>

**Aspen Group Limited**  
**Notes to the consolidated financial statements**  
**30 June 2025**



**Note 5. Tax expense (continued)**

**Deferred tax**

The recognised deferred tax (liabilities) / assets consist of the following:

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
<b>Deferred tax assets</b>		
Trade and other payables	870	1,308
Lease arrangement	44	40
Provisions	170	168
Employee benefits	762	690
Other liabilities	1,262	578
Blackhole expenditure	508	287
Property, plant and equipment	-	66
Tax losses - revenue and capital	8,268	19,638
Financial assets at fair value through profit or loss	433	-
<b>Total deferred tax assets</b>	<b>12,317</b>	<b>22,775</b>
<b>Set-off against deferred tax liabilities</b>		
Property, plant and equipment	(167)	-
Financial assets at fair value through profit or loss	-	(2,012)
Investment properties	(41,750)	(31,353)
<b>Total deferred tax liabilities</b>	<b>(41,917)</b>	<b>(33,365)</b>
<b>Net deferred tax (liabilities) / assets</b>	<b>(29,600)</b>	<b>(10,590)</b>

**Recognition and measurement**

**Deferred taxes**

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The directors reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the 'sale' presumption set out in the amendments to AASB 12 is not rebutted. As a result, the Group has not recognised any deferred taxes on changes in fair value of the Group's Trust owned investment properties which are not subject to any income taxes on gains realised on disposal.

**Aspen Group Limited**  
**Notes to the consolidated financial statements**  
**30 June 2025**



**Note 5. Tax expense (continued)**

**Tax consolidation**

The Company and its wholly owned Australian resident entities have formed a tax-consolidated group with effect from 1 July 2004 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is the Company.

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

The Company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the asset can be utilised. At 30 June 2025 tax losses with a benefit of \$8.268 million (30 June 2024: \$19.638 million) have been recognised as a Deferred Tax Asset.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the Company only.

**The Trust**

Under current Australian Income Tax Legislation, the Trust is not liable for income tax, provided that the taxable income (including any assessable component of any capital gains from the sale of investment assets) is fully distributed to unit holders each year. Tax allowances for building and plant and equipment depreciation may be distributed to unit holders in the form of tax deferred components of distributions.

**Note 6. Cash and cash equivalents**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Cash at bank and on hand	9,841	4,374
Term deposits	150	150
<b>Total cash and cash equivalents</b>	<b>9,991</b>	<b>4,524</b>

Australian Financial Services Licence ("AFSL") regulations require Aspen Group's subsidiary, Aspen Funds Management Limited ("AFM"), to maintain a minimum \$0.075 million of cash and \$0.150 million of Net Tangible Assets ("NTA"), as defined by the regulations. At 30 June 2025 AFM maintained the minimum cash and NTA requirement.

Refer to Note 15 for the reconciliation of net profit after tax to net cash flows from operations.

**Recognition and measurement**

**Cash and cash equivalents**

Cash and cash equivalents comprise cash balances which are immediately available only.

**Note 7. Trade and other payables**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Trade payables	5,244	6,733
Contract liabilities	3,351	3,033
<b>Total trade and other payables</b>	<b>8,595</b>	<b>9,766</b>

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**Aspen Group Limited**  
**Notes to the consolidated financial statements**  
**30 June 2025**



**Note 7. Trade and other payables (continued)**

**Recognition and measurement**

Aspen's credit terms with suppliers is typically between 7 - 30 days.

A liability is recognised for the amount of any distribution (see Note 13) declared by the Group on or before the end of the reporting period but not distributed at reporting date.

**Note 8. Property, plant and equipment**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
<b>Non-current assets</b>		
Land - at fair value	28,620	27,646
Buildings - at fair value	6,166	6,166
Less: Accumulated depreciation	(1,315)	(1,142)
	4,851	5,024
Plant and equipment - at cost	12,106	10,777
Less: Accumulated depreciation	(4,468)	(3,447)
	7,638	7,330
Corporate assets - at cost	372	290
Less: Accumulated depreciation	(181)	(118)
	191	172
	<b>41,300</b>	<b>40,172</b>

**Reconciliations**

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land (Fair value) \$'000	Buildings (Fair value) \$'000	Plant and equipment (Fair value) \$'000	Corporate assets (Cost) \$'000	Total \$'000
<b>Consolidated</b>					
Balance at 1 July 2023	22,066	5,196	7,024	94	34,380
Additions	-	-	1,293	122	1,415
Revaluation	5,580	-	-	-	5,580
Depreciation expense	-	(172)	(987)	(44)	(1,203)
Balance at 30 June 2024	27,646	5,024	7,330	172	40,172
Additions	-	-	1,329	82	1,411
Revaluation	974	-	-	-	974
Depreciation expense	-	(173)	(1,021)	(63)	(1,257)
Balance at 30 June 2025	<b>28,620</b>	<b>4,851</b>	<b>7,638</b>	<b>191</b>	<b>41,300</b>

Property, plant and equipment (PPE) represent assets held principally for use in the supply of services (provision of accommodation and ancillary services – Darwin FreeSpirit Resort) or for administration purposes – Corporate assets.

**Note 8. Property, plant and equipment (continued)**

**Recognition and measurement**

PPE is initially measured at the historical cost of the asset, less depreciation and impairment. The cost of PPE includes the cost of replacing parts that are eligible for capitalisation.

PPE, with the exception of corporate assets, is stated at revalued amounts, being fair value less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Fair value is determined on the basis of either an independent valuation prepared by external valuers as at the balance sheet date or directors' valuation. Corporate assets are not subsequently revalued and are carried at cost less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Independent valuations of PPE measured at fair value are obtained at intervals of not more than 3 years and are performed by external, independent property valuers with appropriate professional qualifications and experience in the category of the property being valued.

The fair value of PPE can be measured via either the capitalisation method, the discounted cash flow approach, or by comparison to comparable sales. Aspen may consider any one or all three techniques dependent on the asset type and the judgement that market participants would apply. A revaluation increase is recognised directly against an asset revaluation reserve in equity unless it reverses a previous decrease recognised in profit or loss in which case it is recognised in profit or loss, while a decrease is recognised in profit or loss unless it reverses a previous increase recognised against reserves in which case it is recognised against reserves.

Refer further details regarding fair value assessment in Note 9.

**Depreciation**

Items of property, plant and equipment are depreciated on a straight-line basis over their useful lives. The estimated useful life of buildings is between 10 and 40 years; plant and equipment is between 5 and 10 years and corporate office assets is between 3 and 10 years. Land is not depreciated.

**Level 3 fair value**

The fair value measurement of PPE of \$41.109 million (30 June 2024: \$40.000 million) has been categorised as a Level 3 fair value based on the unobservable inputs to the valuation technique used. The carrying amount table above shows the reconciliation from the opening balance to the closing balance for Level 3 fair values. Details of the valuation is included in Note 9.

If Aspen's total land, buildings and plant and equipment were measured using the cost model, the carrying amount would be as follows:

	Land \$'000	Buildings \$'000	Plant & Equipment \$'000	Total \$'000
<b>As at 30 June 2025</b>				
Cost	11,515	5,375	11,441	<b>28,331</b>
Accumulated depreciation and impairment	-	(1,315)	(4,468)	<b>(5,783)</b>
Net carrying amount	11,515	4,060	6,973	<b>22,548</b>

**Key judgment and estimates**

Judgement is required in assessing classification of accommodation property assets as either PPE or Investment Properties. Accommodation assets are classified as PPE where their principal purpose is for use in the supply of goods or services, and are classified as Investment properties where their principal purpose is to earn rentals or for capital appreciation or for both. Key factors considered in the assessment include the principal purpose of the asset as well as other asset specific characteristics such as the workforce and skillset associated with the property and the level of ancillary services offered by the asset in addition to accommodation services. PPE includes the Darwin FreeSpirit Resort where ancillary services include food and beverage services, gaming and events / functions. All other property assets are classified as investment properties.

The fair value methodology which is used when valuing property assets via the capitalisation method requires significant assumptions to be made in respect of both sustainable net operating income and market capitalisation rate (refer to Note 9). This applies to both assets classified as PPE and investment properties.

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**Note 9. Investment properties**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Investment Properties at fair value	635,093	515,611
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening fair value	515,611	449,538
Investment properties acquired	50,881	20,487
Investment properties reclassified as investment property assets held for sale	(3,245)	(26,486)
Net fair value gain on investment properties	46,820	39,616
Additions to investment properties (including capitalised finance costs)	25,026	32,456
Closing fair value	635,093	515,611

Investment properties comprise those which are held for the principal purpose of earning rental income or for capital appreciation or both.

**Recognition and measurement**

Investment property comprises land and buildings and are regarded as composite assets and therefore are not depreciated.

Investment properties are measured initially at cost, including transaction costs. Subsequently, investment properties are stated at fair value, reflecting market conditions at reporting date. Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit and loss in the period they arise.

**Fair value and cost**

The total value of all property assets (at fair value and at costs) owned by the Group are as follows:

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Property plant and equipment - Darwin FreeSpirit	41,109	40,000
Investment properties	635,093	515,611
Investment property assets held for sale (carrying value equates to fair value at balance date)	1,700	18,871
Total fair value of all property assets	677,902	574,482

Total property assets of the Group, including the residential land held in Mt Barker and Coorong Quays classified as inventories are as follows:

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
At fair value - Property plant and equipment, investment properties, and investment properties held for sale	677,902	574,482
At costs - Inventories (Mt Barker and Coorong Quays residential land)	15,264	13,486
Total fair value of all property assets and land inventories at cost	693,166	587,968

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**Note 9. Investment properties (continued)**

Property assets which have been subject to an independent valuation during the year are as follows:

Property Type	Percentage of total independent valuations undertaken in the current financial year to total carrying value %	Total of independent valuations undertaken in the current financial year \$'000	Total carrying value \$'000
Residential	48%	160,100	<b>328,498</b>
Lifestyle <sup>1</sup>	36%	55,040	<b>151,831</b>
Park	31%	61,650	<b>197,573</b>
<b>Total</b>		<b>276,790</b>	<b>677,902</b>

<sup>1</sup>Excludes Wodonga Gardens VIC with latest valuation date of July 2024 and has been previously included in FY24 total independent valuations.

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**Note 9. Investment properties (continued)**

The following table presents individual properties owned by the Group:

Property	Original acquisition date	At cost <sup>7</sup> \$'000	Latest independent valuation date	Latest independent valuation \$'000	Fair value at 30 June 2025 \$'000	Fair value at 30 June 2024 \$'000
<b>Residential Properties</b>						
Lindfield Apartments NSW <sup>6</sup>	Aug 2019 / Jul 2023	15,443	Jun 2023 / Nov 2024	18,998	21,456	17,860
Perth Portfolio WA <sup>4</sup>	Nov 2019	8,088	May 2024	10,200	11,651	15,293
Perth Apartments WA <sup>5</sup>	Sep 2021	91,997	Oct 2022 / Nov 2023 / Jun 2024 / Nov 2024 / Apr 2025 / May 2025	164,275	185,769	154,422
Cooks Hill NSW	Jul 2020	10,405	May 2023	12,250	13,738	13,133
Burleigh Heads QLD <sup>4</sup>	Dec 2020	1,117	Nov 2022	1,640	1,700	16,428
Upper Mount Gravatt QLD	Apr 2021	22,338	Apr 2023	27,500	29,615	31,615
Normanville SA	Sep 2023	2,953	Nov 2023	2,560	2,785	2,652
Burwood VIC <sup>8</sup>	Mar 2024	9,190	Feb 2024	8,110	11,833	9,214
Viveash WA <sup>9</sup>	Aug 2024	5,701	-	-	5,701	-
Ravenswood SA <sup>9</sup>	Mar 2025	12,948	Feb 2025	12,000	12,000	-
Australind WA <sup>9</sup>	May 2025	34,662	Mar 2025	32,250	32,250	-
		211,482		289,783	328,498	260,617
<b>Lifestyle Properties</b>						
Four Lanterns NSW	Jan 2015	12,247	Nov 2024	20,500	20,533	20,258
Mandurah WA	Jun 2015	10,959	May 2023	17,300	22,674	18,658
Sweetwater Grove NSW	Aug 2015	19,970	May 2024	22,500	24,193	22,546
Strathalbyn SA <sup>3</sup>	Jun 2021	5,034	Nov 2023	12,830	14,523	12,985
Wodonga Gardens WA <sup>3</sup>	Aug 2021	12,609	Jul 2024	30,010	33,835	30,756
Meadowbrooke WA	Dec 2021	5,413	Nov 2024	4,700	6,121	3,743
Alexandrina Cove SA <sup>13</sup>	Jun 2022	10,262	May 2025	19,090	19,202	13,071
Sierra WA	Jul 2023	8,620	May 2025	10,750	10,750	6,283
		85,114		137,680	151,831	128,300
<b>Park Properties</b>						
Adelaide SA	Oct 2015	12,128	May 2023	17,850	21,280	20,466
Tween Waters Merimbula NSW	Dec 2016 / Feb 2023	15,936	Jan 2023	15,700	16,445	15,705
Barlings Beach NSW	Jan 2017	18,609	Nov 2024	22,600	22,640	22,487
Koala Shores NSW	Sep 2017	12,926	May 2024	14,250	14,364	14,250
Darwin FreeSpirit NT	Dec 2017	28,331	Jun 2024	40,000	41,109	40,000
Highway 1 SA	Oct 2018 / Oct 2023	31,029	Nov 2023	37,650	42,685	39,490
Aspen Karratha Village WA	Jun 2005	33,689	May 2025	24,300	24,300	20,000
Coorong Quays SA	Jun 2022	10,685	May 2025	14,750	14,750	13,167
		163,333		187,100	197,573	185,565
<b>Total fair value of all property assets</b>		<b>459,929</b>		<b>614,563</b>	<b>677,902</b>	<b>574,482</b>
<b>Land development – recognised as inventories</b>						
	Original acquisition date				Carrying value at 30 June 2025 \$'000	Carrying value at 30 June 2024 \$'000
Mt Barker SA <sup>2</sup>			Dec 2020		6,614	4,366
Coorong Quays SA <sup>2</sup>			Jun 2022		8,650	9,120
<b>Total land development – recognised as inventories at cost</b>					<b>15,264</b>	<b>13,486</b>

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Note 9. Investment properties (continued)

<sup>1</sup> In December 2024, Aspen acquired land that adjoins our existing Aspen Lifestyle Alexandrina Cove SA for \$1.280 million. This cost was combined with the existing Alexandrina Cove at acquisition cost.

<sup>2</sup> These residential lots are currently in development stages and held for sale and classified as inventories – not subject to external valuation and are recognised at cost.

<sup>3</sup> Some leases at these properties are regulated under Retirement Village Acts and residents are obligated to pay Deferred Management Fees (DMF) under contracts. The directors' valuation reflects the fair value of the estimated DMF revenue stream plus the fair value of spare land. This value is grossed up for the market value of the freehold land and buildings that are owned by Aspen and leased to the residents. Corresponding resident loans and deferred revenue (DMF) are recorded as liabilities in the balance sheet.

<sup>4</sup> Burleigh Heads and Perth portfolio's latest independent valuation and fair value has been adjusted for homes that were sold subsequent to external valuation. The valuation relates to the remaining homes in the portfolios.

<sup>5</sup> Three apartment complexes within the Perth portfolio were independently valued at \$100.250 million during the year. The remaining complexes in the portfolio were internally valued at 30 June 2025.

<sup>6</sup> During the year, 16 Treatts Road and 466 Pacific Hwy within the Lindfield Apartments portfolio were independently valued at \$9.000 million and \$6.600 million, respectively. The remaining property in the portfolio, 26 Treatts Road, was internally valued at 30 June 2025.

<sup>7</sup> Value at cost includes original acquisition costs plus subsequent capital expenditures as at 30 June 2025.

<sup>8</sup> Three apartment units have been acquired during the year in Burwood VIC for \$0.380 million. This cost was combined with the existing Burwood at acquisition cost.

<sup>9</sup> Property acquired during the year.

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at measurement date, in the principal market for the asset or liability, or the most advantageous market in its absence.

It is the Group's policy to have all properties independently valued at intervals of no longer than three years. It is the policy of the Group to review the fair value of each property at every six-month reporting period and to revalue properties to fair value when their carrying value materially differs to their fair values. In determining fair values, the Group considers relevant information, as applicable to the asset, including the capitalisation of rental streams using market assessed capitalisation rates, expected net cash flows discounted to their present value using market determined risk-adjusted discount rates, and other available market data such as recent comparable transactions.

The fair value measurement of the investment property assets totalling \$635.093 million (30 June 2024: \$515.611 million) and PPE assets totalling \$41.109 million (30 June 2024: \$40.000 million) have been categorised as a Level 3 fair value based on the unobservable inputs to the valuation technique used. The carrying amount tables above shows the reconciliation from the opening balance to the closing balance for Level 3 fair values for investment property and PPE assets. There were no transfers between the hierarchy levels during the year.

The Board has reviewed the carrying value of all properties as at 30 June 2025 and adopted directors' and independent valuations for all properties as at this date, taking into account historical, current and forecast trading performance, the most recent valuations, and market evidence. Independent valuations were commissioned for fourteen properties/portfolios during the financial year including the new acquisitions noted above, with director valuations being undertaken for the remaining balance of properties. As a result of the independent valuations received, as well as the use of directors' valuations as at 30 June 2025, there was a net upwards movement of \$47.794 million (adjusted for capital expenditure since the previous valuation) in the portfolio carrying value during the period ended 30 June 2025. This has been reflected as fair value gain in the profit or loss (\$46.820 million) and in the asset revaluation reserve (\$0.974 million).

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**Note 9. Investment properties (continued)**

*Valuation technique and significant unobservable inputs*

The following table shows the valuation technique used in measuring the fair value of PPE and investment property assets as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<p>Capitalisation method, discounted cashflow approach, direct comparison approach and residual method: The Group considers one or more of the techniques as deemed appropriate for the asset type. Where more than one technique is considered, the Group reconciles and weighs the estimates under each technique based on its assessment of the judgement that market participants would apply.</p> <p>The capitalisation method estimates the sustainable net income (where applicable) of the property, and then applies a capitalisation rate to this sustainable net income to derive the value of the asset.</p> <p>The discounted cashflow approach considers the present value of net cash flows expected to be generated from the property, taking into account the receipt of contractual rentals, future market rentals, letting up periods, escalation (of sales and costs), occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.</p> <p>The direct comparison approach considers the price at which comparable properties are transacting in the open marketplace.</p> <p>The residual approach which is used for vacant properties subject to refurbishment / development estimates the value of the completed project, less the remaining refurbishment / development costs which includes construction costs and an allowance for developer's risk and profit. This valuation is then discounted back to the present value.</p>	<p>For the financial year ended 30 June 2025 and 30 June 2024, the properties were primarily valued using the capitalisation approach.</p> <p><b>Residential</b>  Key valuation inputs include:  - Net sustainable rental income ranging from \$0.05 million to \$8.88 million (30 June 2024: \$0.47 million to \$8.19 million)  - Capitalisation rates ranging from 3.18% to 7.75% (30 June 2024: 2.75% to 7.75%)  - Direct comparison of comparable properties</p> <p><b>Lifestyle</b>  Key valuation inputs include:  - Net sustainable rental income ranging from \$0.13 million to \$1.36 million (30 June 2024: \$0.08 million to \$1.17 million)  - Capitalisation rates ranging from 6.00% to 7.50% (30 June 2024: 4.75% to 8.75%)  - For leases with DMF: discount rate of 14.50% to 16.00% (30 June 2024: 14.50% to 16.00%), price growth of 2.38% to 3.00% (30 June 2024: 2.38% to 3.50%), average length of stay (ALOS) 12 years (30 June 2024: 12 years) and average house market value of \$413,000 (30 June 2024: \$396,000)</p> <p><b>Park</b>  Key valuation inputs include:  - Net sustainable rental income ranging from \$1.02 million to \$5.70 million (30 June 2024: \$0.92 million to \$3.70 million)  - Capitalisation rates ranging from 7.00% to 23.50% (30 June 2024: 7.00% to 18.50%)</p>	<p>The estimated fair value would increase (decrease) if:</p> <ul style="list-style-type: none"> <li>- Net sustainable income increases (decreases)</li> <li>- Capitalisation rates and or discount rates decrease (increase) which could result from: <ul style="list-style-type: none"> <li>- Interest rates decreasing (increasing)</li> <li>- Expected growth in sustainable net income increasing (decreasing)</li> <li>- The required risk premium decreasing (increasing)</li> </ul> </li> <li>- Comparable property values on a per unit basis increase (decrease)</li> </ul>

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**Note 9. Investment properties (continued)**

*Sensitivity analysis*

The Group has conducted sensitivity analysis on the fair value of the property assets (excluding DMF assets) to changes in key assumptions used in the valuation as follows:

	Key assumptions			
	50 bps increase in cap rate	50 bps decrease in cap rate	5% decrease in net rental income	5% Increase in net rental income
<b>30 June 2025</b>				
(Decrease) / Increase in total value (\$'000)	(41,564)	49,827	(27,202)	27,202
Change in value (%)	(6%)	8%	(4%)	4%
<b>30 June 2024</b>				
(Decrease) / Increase in total value (\$'000)	(38,800)	46,708	(25,572)	25,572
Change in value (%)	(7%)	9%	(5%)	5%

For DMF lease assets sensitivity has been analysed as follows:

	Key assumptions			
	Current market value increase by 5% \$'000	Current market value decrease by 5% \$'000	Discount rate increase by 1% \$'000	Discount rate decrease by 1% \$'000
<b>30 June 2025</b>				
Fair value changes – on gross basis to the book value of the investment properties	2,170	(2,170)	(400)	400
Fair value changes – on net asset basis <sup>1</sup>	330	(330)	(400)	400
<b>30 June 2024</b>				
Fair value changes – on gross basis to the book value of the investment properties	2,180	(2,180)	(420)	520
Fair value changes – on net asset basis <sup>1</sup>	340	(340)	(420)	520

<sup>1</sup> After netting off the residential loans and DMF revenue.

**Note 10. Investment property assets held for sale**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Investment property assets	1,700	18,871
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	18,871	6,543
Reclassification from investment properties	3,245	26,486
Disposal through sale	(20,416)	(14,158)
Closing balance	1,700	18,871

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**Note 10. Investment property assets held for sale (continued)**

**Recognition and measurement**

Investment property assets classified as held for sale is measured at fair value less cost to sell and include certain assets from the Perth house portfolio and all 18 Burleigh Heads townhouses. During the year, Aspen settled the sale of 11 houses from the Perth portfolio and 16 units from Burleigh Heads resulting in a gain of \$1.146 million in the current year's profit or loss. The closing balance represents the remaining 2 Burleigh Heads townhouses that remain unsold at balance date.

**Note 11. Inventories**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
<i>Current assets</i>		
Land under development	3,787	711
Manufactured homes under development	24,101	11,758
Others (supplies)	156	144
	<b>28,044</b>	<b>12,613</b>
<i>Non-current assets</i>		
Land under development	11,477	12,776
	<b>39,521</b>	<b>25,389</b>

**Recognition and measurement**

The Group holds inventories in relation to development of residential land lots and manufactured homes, as well as supplies. Inventories are held at the lower of cost and net realisable value. Costs of inventories comprise all acquisition costs, costs of conversion (including capitalised finance costs - refer to Note 4) and other costs incurred in bringing the inventories to their present location and condition. Inventory includes work in progress and materials used in the production of the manufactured homes. Net realisable value is determined based on an estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

The non-current land development represents the amount of inventories that is expected to be recovered more than twelve months after the reporting period.

**Note 12. Capital management**

**Aspen's capital management objectives**

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future growth of Aspen's business.

The Board monitors and determines the level of distributions paid to securityholders.

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**Note 12. Capital management (continued)**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
<b>Equity and reserves</b>		
Issued capital	706,961	632,616
Reserves	22,741	20,785
Accumulated losses	(180,216)	(215,907)
Non-controlling interests	(3,837)	(3,837)
<b>Net capital</b>	<b>545,649</b>	<b>433,657</b>
<b>Net financial debt</b>		
Gross borrowings – repayable after one year (at variable interest rates) <sup>2</sup>	(98,000)	(166,947)
Cash and cash equivalents	9,991	4,524
<b>Net (debt) / cash <sup>1</sup></b>	<b>(88,009)</b>	<b>(162,423)</b>

<sup>1</sup> Net debt excludes lease liabilities totalling \$0.742 million (2024: \$0.743 million)

<sup>2</sup> Borrowings shown in Note 17 are net of finance transaction costs totalling \$1.082 million (2024: \$0.932 million)

Aspen regularly assesses the adequacy of its capital requirements, cost of capital and gearing as part of its broader strategic plan.

The Board can alter the capital structure of Aspen by, amongst other things:

- raising capital by issuing new securities;
- the operation or suspension of a dividend reinvestment plan;
- buying back securities;
- adjusting the amount of distributions paid to securityholders;
- returning capital to securityholders;
- selling assets to reduce debt or increase cash on hand;
- buying assets and increasing debt or decreasing cash on hand; and
- adjusting the timing of development and capital expenditures.

During the year, Aspen renegotiated its syndicated debt facility with Westpac and Bank of Queensland. The facility limit has increased to \$260 million, term is 3 years to September 2028, and the drawn margin is 185bps.

The facility comprises a \$250.000 million revolver, a \$5.000 million multi-option facility, and \$5.000 million overdraft and is aligned to support the broader strategic objectives of the Group. The facility has been established on commercial terms consistent with the scale and operations of the Group. At 30 June 2025, Aspen had gross debt (including bank guarantees) of \$99.220 million from the drawdown of these finance facilities (30 June 2024: \$167.211 million). Refer to Note 18 for further disclosure on interest rates.

**Net debt reconciliation**

At 30 June 2025, Aspen had net debt of \$88.009 million (30 June 2024: net debt of \$162.423 million).

	Cash and cash equivalents \$'000	Gross borrowings – repayable after one year \$'000	Total \$'000
As at 1 July 2023	8,922	(138,947)	(130,025)
Movement during the year	(4,398)	(28,000)	(32,398)
As at 30 June 2024	4,524	(166,947)	(162,423)
Movement during the year	5,467	68,947	74,414
<b>As at 30 June 2025</b>	<b>9,991</b>	<b>(98,000)</b>	<b>(88,009)</b>

Aspen was compliant with its debt covenants during and at the end of the financial year.

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**Note 13. Distributions**

Distributions paid and proposed during the financial year were as follows:

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Interim distribution for the year ended 30 June 2025 of 5.00 cents (30 June 2024: 4.25 cents) per ordinary stapled security	10,040	7,660
Final distribution for the year ended 30 June 2025 of 5.00 cents (30 June 2024: 4.25 cents) per ordinary stapled security	11,319	8,467
	<b>21,359</b>	16,127
	<b>30 June 2025</b>	<b>30 June 2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Dividend franking accounts</b>		
Franking credits available to securityholders of Aspen for subsequent financial years	<b>2,183</b>	2,183

The above available amounts are based on the balance of the dividend franking account at year-end adjusted for:

- (a) Franking credits that will arise from the payment of the current tax liabilities;
- (b) Franking debits that will arise from the payment of dividends recognised as a liability at the year-end;
- (c) Franking credits that will arise from the receipt of dividends recognised as receivables by the tax consolidated group at the year-end; and
- (d) Franking credits that the Company may be prevented from distributing in subsequent years.

**Note 14. Equity and reserves**

	Securities '000 units	Securities \$'000
<b>Movement in stapled securities</b>		
At 1 July 2023	179,421	599,104
Issue of stapled securities, net of transaction costs	19,807	33,512
At 30 June 2024	199,228	632,616
Issue of stapled securities, net of transaction costs	27,157	74,345
<b>At 30 June 2025</b>	<b>226,385</b>	<b>706,961</b>

**The nature of Aspen's contributed equity**

Aspen does not have an authorised capital or par value in respect of its issued securities. Holders of stapled securities are entitled to receive dividends and distributions as declared from time to time and are entitled to one vote per stapled security at securityholder meetings. The liability of a member is limited to any remaining unpaid amount in relation to a member's subscription for securities.

**Issued capital**

Issued capital represents the amount of consideration received for stapled securities issued by Aspen. Issue related costs directly attributable to the issue of capital are accounted for as a deduction from equity, net of tax, from the proceeds.

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**Note 14. Equity and reserves (continued)**

**Reserves**

Reserves	Security-based payment reserve \$'000	Asset revaluation reserve \$'000	Total Reserves \$'000
At 1 July 2023	2,111	12,007	14,118
Security-based payment for the year	1,730	-	1,730
Security-based payment – converted to APZ securities during the year	(643)	-	(643)
Property, plant and equipment revalued during the year	-	5,580	5,580
At 30 June 2024	3,198	17,587	20,785
Security-based payment for the year	2,290	-	2,290
Security-based payment – converted to APZ securities during the year	(1,308)	-	(1,308)
Property, plant and equipment revalued during the year	-	974	974
<b>At 30 June 2025</b>	<b>4,180</b>	<b>18,561</b>	<b>22,741</b>

**Security-based payment reserve**

The security-based payment represents the Long-Term Incentives (LTI) granted to the executive management team of Aspen during the year. The LTI vests upon certain performance hurdles being met, as well as remaining in employment when the performance rights vest.

During the year, Aspen issued 1,859,468 performance rights to the executives and managers. The performance rights are issued at nil consideration for a total fair value of \$3,775,650. This is in line with the LTI plan and are granted in accordance with performance guidelines established by the Board.

The performance rights may convert to APZ securities at nil consideration upon the satisfaction of the Total Securityholders' Return (TSR) and Net Asset Value (NAV) hurdles below and other conditions:

*TSR hurdle*

The Board decided to use relative TSR as the vesting condition because relative TSR is easily measured, verifiable by external data and therefore transparent for securityholders, and it is commonly used by ASX companies.

TSR is a measure of the return to securityholders (over the vesting period) provided by security price appreciation, plus distributions expressed as a percentage of initial investment. TSR was selected because it measures Aspen's returns for securityholders.

The S&P ASX 300 Real Estate Index is used as a comparator group as it represents Aspen's listed property peers that Aspen competes with for equity and talent. The TSR hurdle is tested at the end of the performance period (three years from grant) by calculating the TSR performance of each entity in the comparator group. The performance of each entity is then ranked, using percentiles. Aspen Group's performance will be calculated at the end of the performance period and compared to the percentile rankings. Vesting of performance rights under this hurdle will only occur if Aspen Group outperforms a majority of the entities making up the S&P ASX 300 Real Estate Index over the 3-year period.

The following vesting schedule applies to the award of any performance rights to eligible participants:

Relative TSR over 3 years	Proportion of TSR related rights vested
At or below the 50th percentile	0%
At the 51st percentile	50%
Between the 51st percentile and the 75th percentile	Straight-line between 50% and 100%
75th percentile or above	100%

*NAV hurdle*

NAV is a measure of the underlying value of securities of the Group. NAV is measured and reported by the Group at each reporting period and shall be the reference base for the testing of this measure. The NAV hurdle will be tested by calculating NAV compound growth over the three-year measurement period. As distributions by the Group have the effect of reducing the NAV of the Group, the measurement of NAV will take into account distributions over the vesting period. Distributions over the three years period shall be added to NAV to determine the rate of growth achieved. The vesting of Performance Rights will be determined using the matrix in the table below:

Note 14. Equity and reserves (continued)

NAV compound growth over 3 years	Proportion of NAV related rights vested
Below 7 percent per annum	0%
At or above 7 percent per annum but below 8 percent per annum	Straight-line between 50% and 100%
At or above 8 percent per annum	100%

The respective TSR and NAV hurdles must be satisfied to gain the proportion of Performance Rights referred to in the right column in the table above (assuming the other vesting conditions have been satisfied).

Set out below are summaries of performance rights granted under the plan:

Grant date	Vesting date	Balance at the start of the year No. of units	Granted No. of units	Converted to securities No. of units	Forfeited No. of units	Balance at the end of the year No. of units
26/11/2024	30/06/2027	-	1,859,468	-	(39,978)	1,819,490
01/12/2023	30/06/2026	1,611,233	-	-	(36,732)	1,574,501
01/12/2022	30/06/2025	1,258,824	-	-	(14,675)	1,244,149
30/11/2021	30/06/2024	982,452	-	(982,452)	-	-

The performance rights granted on 30 November 2021 were converted to APZ securities during the year. The performance rights granted on 1 December 2022 will be converted to APZ stapled securities post year end once the hurdles are met.

For the performance rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Vesting date	Share price at grant date	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
26/11/2024	30/06/2027	\$2.56	26%	4.28%	3.99%	\$2.030

Asset revaluation reserves

The reserve is used to recognise increments and decrements in the fair value of property, plant and equipment, to the extent it reverses a prior period impairment.

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**Note 15. Cash flow information**

*Reconciliation of profit after income tax to net cash from operating activities*

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Profit after income tax expense for the year	57,050	48,440
<i>Adjustments for:</i>		
Depreciation and amortisation	1,548	1,494
Net gain on change in fair value of equity instruments	(1,913)	(3,473)
Gain on initial recognition of investment in securities	-	(2,910)
Net fair value gain on investment properties	(46,820)	(39,616)
Net fair value loss on retirement village resident loans	476	1,350
Security-based payments expense	2,290	1,730
Net finance and borrowing costs	7,741	7,288
Gain on sale of investment property assets	(1,146)	(658)
Dividend income	(1,166)	(564)
Finance income	(380)	(304)
Deferred tax expense recognised	19,010	15,829
Investment property acquisition costs	-	1,687
Other expense (income)	1,702	591
<i>Change in operating assets and liabilities:</i>		
Increase in trade and other receivables	(1,771)	(296)
Increase in other assets	(13,115)	(2,829)
Increase/(decrease) in trade and other payables	(607)	3,188
Net cash from operating activities	22,899	30,947

**Note 16. Earnings per stapled security**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Profit after income tax	57,050	48,440
	<b>Number '000</b>	<b>Number '000</b>
Weighted average number of ordinary stapled securities used in calculating basic earnings per stapled security	202,801	182,883
Adjustments for calculation of diluted earnings per stapled security:		
Performance rights	3,310	2,599
Weighted average number of ordinary stapled securities used in calculating diluted earnings per stapled security	206,111	185,482
	<b>Cents</b>	<b>Cents</b>
Basic earnings per security	28.13	26.49
Diluted earnings per security	27.68	26.12

<sup>1</sup> Potential ordinary securities are only considered dilutive if loss per security increases on conversion to ordinary securities. Contingently issuable ordinary securities are included in diluted weighted average number of securities only if the conditions of the issue (ie. Events have occurred) are satisfied at the end of the reporting period assuming the end of the reporting period is the end of the vesting period. For the dilutive EPS calculated above, the dilutive securities include the performance rights existing as at the year end.

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**Note 16. Earnings per stapled security (continued)**

**Calculation of earnings per stapled security**

**Basic earnings per stapled security**

Basic earnings per stapled security is calculated by dividing the profit/(loss) attributable to securityholders of Aspen by the weighted average number of ordinary stapled securities outstanding during the year.

**Diluted earnings per stapled security**

Diluted earnings per stapled security is calculated by dividing the profit/(loss) attributable to securityholders of Aspen by the weighted average number of ordinary stapled securities outstanding during the year.

**Note 17. Interest bearing loans and borrowings**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
<i>Non-current</i>		
Secured debt facilities	98,000	166,947
Less borrowing transaction costs	(1,082)	(932)
Total interest-bearing loans and borrowings	<b>96,918</b>	<b>166,015</b>

**Recognition and measurement**

Interest bearing borrowings are recognised initially at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**Funding activities**

During the year, Aspen renegotiated its syndicated debt facility with Westpac and Bank of Queensland. The facility limit has increased to \$260 million, term is 3 years to September 2028, and the drawn margin is 185bps.

The facility is secured with first ranking registered real property mortgages over all of Aspen Group's directly owned properties, and a fixed and floating charge over Aspen Group Limited, Aspen Property Trust, Aspen Living Villages Pty Ltd, Aspen Property Developments Pty Ltd, Realise Residential WA Pty Ltd, Realise Residential WA 2 Pty Ltd, Realise Residential WA 3 Pty Ltd, Realise Residential WA 4 Pty Ltd, Realise Residential WA 5 Pty Ltd, Realise Residential WA 6 Pty Ltd, Realise Residential WA 7 Pty Ltd, Realise Residential WA 8 Pty Ltd, Realise Residential WA 9 Pty Ltd, Realise Residential WA 10 Pty Ltd, Realise Residential WA 11 Pty Ltd, Realise Residential WA 12 Pty Ltd, Realise Residential WA 13 Pty Ltd, Realise Residential WA 14 Pty Ltd, Realise Residential WA 15 Pty Ltd, Realise Residential WA 16 Pty Ltd, Realise Residential WA 17 Pty Ltd, Realise Residential WA 18 Pty Ltd, Realise Retirement WA 1 Pty Ltd, Nest QLD Pty Ltd, Footprint MB Pty Ltd, Digs Accommodation Vic Pty Ltd, Marina Hindmarsh (SA) Pty Ltd, Coorong Quays Pty Ltd, Tavern HI Pty Ltd, and Cove HI Pty Ltd.

The debt facility is subject to certain financial covenants and these are assessed at the end of each reporting period. The loans may be repayable immediately if the covenants are breached. Aspen Group is not aware of any facts or circumstances that indicate that it may have difficulty complying with the covenants within 12 months after the reporting period.

**Terms and debt repayment schedule**

	Consolidated			
	Face value 2025	Carrying value 2025	Face value 2024	Carrying value 2024
	\$'000	\$'000	\$'000	\$'000
Secured debt (Expires 30 September 2028)	98,000	96,918	166,947	166,015

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**Note 18. Financial risk management**

Aspen may hold financial instruments for the following purposes:

*Financing:* to raise finance for Aspen’s operations or, in the case of short-term deposits, to invest surplus funds.

*Operational:* Aspen’s activities generate financial instruments, including cash, trade receivables, trade payables and finance advances.

*Risk management:* to reduce risks arising from the financial instruments described above, including interest rate swaps.

Aspen’s holdings of financial instruments expose it to risk. The Board reviews and approves policies for managing each of these risks, which are summarised below:

- credit risk
- liquidity risk; and
- market risk, including interest rate risk.

These risks affect the fair value measurements applied by Aspen.

**Credit risk**

**Nature of the risk**

Credit risk is the risk that a contracting entity will not complete its obligation under a financial instrument or customer contract that results in a financial loss to Aspen. Aspen is exposed to credit risk from its operating activities (primarily from trade and other receivables) and from its financing activities, including deposits with financial institutions and holdings of other financial instruments.

**Credit risk management**

Aspen’s policy is to, wherever possible, trade with recognised, creditworthy third parties and to obtain sufficient collateral or other security where appropriate as a means of mitigating the risk of financial loss from defaults. Derivative counterparties and cash transactions are limited to high credit quality financial institutions. Management performs ongoing monitoring of settlements based on contract terms.

Aspen has a diverse range of customers and tenants, and therefore there are no significant concentrations of credit risk either by nature of industry or geographically.

The credit risk of trade receivables has been assessed as low on the basis of historical information about counterparty default.

The concentrations of the maximum credit exposure for the consolidated entity are as follows:

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Cash and cash equivalents	9,991	4,524
Trade receivables (net of allowance for expected credit losses)	1,544	1,511
Other receivables	340	897
Derivative asset	-	1,689
	<b>11,875</b>	<b>8,621</b>

**Liquidity risk**

**Nature of the risk**

Liquidity risk is the risk that Aspen will not be able to meet its financial obligations as they fall due. Aspen is exposed to liquidity risk primarily due to its capital management policies, which has debt as a component of Aspen’s capital structure (see Note 12).

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**Note 18. Financial risk management (continued)**

**Liquidity risk management**

Liquidity risk is managed by monitoring cash flow requirements on a continuous basis to ensure that Aspen will have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses. Aspen endeavours to maintain funding flexibility by keeping committed credit lines available. Surplus funds are, where possible, paid against debt, or invested in instruments that are tradeable in highly liquid markets with highly rated counterparties.

	Consolidated	
	30 June 2025	30 June 2024
	\$'000	\$'000
Revolver <sup>1</sup>	250,000	200,000
Overdraft	5,000	-
Multi-option / Bank guarantee <sup>2</sup>	5,000	10,000
<b>Total secured financing facilities available</b>	<b>260,000</b>	<b>210,000</b>
<b>Facilities used at balance date</b>		
Revolver	98,000	166,947
Overdraft	-	-
Multi-option / Bank guarantee	1,220	264
<b>Total facilities used at balance date</b>	<b>99,220</b>	<b>167,211</b>
<b>Facilities unused at balance date</b>		
Revolver	152,000	33,053
Overdraft	5,000	-
Multi-option / Bank guarantee	3,780	9,736
<b>Total facilities unused at balance date</b>	<b>160,780</b>	<b>42,789</b>

<sup>1</sup>The revolver facility is restricted for capital and development expenditure

<sup>2</sup>The multi-option facility includes working capital and bank guarantees

**Assets pledged as security**

At 30 June 2025, Aspen's property assets, comprising investment properties and property, plant and equipment, have been pledged as security against debt facilities. Refer to Note 17 regarding the secured debt facilities.

**Maturity of financial liabilities**

The following tables analyse Aspen's financial liabilities, including net and gross settled financial instruments, into relevant maturity periods based on the remaining period at the reporting date to the contractual maturity date.

The amounts disclosed in the table are the contractual undiscounted cash flows and hence will not necessarily reconcile with the amounts disclosed in the statement of financial position. The future cashflows on derivative instruments may be different from the amount in the table as interest rates change. Except for these liabilities, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or for significantly different amounts.

**Market risk**

Aspen is exposed to market risk primarily due to interest rates that can affect Aspen's interest expense and the value of its holdings of financial instruments.

**Interest risk management**

As part of the managing interest rate risk, Aspen fixed a proportion of its interest rates on borrowings by entering into interest rate swaps to minimise potential adverse interest rate movements. At 30 June 2025, \$80.00 million (30 June 2024: \$70.00 million) of its floating interest rate exposure was fixed at a BBSW rate of 3.67% to September 2027 (30 June 2024: between 2.037% to 2.039% to April 2025).

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Note 18. Financial risk management (continued)

	6 months \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	> 5 years \$'000	Total contractual cash flows \$'000	Carrying amount (assets)/ liabilities \$'000
<b>Year ended 30 June 2025</b>							
<b>Non-derivatives</b>							
Trade and other payables	8,595	-	-	-	-	8,595	8,595
Distributions payable	11,496	-	-	-	-	11,496	11,496
Lease liability	135	69	38	121	799	1,162	742
Interest bearing loans and borrowings	2,751	2,751	5,503	100,759	-	111,764	96,918
Residents' loan	33,351	-	-	-	-	33,351	33,351
<b>Total non-derivatives</b>	<b>56,328</b>	<b>2,820</b>	<b>5,541</b>	<b>100,880</b>	<b>799</b>	<b>166,368</b>	<b>151,102</b>
<b>Derivatives</b>							
Interest rate swap derivative	175	175	350	75	-	775	775
<b>Total derivatives</b>	<b>175</b>	<b>175</b>	<b>350</b>	<b>75</b>	<b>-</b>	<b>775</b>	<b>775</b>
<b>Total</b>	<b>56,503</b>	<b>2,995</b>	<b>5,891</b>	<b>100,955</b>	<b>799</b>	<b>167,143</b>	<b>151,877</b>

**Year ended 30 June 2024**

<b>Non-derivatives</b>							
Trade and other payables	9,766	-	-	-	-	9,766	9,766
Distributions payable	8,569	-	-	-	-	8,569	8,569
Lease liability	110	85	38	119	840	1,192	743
Interest bearing loans and borrowings	5,359	5,359	10,718	172,321	-	193,757	166,015
Residents' loan	33,146	-	-	-	-	33,146	33,146
<b>Total non-derivatives</b>	<b>56,950</b>	<b>5,444</b>	<b>10,756</b>	<b>172,440</b>	<b>840</b>	<b>246,430</b>	<b>218,239</b>

**Exposure**

As at the reporting date, Aspen had the following financial assets and liabilities with exposure to interest rate risk. Variable interest rates on financial instruments are repriced at intervals of less than one year. Fixed interest rates on financial instruments are fixed until maturity of the instrument. Other financial instruments of Aspen that are not included in the following table are non-interest-bearing and are therefore not subject to interest rate risk.

	30 June 2025		30 June 2024	
	Balance \$'000	Weighted average interest rate %	Balance \$'000	Weighted average interest rate %
<b>Fixed rate instruments</b>				
Term deposits	150	4.42%	150	4.60%
Interest rate swaps	(775)	3.67%	1,689	2.04%
	<b>(625)</b>		<b>1,839</b>	
<b>Variable rate instruments</b>				
Cash and cash equivalents	9,991	3.20%	4,524	3.59%
Interest bearing loans and borrowings <sup>1</sup>	(96,918)	6.53%	(166,015)	6.62%
	<b>(86,927)</b>		<b>(161,491)</b>	
<b>Total fixed and variable rate instruments</b>	<b>(87,552)</b>		<b>(159,652)</b>	

<sup>1</sup> Excludes hedging and includes undrawn debt fees

**Note 18. Financial risk management (continued)**

**Aspen's sensitivity to interest rate movements**

The sensitivity analysis below shows the impact on profit or loss and equity if there was an increase/decrease in market interest rates. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 100bps increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

	Impact on profit \$'000	Impact on equity * \$'000
<b>30 June 2025</b>		
Australian variable interest rate +100bps	(438)	(575)
Australian variable interest rate -100bps	438	575
<b>30 June 2024</b>		
Australian variable interest rate +100bps	(732)	(923)
Australian variable interest rate -100bps	732	923

\*Includes impact in respect of interest capitalised to property assets

**Equity price risk**

Equity investments are long term investments that have been classified as investments at fair value through profit and loss. Aspen is exposed to insignificant equity price risk arising from its equity investments (refer to Note 22).

**Fair values**

The carrying amounts and estimated fair values of all of Aspen's financial instruments recognised in the financial statements are materially the same.

The methods and assumptions used to estimate the fair value of financial instruments are as follows:

- Cash – the face value of cash is considered as the fair value due to the liquid nature of these assets.
- Other financial assets/liabilities – the fair values of derivatives are calculated by discounting the expected future cash flows at prevailing interest rates using market observable inputs. The fair value of unlisted shares is determined based on the most recent reported net tangible assets.
- Derivatives – are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period using similar swaps effective on the reporting date.
- Resident loans – the fair value is recognised based on estimation of the settlement obligation at the reporting date, if the resident occupation were to cease at this date.

**Valuation of financial instruments**

For financial instruments measured and carried at fair value, Aspen uses the following to categorise the method used:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (ie. as prices) or indirectly (ie. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Aspen has an established control framework with respect to the measurement of fair values. This includes finance staff that have overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and who report directly to the Joint Chief Executive Officers.

These finance staff regularly review significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or external valuations is used to measure fair values, the finance staff assess the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Accounting Standards, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation matters are reported to Aspen's Audit, Risk and Compliance Committee.

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**Note 18. Financial risk management (continued)**

At reporting date, the Group held the following financial instruments measured at fair value:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>30 June 2025</b>				
<b>Consolidated</b>				
<i>Financial assets</i>				
Other financial assets held at fair value	-	-	683	683
<b>Total financial assets</b>			683	683
<i>Financial liabilities</i>				
Interest rate swaps	-	775	-	775
Resident loans	-	-	33,351	33,351
<b>Total financial liabilities</b>	-	775	33,351	34,126
<b>30 June 2024</b>				
<b>Consolidated</b>				
<i>Financial assets</i>				
Interest rate swaps	-	1,689	-	1,689
Other financial assets held at fair value	58,320	-	630	58,950
<b>Total financial assets</b>	58,320	1,689	630	60,639
<i>Financial liabilities</i>				
Resident loans	-	-	33,146	33,146
<b>Total financial liabilities</b>	-	-	33,146	33,146

There have been no transfers between Level 1, Level 2 and Level 3 fair value measurements during the period ended 30 June 2025 (30 June 2024: \$Nil).

Details for the Resident Loans (Level 3) is disclosed in Note 21.

*Other financial assets held at fair value – Level 3*

Fair value of this unlisted financial instrument is considered to approximate to Net Tangible Assets per share.

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**Note 19. Subsidiaries**

	Ownership interest 30 June 2025 %	Ownership interest 30 June 2024 %
<b>Parent entity</b>		
Aspen Group Limited (stapled entity - Aspen Property Trust)	-	-
<b>Subsidiaries</b>		
Aspen Funds Management Limited	100	100
Aspen Living Villages Pty Limited	100	100
Aspen Property Developments Pty Limited	100	100
Aspen Equity Investments Pty Limited <sup>1</sup>	100	100
Midland Property Trust <sup>1</sup>	100	100
Caversham Property Development Pty Ltd	100	100
Realise Residential WA Pty Ltd	100	100
Realise Residential WA 2 Pty Ltd	100	100
Realise Residential WA 3 Pty Ltd	100	100
Realise Residential WA 4 Pty Ltd	100	100
Nest QLD Pty Ltd	100	100
Footprint MB Pty Ltd	100	100
Digs Accommodation Vic Pty Ltd	100	100
Realise Residential WA 5 Pty Ltd	100	100
Realise Residential WA 6 Pty Ltd	100	100
Realise Residential WA 7 Pty Ltd	100	100
Realise Residential WA 8 Pty Ltd	100	100
Realise Residential WA 9 Pty Ltd	100	100
Realise Residential WA 10 Pty Ltd	100	100
Realise Residential WA 11 Pty Ltd	100	100
Realise Residential WA 12 Pty Ltd	100	100
Realise Residential WA 13 Pty Ltd	100	100
Realise Residential WA 14 Pty Ltd	100	100
Realise Residential WA 15 Pty Ltd	100	100
Realise Residential WA 16 Pty Ltd	100	100
Realise Residential WA 17 Pty Ltd	100	100
Realise Residential WA 18 Pty Ltd	100	100
Hindmarsh Marina (SA) Pty Ltd	100	100
Coorong Quays Pty Ltd	100	100
Tavern HI Pty Ltd	100	100
Cove HI Pty Ltd	100	100
Realise Retirement WA 1 Pty Ltd	100	100
Aspen Whitsunday Shores Pty Limited <sup>2</sup>	56	56

<sup>1</sup> Aspen Property Trust subsidiaries

<sup>2</sup> In the process of being deregistered

**Recognition and measurement**

**Subsidiaries**

Subsidiaries are entities controlled by either the Company or the Trust. The Company or the Trust controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are consistent with Aspen's accounting policies.

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Note 20. Non-controlling interest

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
NCI in Aspen Whitsunday Shores Pty Limited (AWSS)	(3,837)	(3,837)

Recognition and measurement

Acquisition of non-controlling interests

Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised as a result. The adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on the proportionate amount of the net assets of the subsidiary.

Negative non-controlling interests

Aspen has recognised non-controlling interest for AWSS as at 30 June 2025 even though this NCI is negative. AWSS is a limited company, and there is no ability for Aspen to recoup the negative equity attributed to non-controlling interest.

Note 21. Resident loans

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Current Resident loans	33,351	33,146

Resident loans associated with leases under Retirement Village Act are classified as financial liabilities at fair value with resulting fair value adjustments recognised in the profit or loss. Fair value is the amount payable on demand if the resident vacated the premises at reporting date and is measured at the original loan amount plus any changes in the market value of the house to reporting date less Aspen's contractual entitlement to deferred management and other fees.

Resident loans are classified as current liabilities due to the absence of an unconditional right to defer settlement for more than 12 months. Despite this classification, the rate at which the Group's retirement residents vacate their units, and hence the rate at which the resident loans will fall due for repayment, can be estimated based on statistical tables. In the vast majority of cases, the resident obligations are expected to be able to be repaid from receipts from incoming residents.

The resulting estimates of amounts expected to be settled less than and more than 12 months after reporting date are:

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
<i>Expected to be settled:</i>		
No more than 12 months after reporting date	3,385	2,152
More than 12 months after reporting date	29,966	30,994
<b>Closing balance</b>	<b>33,351</b>	<b>33,146</b>

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**Aspen Group Limited**  
**Notes to the consolidated financial statements**  
**30 June 2025**



**Note 21. Resident loans (continued)**

The following table presents the movement of resident loans for the financial year:

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Opening balance	33,146	32,223
Items recognised in the profit or loss		
- Changes to the fair value of the resident loans	476	1,350
Accrued deferred management fee income movement	(546)	(654)
Net cash received from resident departures / arrivals in existing homes	275	227
<b>Closing balance</b>	<b>33,351</b>	<b>33,146</b>

Resident loans are classified as Level 3 in the fair value hierarchy. This means that a key assumption used in their valuation is not directly observable. The key assumption is the aggregated current market value of the occupied retirement units of \$42.162 million. This was determined on the same basis as the market value of both occupied and unoccupied units used as an input to the fair value of the lifestyle properties – see Note 9.

If the market value used for this input was 5% higher, the fair value of these loans would be \$1.46 million higher, and if the input was 5% lower, the fair value of these loans would be \$1.83 million lower. There would be an equal and opposite impact on the fair value of investment property assets.

**Note 22. Investments at fair value through profit and loss**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
Investment in listed entity (Eureka Group Holdings Limited) (i)	-	58,320
Other investment in unlisted entity (ii)	683	630
<b>Total investments at fair value through profit and loss</b>	<b>683</b>	<b>58,950</b>

(i) During the year, Aspen sold all of its shares in Eureka Group Holdings (ASX ticker: EGH) at an average price of \$0.55 per share. The shares were originally acquired at an average cost of \$0.46 per share (inclusive of transaction costs). The Group recognised a total gain of \$10.056 million from the sale in which \$1.860 million is recognised in the current year profit or loss.

The investment in EGH was previously accounted for as a financial asset at fair value through profit and loss with the carrying value of the investment determined using the closing price of EGH at the reporting date. This investment was classified as Level 1 in the Fair Value hierarchy.

(ii) Other investment in unlisted entity is classified as Level 3 in the fair value hierarchy. This means that a key assumption used in the valuation is not directly observable. The fair value of other investment in the unlisted entity has been determined by reference to the net tangible asset value per share as published in its latest audited financial statements.

**Note 23. Parent entity disclosures**

	Parent	
	30 June 2025 \$'000	30 June 2024 \$'000
Loss after income tax	(34,748)	(26,199)
<b>Total comprehensive income</b>	<b>(34,748)</b>	<b>(26,199)</b>

**Aspen Group Limited**  
**Notes to the consolidated financial statements**  
**30 June 2025**



**Note 23. Parent entity disclosures (continued)**

*Statement of financial position*

	Parent	
	30 June 2025 \$'000	30 June 2024 \$'000
Total current assets	7,281	3,802
Total assets	169,916	215,536
Total current liabilities	4,053	5,227
Total liabilities	133,237	183,251
Equity		
Issued capital	240,159	201,999
Security-based payment reserve	4,179	3,197
Accumulated losses	(207,659)	(172,911)
Total equity	36,679	32,285

**Parent entity financial information**

The financial information for the parent entity of Aspen Group has been prepared on the same basis as Aspen Group's consolidated financial statements, except as set out below.

**Investments in subsidiaries**

Investments in subsidiaries are accounted for at cost in the financial statements of the parent entity. Dividends received from subsidiaries are recognised in the parent entity's statement of profit or loss when its right to receive the dividend is established.

**Guarantees**

The Parent has provided performance guarantees to third parties in respect of certain obligations of its subsidiaries.

The Parent and its subsidiaries as per Note 19 provide an unlimited guarantee and indemnity in favour of the Trust's banking facilities. The Parent and the Trust have provided guarantees to financiers and insurance bond providers for a number of Aspen's subsidiaries. Under the terms of the agreements, the Parent and the Trust will make payments to reimburse the financiers upon failure of the guaranteed entity to make payments when due. The parent does not expect to incur any material loss in respect of such guarantees.

**Parent entity financial information**

As at 30 June 2025 the parent had a loan payable to the Trust of \$5.251 million (30 June 2024: \$21.686 million). Under the loan agreement in which the Trust is the lender, the maturity of the loan is 1 July 2027. The loan is unsecured and carries an interest rate equivalent to the borrowing costs incurred by the lender and there is no expectation that this loan will be called upon by either entity in the next twelve months. Both the Board of the Responsible Entity and AGL agree that the terms of the agreement would remain the same in the event AGL becomes the lender.

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**Aspen Group Limited**  
**Notes to the consolidated financial statements**  
**30 June 2025**



**Note 24. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the Company:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<b>Fees paid or payable for services provided by the auditor of the Aspen Group:</b>		
<i>Audit or review of financial statements – Deloitte Touche Tohmatsu</i>		
Current year	410,000	403,150
(Over) / Under provision for prior year	-	20,000
Total audit services	410,000	423,150
<i>Other services – Deloitte Touche Tohmatsu</i>		
Whistle-blowing services	6,500	6,500
Total	416,500	429,650

**Note 25. Related party transactions**

**Director and executive remuneration**

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Short-term benefits	1,685,989	1,595,398
Long-term benefits	115,493	90,499
Equity compensation benefits	1,245,636	894,472
Total directors and key management personnel remuneration	3,047,118	2,580,369

**Other related party transactions**

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Sales of goods and services</i>		
Project management fees earned from Mill Hill Capital Pty Ltd, an entity associated with Mr Carter and Mr Dixon (Joint CEOs)	-	12,828
Payment of responsible entity fees to Evolution Trustees Limited	146,882	139,762

The Company previously has an arrangement with Mill Hill Capital Pty Ltd (MHC), an entity associated with Mr Carter and Mr Dixon (Joint CEOs). Under this arrangement, Aspen managed MHC's Affordable Accommodation & Land Fund. In return, Aspen earns project management fees from the fund in line with MHC's project management fee entitlement under its contract. The arrangement ended in FY24.

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**Aspen Group Limited**  
**Notes to the consolidated financial statements**  
**30 June 2025**



**Note 26. Accounting standards adoption**

**(a) New and amended standards adopted from 1 July 2024**

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current year. There was no material impact from the adoption of new and revised Standards and Interpretations.

**(b) New accounting standards and interpretations issued but not yet applied**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

*IFRS 18 Presentation and Disclosure in Financial Statements*

This standard is applicable to annual reporting periods beginning on or after 1 January 2027, assuming the AASB releases an equivalent standard, and early adoption is permitted. The standard replaces AASB 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations.

The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. Aspen will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

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**Aspen Group Limited**  
**Notes to the consolidated financial statements**  
**30 June 2025**



**Note 27. Commitments and contingencies**

	Consolidated	
	30 June 2025 \$'000	30 June 2024 \$'000
<b>Capital commitments (i)</b>		
<i>Contracted but not provided for and payable:</i>		
Within 1 year	18,990	32,226
Greater than 1 year but not more than 5 years	-	-
	<b>18,990</b>	<b>32,226</b>

(i) FY25 capital commitments include the Residential and Lifestyle development projects (including civil works and new land lease homes), and various cabin and park upgrades.

Other than the above, Aspen Group is not aware of any material contingent liabilities existing at 30 June 2025 or at the date of completion of these financial statements.

**Note 28. Subsequent events**

On 17 July 2025, the Group entered into a contract to acquire a portfolio of small retirement villages comprising of 19 properties from ACH Group, an Adelaide based not-for-profit organisation. The purchase price is \$18.7 million pre-transaction costs. The acquisition is expected to be settled in August 2025.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Aspen Group's operations, the results of those operations, or the Aspen Group's state of affairs in future financial years.

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**Aspen Group Limited**  
**Consolidated entity disclosure statement**  
**As at 30 June 2025**



Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Aspen Group Limited	Public Listed	Australia	-	Australia
Aspen Property Trust	Public Listed (stapled with AGL)	Australia	100.00%	Australia
Aspen Funds Management Limited	Proprietary Limited	Australia	100.00%	Australia
Aspen Living Villages Pty Limited	Proprietary Limited	Australia	100.00%	Australia
Aspen Property Developments Pty Limited	Proprietary Limited	Australia	100.00%	Australia
Aspen Equity Investments Pty Limited	Proprietary Limited	Australia	100.00%	Australia
Midland Property Trust	Private Trust	Australia	100.00%	Australia
Caversham Property Development Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 2 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 3 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 4 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Nest QLD Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Footprint MB Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Digs Accommodation Vic Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 5 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 6 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 7 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 8 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 9 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 10 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 11 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 12 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 13 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 14 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 15 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 16 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 17 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Residential WA 18 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Marina Hindmarsh (SA) Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Coorong Quays Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Tavern HI Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Cove HI Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Realise Retirement WA 1 Pty Ltd	Proprietary Limited	Australia	100.00%	Australia
Aspen Whitsunday Shores Pty Limited	Proprietary Limited	Australia	56.00%	Australia

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**Aspen Group Limited**  
**Directors' declaration**  
**30 June 2025**



In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Aspen Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declaration required by Section 295A of the *Corporations Act 2001* from the Joint Chief Executive Officers for the year ended 30 June 2025.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

  
\_\_\_\_\_  
**Guy Farrands**  
Chairman

21 August 2025

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## 1. Stapled Security

Aspen Group is quoted on the Australian Securities Exchange as a stapled security (ASX code APZ).

A stapled security is created through the joining of a share (Aspen Group Ltd) and a trust unit (Aspen Property Trust) to form a single security traded on the Australian Securities Exchange.

## 2. Distribution Policy

Aspen Group's distribution policy is to pay distributions on a semi-annual basis.

Distributions paid for the financial year ended 30 June 2025 totalled 10.00 cents per security.

### Dividend and Distribution Re-Investment Plan ("DRP")

Aspen Group's DRP has been suspended since September 2012.

## 3. Capital Structure

As at 30 September 2025 Aspen Group had 227,665,433 securities on issue.

### (a) Voting Rights

For all securities voting rights are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll shall have one vote.

### (b) Distribution of Securities

Analysis of numbers of holders by size of holding:

Size of Holding	Number of Securityholders
1 - 1,000	877
1,001 to 5,000	684
5,001 to 10,000	270
10,001 to 100,000	391
More than 100,001	100
	<b>2,322</b>

The number of security investors holding less than a marketable parcel is 190 and they collectively hold 2,674 securities.

**(c) Twenty Largest Securityholders of Stapled Securities**

The names of the twenty largest holders of securities as at 30 September 2025 are listed below:

	<b>Name</b>	<b>No. of stapled securities</b>	<b>%</b>
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	61,275,667	26.91%
2	CITICORP NOMINEES PTY LIMITED	52,294,798	22.97%
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	34,491,495	15.15%
4	VINE STREET INVESTMENTS PTY LTD <VINE STREET INVESTMENT A/C>	7,630,610	3.35%
5	BNP PARIBAS NOMS PTY LTD	5,270,610	2.32%
6	REDBROOK NOMINEES PTY LTD	2,858,568	1.26%
7	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	2,708,674	1.19%
8	ONE MANAGED INVESTMENT FUNDS LTD <CHARTER HALL MAXIM PROPERTY SEC>	2,472,028	1.09%
9	BT PORTFOLIO SERVICES LTD <HETLAM HOLDINGS A/C>	2,471,151	1.09%
10	INVIA CUSTODIAN PTY LIMITED <R BAROONA P/L - CARTER A/C>	2,109,332	0.93%
11	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	1,995,165	0.88%
12	MR IAN MILTON SOUTHWOOD <SOUTHWOOD INVESTMENT A/C>	1,634,764	0.72%
13	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	1,594,177	0.70%
14	NATIONAL NOMINEES LIMITED	1,546,720	0.68%
15	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	1,471,091	0.65%
16	MR DEAN ROLAND GOMEL	1,329,025	0.58%
17	BIG MORETON PTY LTD	1,162,900	0.51%
18	BT PORTFOLIO SERVICES LTD <MADRAG SUPER FUND A/C>	1,109,610	0.49%
19	ROC FAMILY HOLDINGS PTY LTD <ROC FAMILY A/C>	894,766	0.39%
20	UBS NOMINEES PTY LTD	831,580	0.37%
	<b>TOTAL</b>	<b>187,152,731</b>	<b>82.23%</b>
	<b>Balance of Register</b>	<b>40,512,702</b>	<b>17.77%</b>
	<b>Grand TOTAL</b>	<b>227,665,433</b>	<b>100.00%</b>

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**(d) Substantial Securityholders**

As at 30 September 2025, Aspen Group has received notification of the following substantial securityholders (5% or more of the issued capital).

Date of Last Notification	Securityholder	No. of stapled securities	% of the issued capital
28 May 2025	PERPETUAL LIMITED	25,196,529	11.20%
31 July 2025	MAGELLAN FINANCIAL GROUP LTD	11,541,367	5.09%
22 August 2025	COOPER INVESTORS PTY LIMITED	29,092,328	12.85%

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## Disclaimer

This report has been prepared by Aspen Group Limited (“Aspen”) and should not be considered in any way to be an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any security, and neither this document nor anything in it shall form the basis of any contract or commitment. Prospective investors should make their own independent evaluation of an investment in Aspen. Nothing in this report constitutes investment, legal, tax or other advice. The information in this report does not take into account your investment objectives, financial situation or particular needs. The information does not purport to constitute all of the information that a potential investor may require in making an investment decision.

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This report contains forward looking information. Indications of, and guidance on, future earnings, distributions and financial position and performance are forward looking statements. Forward looking statements are based on Aspen Group’s current intentions, plans, expectations, assumptions, and beliefs about future events and are subject to risks, uncertainties and other factors which could cause actual results to differ materially. Aspen Group and its related bodies corporate and their respective directors, officers, employees, agents, and advisers do not give any assurance or guarantee that the occurrence of any forward-looking information, view or intention referred to in this report will actually occur as contemplated.

All references to dollar amounts are in Australian currency unless otherwise stated.

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## Corporate Directory

### Responsible Entity

Evolution Trustees Limited  
ACN 611 839 519, AFSL 486217

### Board of Directors

Guy Farrands *Non-Executive Chairman*  
Edwina Gilbert *Non-Executive Director*  
John Freedman *Non-Executive Director*  
John Carter *Executive Director*  
David Dixon *Executive Director*

### Executive Management

David Dixon *Joint Chief Executive Officer*  
John Carter *Joint Chief Executive Officer*

Suite 21, 285A Crown Street, Surry Hills, NSW 2010

Tel (02) 9151 7500  
Fax (02) 9151 7599  
E-mail [homemail@aspengroup.com.au](mailto:homemail@aspengroup.com.au)

### Group Company Secretaries (jointly held)

Mark Licciardo, David Dixon

### Auditors

Deloitte Touche Tohmatsu  
Quay Quarter Tower  
50 Bridge Street  
Sydney NSW 2000  
Tel: (02) 9322 7000

### Share Registry

Automic Group  
Deutsche Bank, Tower Level  
5/126 Phillip St. Sydney, NSW 2000  
Tel: 1300 288 664

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