ASPEN GROUP

Investor Update - First Half FY20

February 2020

BIG4 Koala Shores Holiday Park, NSW

Contents

BIG4 Koala Shores Holiday Park, NSW

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1H FY20 Financial Highlights and Results

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Aspen Highlights – 1H FY20 1.1

Aspen has been transformed:

- Taking advantage of the full range of opportunities to provide competitively priced accommodation in Australia's $7 trillion residential, retirement and short stay sectors – this has increased growth potential and improved portfolio risk / rewards
- Enhanced management and systems across the platform – head office and property level

Continuing to grow on a profitable basis:

- Acquisitions at very attractive prices - Lindfield Apartments ($206k per dwelling*) and Perth Residential Portfolio ($238k per dwelling*)
- Capital improvements gaining momentum – several projects now underway to increase earnings and value:
  - New dwellings at Tomago and Highway 1
  - Refurbishment of Lindfield Apartments
  - New entertainment facilities at Darwin Freespirit Resort
  - Labour and energy saving initiatives across the portfolio

Material increase in profits and cashflows in the half compared to 1H FY19:

- Statutory profit under IFRS +319% to $2.29m
- Operating cashflow $3.79m
- Underlying operating profit +55% to $3.66m - 3.80 CPS
- Ordinary distribution +20% to $2.65m - 2.75 CPS

* Pre acquisition costs

Aspen Highlights – 1H FY20 1.2

Net Asset Value (NAV):

- NAV up slightly to $1.14 per security due mainly to retained earnings – no properties were externally revalued in the half
- In our opinion, the portfolio is very attractively priced and positions us well to provide competitively priced accommodation to our customers:
  - Property value per approved site $73,113
  - Weighted Average Cap Rate (WACR) 8.17%

FY20 earnings and distribution guidance maintained at 6.75-7.00 CPS and 6.00 CPS respectively:

- 1H FY20 underlying operating profit was ahead of guidance
- Fires affected the NSW South Coast properties from last week of December to end January:
  - Property damage wasn't material, but at least $500k impact on profits that we will seek to claim under our insurances (potential recovery not included in guidance)
  - Current bookings for April Easter-School Holidays are strong
- Coronavirus impact not yet known – the vast majority of our customer base is domestic and only part of our business is short stay

Underlying Operating Profit – 1HFY20 v 1HFY19

$15.13m
+11%
Total Operating Revenue

$6.36m
+11%
Property Net Operating Income

$0.41m
vs. $0
Development Profit

$6.78m
+20%
Operating and Development Net Income

$2.42m
-15%
Net Corporate Overheads

$4.36m
+55%
EBITDA

$0.71m
+60%
Net Finance Expense

$3.66m
+55%
Underlying NPAT

Financial Performance 1.4

Key Metrics	1H FY20 $m	1H FY19 $m	Change
Statutory profit	**2.29**	**0.55**	**319%**
Operating revenue	15.13	13.64	11%
Operating expenses	(8.77)	(7.90)	
Net Operating Income	**6.36**	**5.74**	**11%**
Operating Margin	***42%***	***42%***	
Development revenue (incl. churn)	1.30	0.02	
Cost of sales	(0.89)	(0.03)	
Development Profit	**0.41**	**(0.01)**	
Development Margin	***32%***	***(25%)***	
Discontinued operations loss	-	(0.08)	
Operating & Development Net Income	**6.78**	**5.66**	**20%**
Net Corporate overheads	(2.42)	(2.85)	(15%)
Underlying EBITDA	**4.36**	**2.81**	**55%**
Net Interest expense	(0.71)	(0.44)	60%
Tax	-	-	
Underlying Earnings[1]	**3.66**	**2.37**	**55%**
Underlying Earnings per security (cents)	**3.80**	**2.46**	**55%**
Ord. Distribution per security (cents)	**2.75**	**2.30**	**20%**

- Operating revenue - Darwin FreeSpirit Resort underperformed budget by c.$500k as we had to materially reduce rates to remain competitive and retain occupancy; offset by outperformance of the rest of the portfolio. Minimal contribution from new acquisitions in 1H
- Operating margin flat - much improved cost controls across the portfolio, offset by lower rate / higher occupancy dynamic at Darwin FreeSpirit Resort
- Development profit is from sale of 4 houses at Four Lanterns – volumes are behind budget, somewhat due to available product mix, partially offset by better margin
- Net corporate overheads decreased 15% and are running below budget - gross overheads were $2.62m and project management fees received were $0.21m
- Net interest expense increased due to an increase in debt, offset partially by lower rates

1. Non-IFRS measure used by management to assess the underlying performance of Aspen which excludes depreciation and amortisation, revaluations, and one-off and non-operating items

Reconciliation of Statutory Profit to Underlying Earnings 1.5

	1H FY20 $m	1H FY19 $m
Statutory net profit	**2.29**	**0.55**
Depreciation and amortisation	1.34	1.09
Asset revaluations	(0.15)	0.66
Transaction costs and other	0.18	0.67
Underlying Earnings	**3.66**	**2.37**
Net interest expense	0.71	0.44
Underlying EBITDA	**4.36**	**2.81**
Net corporate overheads	2.42	2.85
Operating and Development Net Income	**6.78**	**5.66**

Depreciation and amortisation

- Under IFRS, PP&E is depreciated through P&L, whereas Investment Property is not
- Accounting depreciation may not reflect the true economic life and costs of maintaining an asset
- Aspen maintains its properties through general repairs and maintenance (R&M) and capital expenditure required to maintain the properties (stay-in-business capex - SIBC)
- In 1HFY19:
  - R&M totalled $0.53 million - this is recorded in the Operating expenses at the property level
  - SIBC totalled $0.32 million - this is initially capitalised to the balance sheet, but is usually subsequently expensed through the P&L indirectly via revaluations

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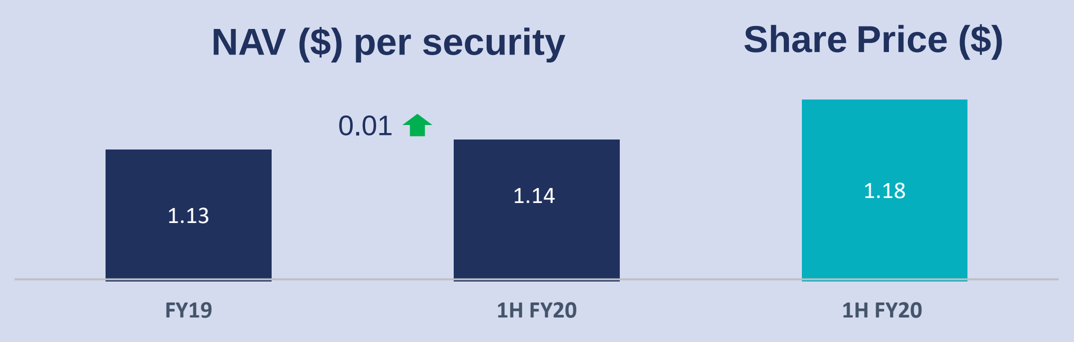
Balance Sheet and Capital Management 1.6

Key Metrics		1H FY20	FY 2019
Property Assets	$m	159.7	128.1
Total Assets	$m	173.3	141.7
- Cash	$m	4.0	6.5
- Gross Debt	$m	52.5	24.5
Net Debt / (Cash)	$m	48.5	18.0
Gearing[1]	%	28.7	13.3
Loan to Value Ratio[2]	%	33.6	16.4
Interest Cover Ratio[3]	x	6.2	5.8
Net Asset Value (NAV)	$m	109.7	108.8
Securities at period end	m	96.3	96.3
Net Asset Value per security	$	1.14	1.13

- Property Assets increased by 25% - acquisition of Lindfield Apartments and Perth Residential Portfolio
- Debt facility:
  - limit increased to $71 million (plus $20m accordion facility conditional on bank approval)
  - duration extended to November 2022
  - greater flexibility in terms (permitted acquisitions and distributions)
  - line fees and margin unchanged at +180bps
  - $25m of BBSW fixed for 3 years at 81bps
- Drawn debt increased to $52.5m, lifting gearing to 29% and LTV to 34% - both around the targeted range and well below facility covenant of 50% LTV
- Interest Cover Ratio (ICR) increased to 6.2x – well above facility covenant of 2.0x
- NAV up slightly, mainly from retained earnings - no properties revalued in the half



1. Net Debt divided by Total Assets less Cash. 2. Facility covenant is 50%. 3. Facility covenant is 2.0x – December is for half year and June is for full year

Earnings & Distribution Guidance – FY20

Total FY20 Guidance remains unchanged – some changes to components:

- Underlying Earnings per security expected to be in the range of 6.75-7.00 cents - an increase of at least 31% on FY19

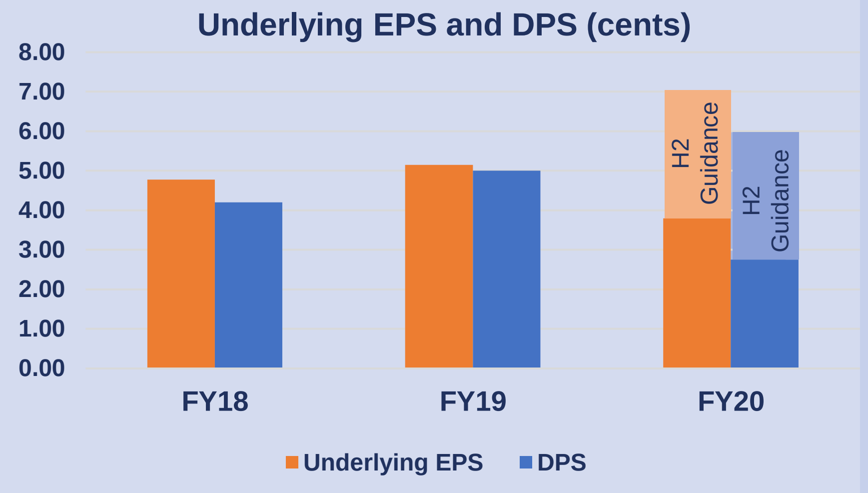
1H20 ahead of total guidance:

- Property NOI in line: Darwin FreeSpirit Resort NOI about $500k below expectations, offset by rest of the portfolio
- Development profit below budget: only 4 sales settled at Four Lanterns versus a target of 6, but margins were better
- Net corporate overheads and interest expense below budget

Changes in FY20 Guidance components:

- Property NOI reduced - fire activity in the NSW South Coast has materially impacted Barlings Beach and Tween Waters – at least $500k impact on NOI to the end of January (we are seeking to recover the losses under our insurances - potential recovery not included in the Updated FY20 Guidance)
- Net corporate overheads reduced slightly
- Net interest expense reduced due to lower interest rate assumption (50% of BBSW exposure now fixed for 3 years)

Underlying Earnings	Updated FY20 Guidance $m
Property net operating income	12.2
Development profit	1.0
Operating and Development Net Income	**13.2**
Net corporate overheads	(5.1)
EBITDA	**8.0**
Net interest expense	(1.5)
Tax	0.0
Underlying Earnings	**6.6**
Underlying EPS guidance (cps)	6.75 - 7.00
DPS guidance (cps)	6.00




Adelaide Caravan Park, SA

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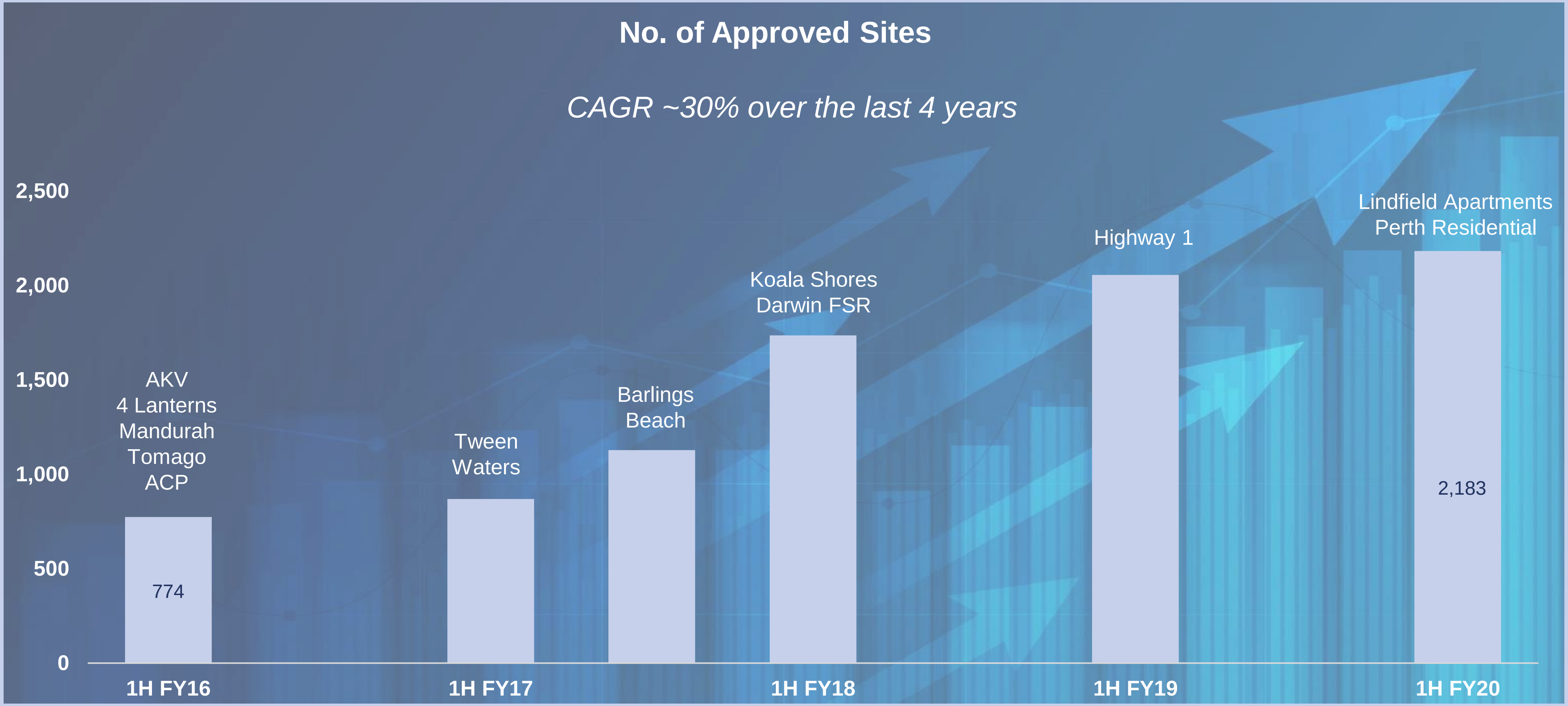
Operations and Development

Portfolio Evolution

2.1



Property NOI – 1HFY20 v 1HFY19 2.2

Rentals

- Perth Residential: New
- Lindfield Apartments: New

Land Lease

- Four Lanterns: +6%
- Mandurah Gardens: +8%
- Tomago: -11%

Mixed Parks

- Barlings Beach: +47%
- Highway One: +35% to Budget

Short Stay

- Tween Waters: +57%
- Koala Shores: +42%
- Adelaide CP: -3%
- Darwin FSR: -50%

Corporate

- AKV: +3%

Operational Performance and Opportunities 2.3

	Four Lanterns	Lindfield Apartments	Tomago Village	Koala Shores	Barlings Beach	Tween Waters
Highlights	• NOI up 6% on 1H19 with increased rate and number of sites leased, and good cost control • Sale of 4 new houses during the half is 2 below expectations (1 sold in Feb 2020) – product mix is an issue with only 2-bedroom product in inventory – we have now taken EOIs for product in the next stage • Development: 28 new land sites and 2 churn sites developed, 17 houses installed, 10 sold to date, 7 houses in inventory	• Acquired 20 August 2019 • Our strategy to consolidate retirement customers into Pacific Highway continues at a good rate • Treatts Road apartments are being refurbished as they become available and will lead to large rental increase when leased to residential tenants	• NOI down 14% on 1H19 due to the development works • Stage 1 of community upgrade and addition of 26 new houses underway starting with civil works. We have decided to improve the specification of the community building / facilities and to install a new sewer treatment plant – both of these will benefit the whole community. Expected cost of c.$7m	• NOI up 42% on 1H19 with occupancy growth and good cost control • Converted the caretaker's house into 2 holiday cabins • Converted 8 un-serviced camping sites into serviced sites to be leased longer term to cabin owners	• NOI up 47% on 1H19 with good occupancy growth, increased rates and cost reductions • Installed water meters to discourage overuse and recoup usage cost • Business materially impacted by regional fires in late December - January, but impact cushioned by high proportion of annual land leases	• NOI up 57% on 1H19 with improved occupancy but at a lower average rate, and cost reductions • Business materially impacted by regional fires in late December - January
Opportunities	• Continue to purchase old houses for churn activity • Site is approved for higher density residential and local vacant land prices are higher than current book value	• Complete refurbishment and re-leasing of Treatts Road property to maximise income and value in the medium term • Pacific Highway property is approved for higher density	• Additional capacity of 50 new houses in next stage(s) – expected total cost of c.$8.5m ($170k per house) • We have the options of operating the community under a rental or land lease model or mixture of both	• Planning in place for upgrade of common facilities including pool and conference room	• Potential to differentiate site fees in accordance with location (beachside v. landside) • Infrastructure upgrade to reduce water leakage	• Property is well located and approved for higher density with 10m height limit – potential apartment development in future

Operational Performance and Opportunities 2.4

	Adelaide CP	Highway One	Mandurah Gardens	AKV	Perth Residential Portfolio	Darwin Freespirit
Highlights	• NOI down 3% on 1H19 with slightly slightly lower occupancy, better average rate, and costs higher than desired • Heritage church leased to retail / commercial tenant subject to Council approval	• NOI above budget (property was acquired 1H19) • Good demand from corporates • Commenced a project to install houses with new technology – modern design, space & energy efficient, cheaper building and operating costs – short stay or rental product – seeking to entice customers out of old caravans / cabins	• NOI up 8% on 1H19 with good cost control • Enquiries and sales of existing houses have increased over 2019 with 2 sold in 1H (3 sold in January 2020)	• NOI up 2% on 1H19 • Continued strong activity in the Karratha region • Good demand for rooms not occupied by Woodside at materially higher rates • No material damage from Cyclone Damien	• Acquired in late November 2019 • Modern family dwellings averaging $238k each • Currently working through re-leasing and property improvement program	• NOI 50% below 1H19 • Darwin accommodation markets in cyclical downturn – we had to reduce room rate to match competitors in the peak season • Labour and other variable cost savings not as high as budgeted due to shift in occupancy mix • Converting least productive short stay cabins into longer stay (residential and worker)
Opportunities	• Recent change in senior management at the park • Improve labour processes in housekeeping to reduce labour cost • Site is zoned for higher density residential	• Expanding affordable long term cabin rental and land lease product • Aspen has option to acquire adjoining land (4.6Ha)	• Could be opportunities to acquire dwellings and offer rental product If resale prices decline sufficiently	• Woodside lease expires January 2021 – seeking to enter into discussions shortly • Current book value is around 1/3rd replacement cost	• Increase current occupancy from c.90% with more intensive management and improved product and service • Rental and value increases as Perth market recovers from cyclical downturn	• Increased function and F&B revenues from new marquee • New Gaming Room development approved – works have commenced and expected to be complete by end March 2020

Development Activity 2.5

Aspen currently generates earnings relating to development through:

- Developing and selling manufactured houses under a land lease model (profit of $414k in 1HFY20 from Four Lanterns)
- Earning project management fees on the MHC Funds' residential and retirement developments (fees of $208k in 1HFY20)

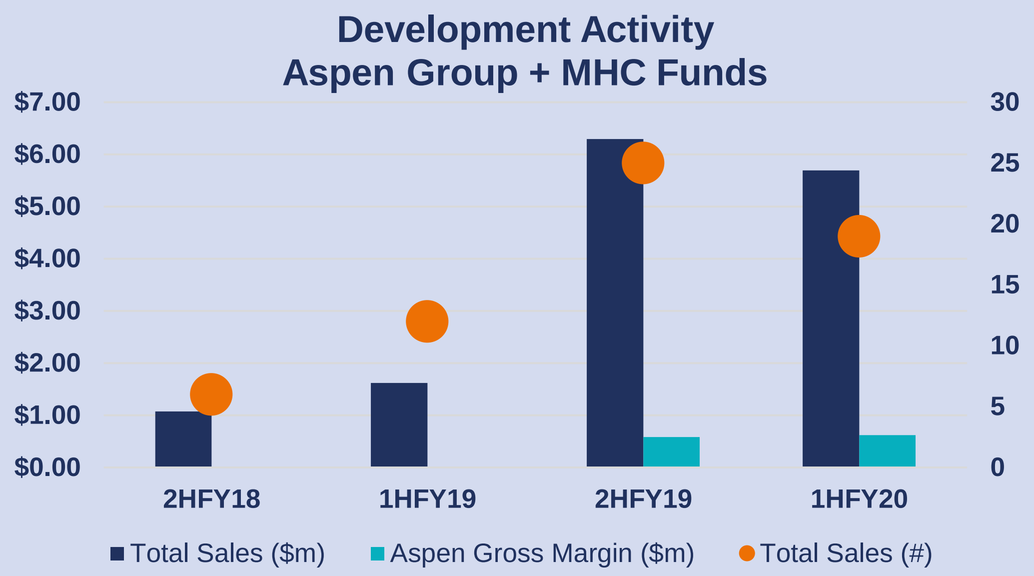
We expect development activity to be picking up across the platform:

APZ Balance Sheet (at 31 December):

- At Four Lanterns we have 8 completed houses in inventory for sale and 13 developed land lots ready for new houses to be installed
- Tomago redevelopment and expansion has commenced with the first stage comprising 26 houses (of the 76 approved) – we have the option to sell the houses under a land lease model or retain them under a rental model

Managed Funds:

- At Coorong Quays, residential land sales are now consistently over 20 per annum and we have commenced the next stage of the retirement village which is now approved for 99 new houses under a land lease model
- House and land lots will start settling soon at CREST post refurbishment of the houses and upgrading infrastructure for stage 1



Project	Aspen's Gross Margin	Pipeline: No. of Dwellings / Sites	Pipeline: Estimated Completion Value (m)	Pipeline: Estimated Remaining Project Expenditure (m)
Aspen Owned				
Four Lanterns	House Sale Price – COGS	21	$7	$3
Tomago	House Sale Price – COGS	76	$19	$15
Aspen Managed				
Coorong Quays	Project Cost x 7% PM Fee	400	$68	$35
CREST	Project Cost x 7% PM Fee	139	$32	$5
Rockleigh	Project Cost x 7% PM Fee	7	$1	$0
Total		**643**	**$126**	**$58**

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Portfolio

Portfolio Summary

Portfolio Aggregates

Properties / Portfolios*	13
Land Area (Hectares)	61
Approved Sites	2,183
Dwellings Owned by Aspen	768
Density:	
- Sites per Hectare	36
- Dwelling / Sites Ratio	35%
Aspen Book Value (m)	$160
- per Hectare (m)	$2.60
- per Approved Site	$73,113
Valuation WACR	8.17%

* Perth Residential Portfolio of 84 dwellings is counted as 1

- Aspen currently has 13 properties valued at approximately $160m:
  - Average value of $73k per approved site
  - WACR of 8.17%
- Aspen also manages 3 major residential / retirement projects and earns fees for this service
- General traits that Aspen seeks in properties it acquires:
  - Desirable locations – particularly metropolitan
  - Large land parcels that are under-utilised
  - Existing dwellings priced at well below replacement cost that can be refurbished / repurposed
  - Land and development cost at the low end of (or below) local competition
  - Competitive operating costs (e.g. tax incentives / subsidies)
  - Flexibility / optionality
  - Strong potential for higher value use over time

Increasing Property Value

Camping

Cabins

Manufactured Homes

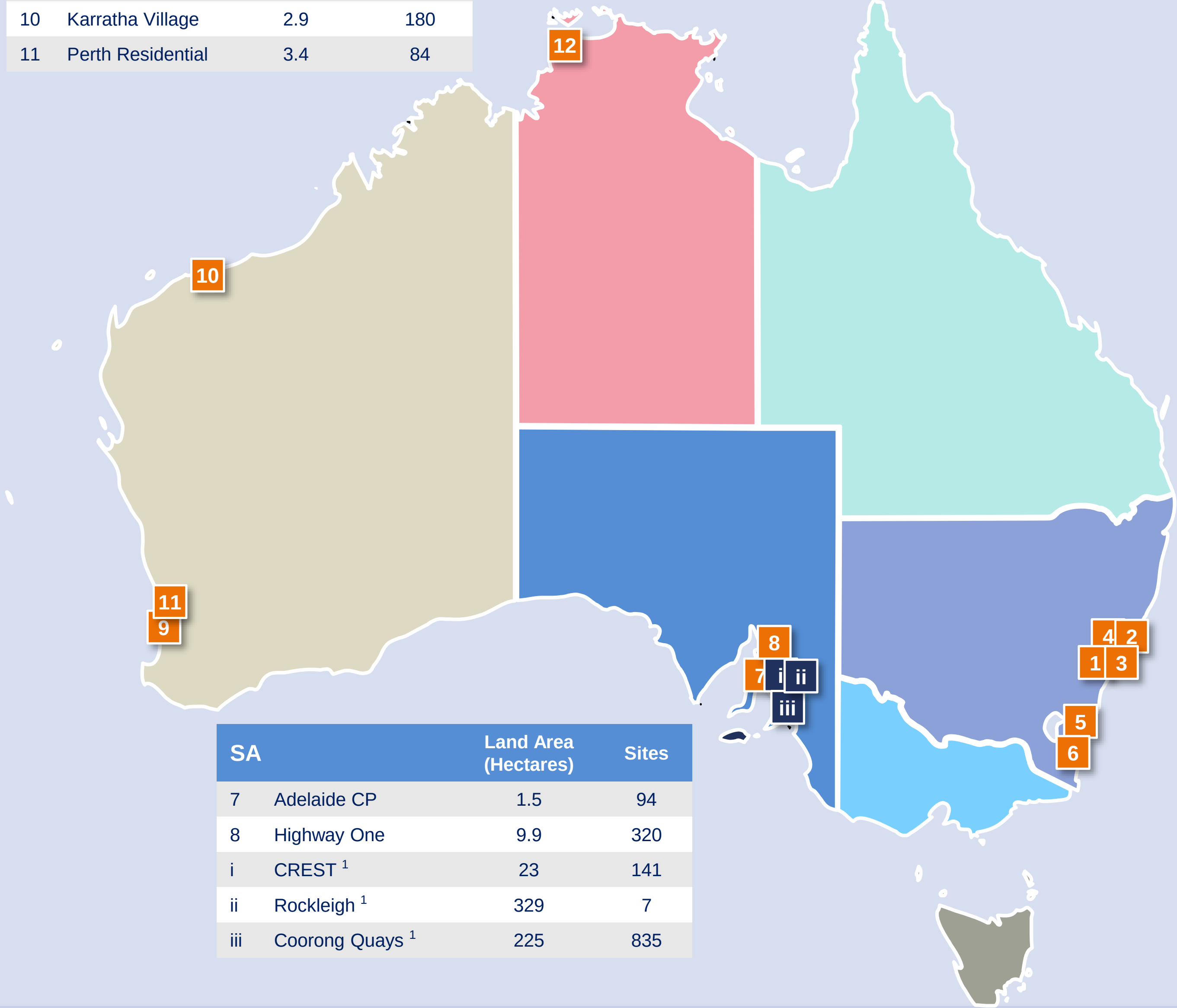
Residential Homes

Apartments

Portfolio Summary

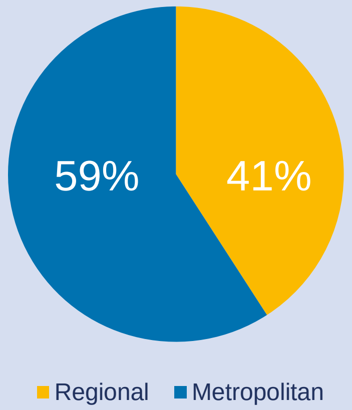
WA		Land Area (Hectares)	Sites
9	Mandurah	6.8	158
10	Karratha Village	2.9	180
11	Perth Residential	3.4	84

NT		Land Area (Hectares)	Sites
12	Darwin FreeSpirit	10.8	467



SA		Land Area (Hectares)	Sites
7	Adelaide CP	1.5	94
8	Highway One	9.9	320
i	CREST [1]	23	141
ii	Rockleigh [1]	329	7
iii	Coorong Quays [1]	225	835

Property Type by Location (value weighted)



NSW		Land Area (Hectares)	Sites
1	Four Lanterns	3.9	130
2	Tomago	13.9	212
3	Lindfield Kiah	0.2	20
3	Lindfield Kalinda	0.16	22
4	Koala Shores	5.1	141
5	Barlings Beach	8.8	259
6	Tween Waters	1.9	96

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1. CREST, Rockleigh and Coorong Quays are owned by Funds managed by Aspen Group

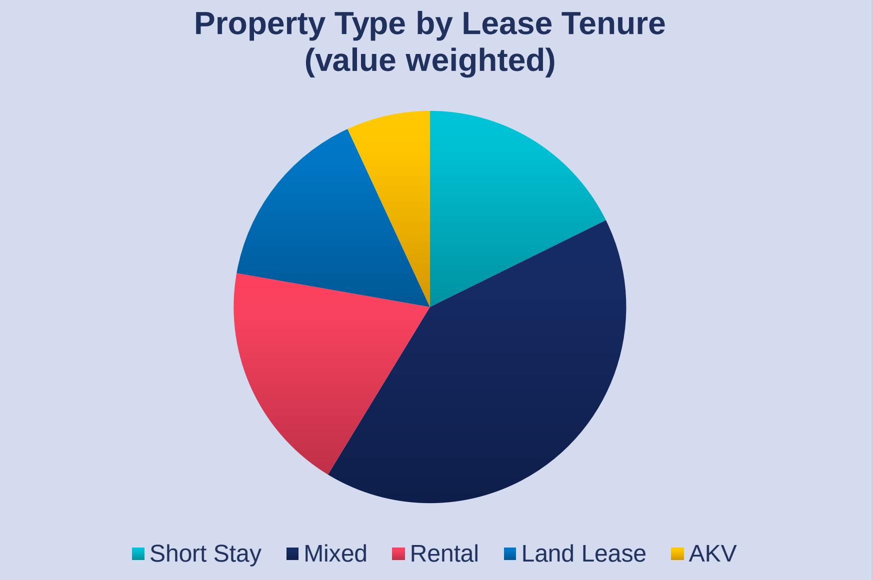
Aspen Group: Portfolio Summary – 31 December 2019 3.3

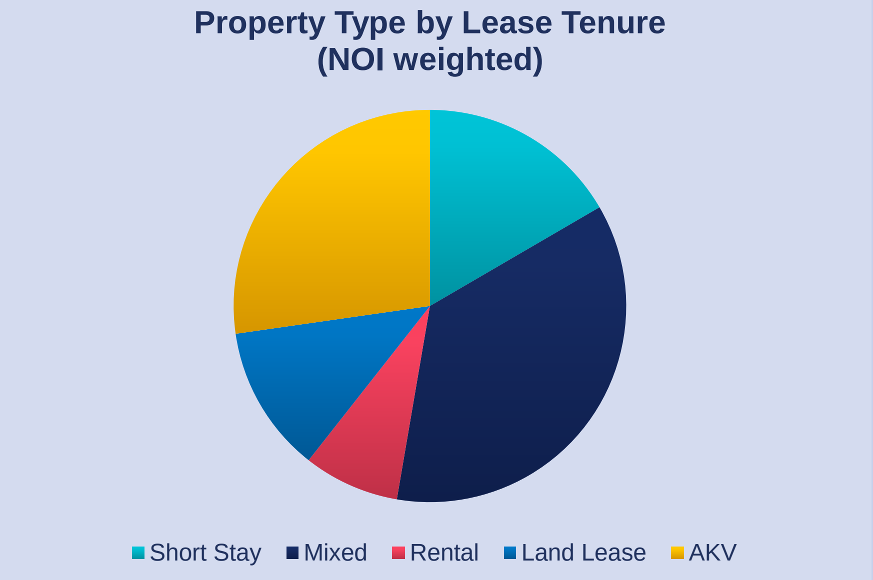
	New South Wales							South Australia		WA			NT
	Four Lanterns	Lindfield Kiah	Lindfield Kalinda	Tomago Village	Koala Shores	Barlings Beach	Tween Waters	Adelaide CP	Highway One	Mandurah Gardens	AKV	Perth Residential	Darwin FSR
Region	Sydney Metro	Sydney Metro	Sydney Metro	Central Coast	Central Coast	South Coast	South Coast	Adelaide Metro	Adelaide Metro	South Coast	Pilbara	Perth Metro	Darwin Metro
Land Ownership	Freehold	Freehold	Freehold	Freehold	Free/Leasehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold
Customer Tenure	Land Lease	Rental	Rental	Land Lease / Rental	Short Stay	Land Lease / Short Stay	Short Stay	Short Stay	Short Stay / Land Lease	Land Lease	Leased / Short Stay	Rental	Short Stay / Rental
Total Land Area (HA) [1]	3.9	0.20	0.16	6.0	5.1	8.8	1.9	1.5	9.9	6.8	2.9	3.4	10.8
Approved Sites [2]	130	20	22	212	141	259	96	94	320	158	180	84	467
- per Ha	33	100	140	35	28	30	49	63	32	23	62	24	43
Owned Dwelling Inventory [3]	8	20	22	69	38	32	32	47	85	1	180	84	150
- per Approved Site	6%	100%	100%	33%	27%	12%	33%	50%	27%	1%	100%	100%	32%
Book Value [4] ($m)	12.24	4.49	4.85	11.16	9.89	13.59	7.35	11.01	23.00	12.25	11.00	21.10	17.68
Valuation Cap Rate [5]	6.50%	3.74%	3.97%	8.50%	8.85%	8.75%	9.00%	8.50%	9.25%	8.50%	15.00%	4.50%	8.50%
Value Per HA ($m)	3.1	22.5	31.0	1.9	1.9	1.6	3.8	7.3	2.3	1.8	3.8	6.2	1.6
Value Per Approved Site ($k)	94	224	221	53	70	52	77	117	72	78	61	251	38

Notes:
1. Tomago Village land area excludes "Environmental Conservation" land that is not currently approved for development
2. Approved Sites is the total number of underlying units or land sites currently permitted on the property under title, licence or other conditions
3. Owned Dwelling Inventory are houses, apartments, cabins, vans, commercial/retail space etc. that Aspen owns that can be sold or leased on short to long term basis to customers
4. Book values are a mixture of Directors' and external valuations
5. Valuation cap rate that has been applied by external valuers in the most recent external valuations, except Darwin FreeSpirit which is Directors' valuation assumption (external valuation cap rate of 10%)

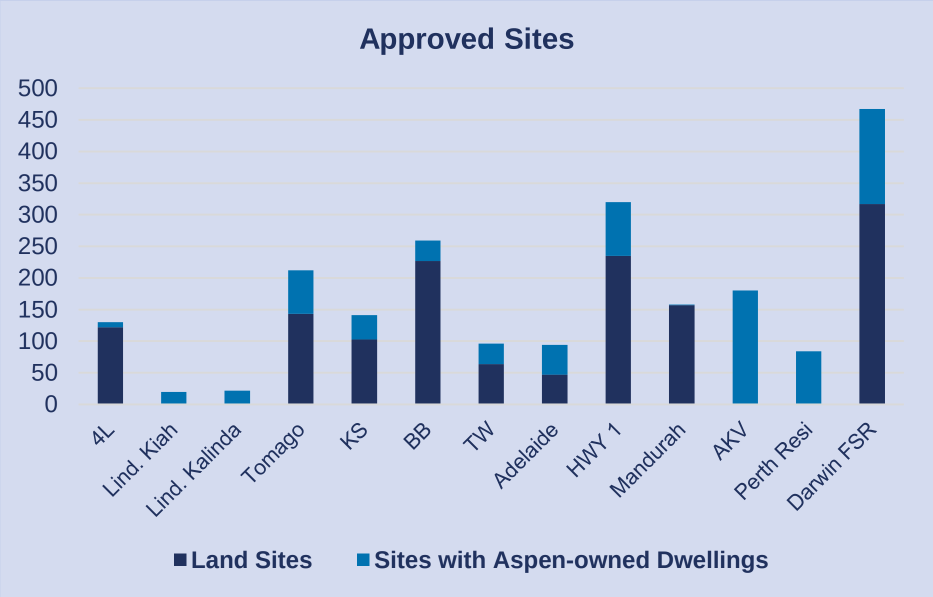
Portfolio Summary – 31 December 2019 3.4

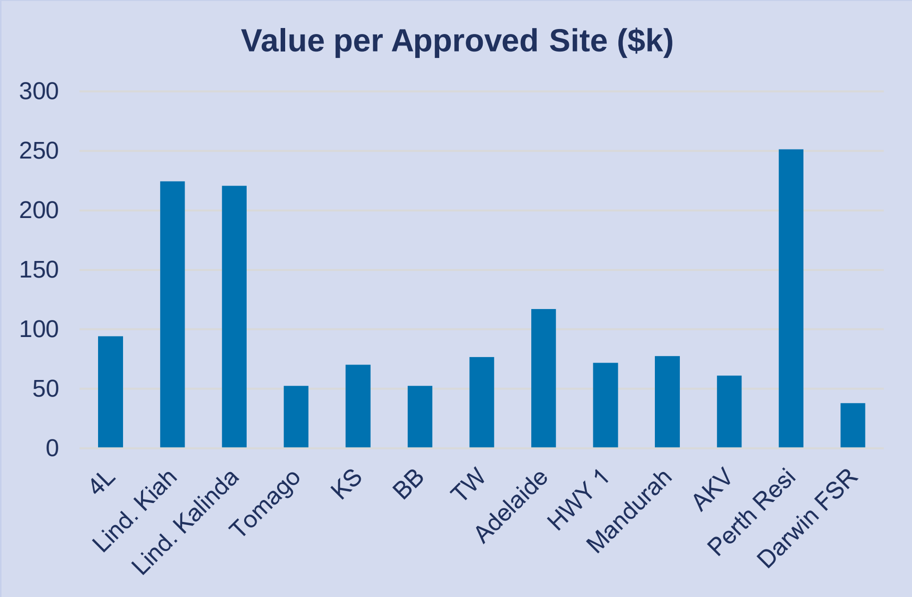
- Aspen's portfolio composition and income streams have improved materially over the past 12-18 months
  - Increased weighting to:
    - Metropolitan locations
    - More stable, less seasonal rental income
    - Capital growth v. income profile
    - More liquid properties - individual houses and apartment buildings in metropolitan locations are easier and quicker to sell
  - Continued conversion of short-stay product into longer-stay across the mixed-use parks where profitable
  - AKV exposure is more manageable

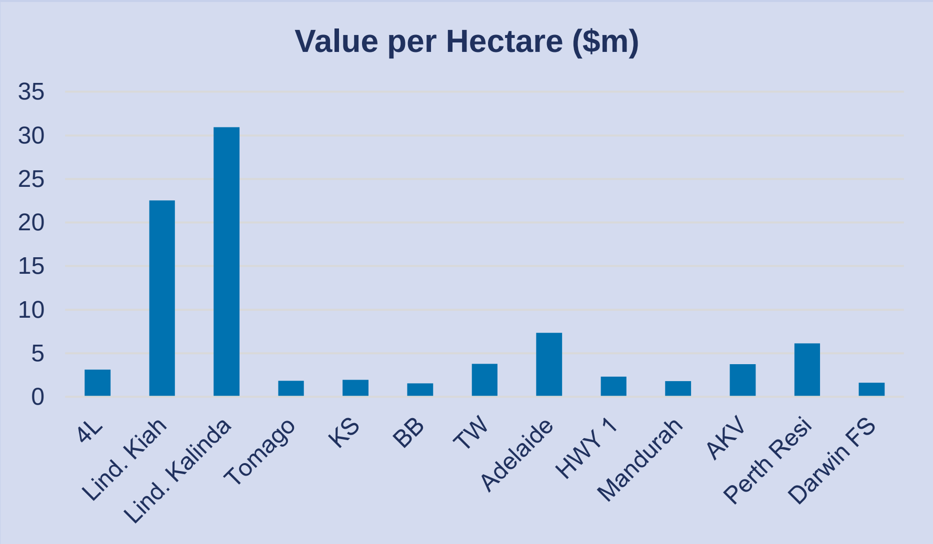


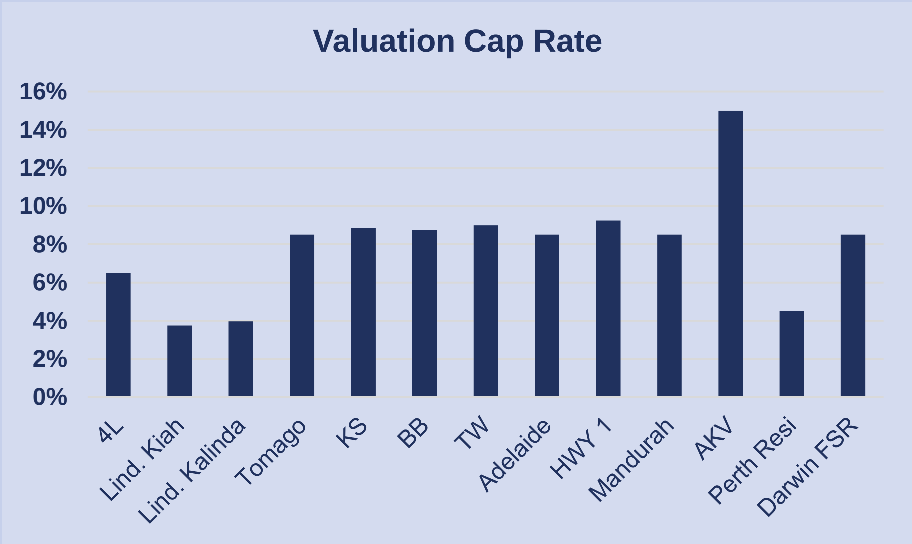


Portfolio Summary – 31 December 2019 3.5









Coorong Quays

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Managed Funds

Funds Managed by Aspen 4.1

Coorong Quays

- Operating business performing above FY20 budget
- Marina berth occupancy up 6% in 1H FY20
- Continued good land sales activity – 18 lots in 1H FY20
- Completed construction of the new Coorong Quays Club facility – a community facility for the entire CQ estate
- Completed refurbishment and expansion of the Islanders' Tavern
- Approval to convert the balance of the existing Retirement Village into a Land Lease Community under the Residential Parks Act, a further 99 dwellings will be built under this scheme. Four houses are currently under construction with completion expected for July 2020
- Next residential land subdivision is expected to commence by April this year with a 12-14 week timetable to completion

CREST @ Woodside

- Woodside area was affected by the Adelaide Hills Bushfires in December 2019 – CREST was not damaged and 3 houses have been provided on a rent-free basis to locals who lost their houses
- Stage 1 civil works nearly complete with titles to be issued shortly which will allow house and land sales to start settling
- Pre-sales of 9 houses and 1 land site – expect momentum to pick up with stage 1 works now completed
- Aiming to commence Stage 2 works in 1H FY21

Rockleigh

- Pursuing good interest on the balance of the lots

New Coorong Quays Club and Community Facilities

16 Treatts Rd, Lindfield Apartments, NSW

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Aspen Group Statutory Accounts Extracts

Statutory Accounts Extract: Statement of Profit and Loss 5.1

	Consolidated 31 December 2019 $'000	 31 December 2018 $'000
Continuing operations		
Revenue	**16,640**	13,658
Cost of sales	**(9,656)**	(7,925)
Gross profit	**6,984**	5,733
Expenses and other items		
Administration expenses	**(2,624)**	(2,852)
Property depreciation, fair value adjustments and other	**(1,341)**	(1,818)
	(3,965)	(4,670)
Earnings before interest and income tax expense (EBIT)	**3,019**	1,063
Finance income	**108**	127
Finance costs	**(836)**	(568)
Profit before income tax	**2,291**	622
Income tax expense	**-**	-
Profit from continuing operations	**2,291**	622
Discontinued operations		
Loss for the period from discontinued operations	**-**	(186)
Profit for the period	**2,291**	436
Profit attributable to ordinary equity holders of the parent entity	**2,291**	547
Loss attributable to non-controlling interest	**-**	(111)
Profit for the period	**2,291**	436
Earnings per security (EPS) attributable to ordinary equity holders of the parent entity from continuing operations	**Cents**	Cents
Basic earnings per security	**2.38**	0.65
Diluted earnings per security	**2.38**	0.65
Earnings per security attributable to ordinary equity holders of the parent entity		
Basic earnings per security	**2.38**	0.57
Diluted earnings per security	**2.38**	0.57

Statutory Accounts Extract: Statement of Financial Position 5.2

	Consolidated	
	31 December 2019	30 June 2019
	$'000	$'000
Assets		
Current assets		
Cash and cash equivalents	**3,989**	6,466
Trade and other receivables	**3,961**	3,913
Inventories	**1,799**	2,760
Net Investment in sublease	**1,044**	-
Total current assets	**10,793**	13,139
Non-current assets		
Property, plant and equipment	**114,080**	112,934
Investment properties	**30,435**	-
Intangible asset	**15,200**	15,212
Right of use assets	**548**	-
Net Investment in sublease	**1,896**	-
Other	**442**	450
Total non-current assets	**162,601**	128,596
Total assets	**173,394**	141,735
Liabilities		
Current liabilities		
Trade and other payables	**5,952**	6,485
Provisions	**1,210**	1,984
Lease liability	**1,215**	-
Total current liabilities	**8,377**	8,469
Non-current liabilities		
Interest bearing loans and borrowings	**52,498**	24,500
Lease liability	**2,860**	-
Total non-current liabilities	**55,358**	24,500
Total liabilities	**63,735**	32,969
Net assets	**109,659**	108,766
Equity		
Equity attributable to equity holders of the parent		
Issued capital	**490,348**	490,348
Reserves	**15,085**	14,092
Accumulated losses	**(376,877)**	(375,531)
Total equity attributable to equity holders	**128,556**	128,909
Non-controlling interest	**(18,897)**	(20,143)
Total equity	**109,659**	108,766

Statutory Accounts Extract: Cash Flow Statement 5.3

	Consolidated	
	31 December 2019	31 December 2018
	$'000	$'000
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	**18,954**	14,785
Payments to suppliers and employees (Inclusive of GST)	**(14,597)**	(14,616)
Net cash flows from operating activities	**4,357**	169
Cash flows (used in)/from investing activities		
Proceeds from sale of assets held for sale, net of selling costs	**-**	2,543
Acquisition of property, plant and equipment	**(1,146)**	(25,529)
Acquisition of investment properties, including transaction costs	**(30,435)**	-
Net cash flows used in investing activities	**(31,581)**	(22,986)
Cash flows (used in)/ from financing activities		
Proceeds from borrowings	**27,998**	25,600
Proceeds from net investment in sublease	**484**	-
Interest received	**108**	118
Payment of financing and borrowing costs	**(672)**	(257)
Payment of lease liability	**(570)**	-
Distributions paid	**(2,601)**	(2,020)
Net cash flows used in financing activities	**24,747**	23,441
Cash and cash equivalents at beginning of the period	**6,466**	13,370
Net (decrease)/increase in cash and cash equivalents	**(2,477)**	624
Cash and cash equivalents at end of period	**3,989**	13,994

Statutory Accounts Extract: Segment Information 5.4

	Residential / Retirement / Short Stay		Corporate		Non-core		Other		Consolidated	
	31 Dec 2019 $'000	31 Dec 2018 $'000	**31 Dec 2019 $'000**	31 Dec 2018 $'000	**31 Dec 2019 $'000**	31 Dec 2018 $'000	**31 Dec 2019 $'000**	31 Dec 2018 $'000	**31 Dec 2019 $'000**	31 Dec 2018 $'000
Revenue from accommodation assets	10,737	9,389	4,394	4,249	-	-	-	-	**15,131**	**13,638**
Revenue from development activities	1,301	20	-		-	-	-	-	**1,301**	**20**
Other management fees	-		-				**208**	-	**208**	-
Total segment revenue [1]	**12,038**	9,409	**4,394**	4,249	-	-	**208**	-	**16,640**	13,658
Operating EBITDA [2]	**4,953**	3,939	**1,824**	1,794	-	(75)	**(2,416)**	(2,852)	**4,361**	2,806
Finance income	-	-	-	-	-	-	**18**	127	**18**	127
Finance costs	-	-	-	-	-	-	**(723)**	(568)	**(723)**	(568)
Operating profit / (loss) before depreciation and income tax	**4,953**	3,939	**1,824**	1,794	-	(75)	**(3,121)**	(3,293)	**3,656**	2,365
Depreciation and amortisation	**(1,171)**	(956)	**(164)**	(160)	-	-	**(12)**	-	**(1,347)**	(1,116)
Non-underlying items [3]	-	(59)	**150**	(660)	-	-	**(168)**	17	**(18)**	(702)
Income tax benefit / (expense)	-	-	-	-	-	-	-	-	-	-
Profit / (loss) after tax attributable to parent entity	**3,782**	2,924	**1,810**	974	-	(75)	**(3,301)**	(3,276)	**2,291**	547

Barlings Beach Holiday Park, NSW

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