Aspen Group
Financial Results – FY21

August 2021

Newcastle, NSW

Four Lanterns Estate, Leppington, NSW

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Financial Results FY21

Contents

Aspen's Business Model

Aspen Provides Quality Accommodation to Australian Households on Competitive Terms

Customer-centric business model servicing households that can afford no more than $400 weekly rent or $400k purchase price

We provide a range of products demanded by our customers in residential, retirement and park communities

We foster a safe, social, diverse, and inclusive culture in our communities by providing on-site management, customer services, and community facilities which gives our residents a sense of home and meaningful connections to the community

Total value of real estate in Aspen's addressable market >$1 trillion

Average Dwelling Rent of $248 per Week

Average Land Site Rent of $166 per Week

Average Dwelling Sales Price of $287k

Some of our properties are located in past and present Indigenous communities, and we actively seek to help these communities and conserve heritage items

Sustainable Ecological Footprint

Aspen's efficient dwellings use significantly less resources to manufacture and operate than the average Australian home – we also recycle/refurbish dwellings

With solar installed, our dwellings can produce more renewable energy than they consume

We install energy and water saving devices and metering to reduce resource use

Our communities share resources such as common areas, recreation facilities, gardens and transport

Our parks are highly vegetated, and our land management programs reduce degradation and environmental risks

Aspen's carbon emission reduction target for the assets that it controls is in accordance with the 2015 Paris Agreement

Governance

Aspen Group comprises Aspen Group Limited and Aspen Property Trust with two separate independent Boards

Aspen provides equal employment opportunities regardless of gender, gender-identity, age, culture, race, religion and lifestyle choices

We continuously strive for the highest WH&S standards at our properties to keep our employees, suppliers and customers safe

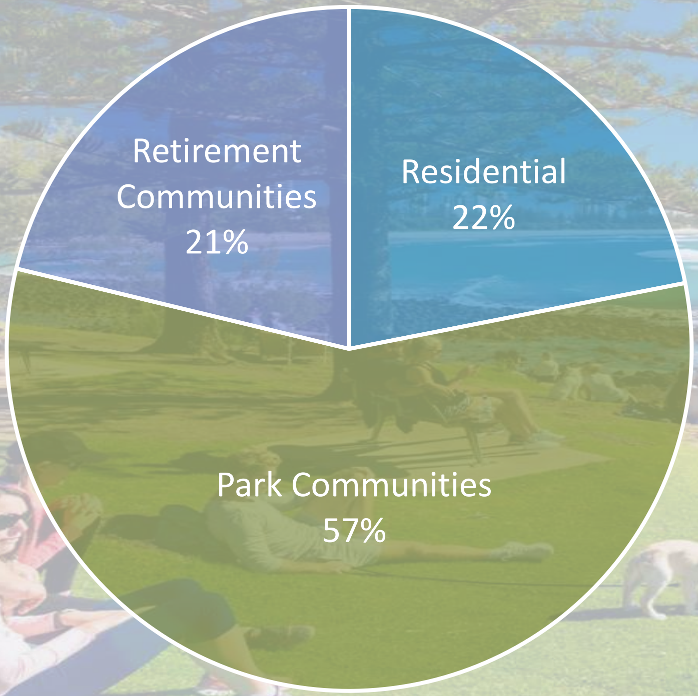
Our Joint CEOs own a combined stake of 8.7% in Aspen Group and 50% of their remuneration package is deferred for up to 3 years and subject to performance hurdles and vesting conditions

Additional information on Aspen's ESG program is contained in Section 5.

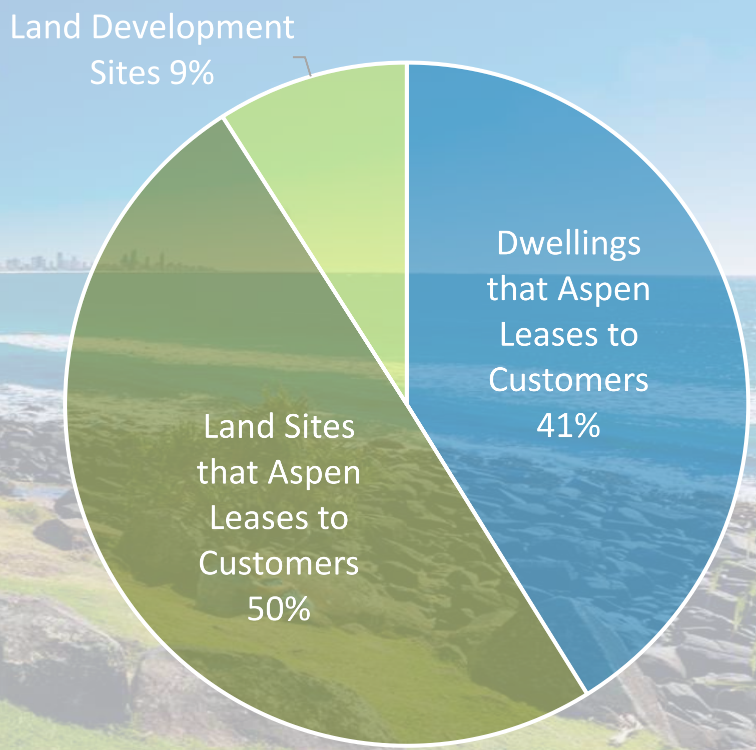
Portfolio Composition

Aspen leases dwellings and land sites to customers within residential, retirement and park communities...

Types of Properties
(by # of dwellings/sites)



Dwellings and Land Sites
(by number)

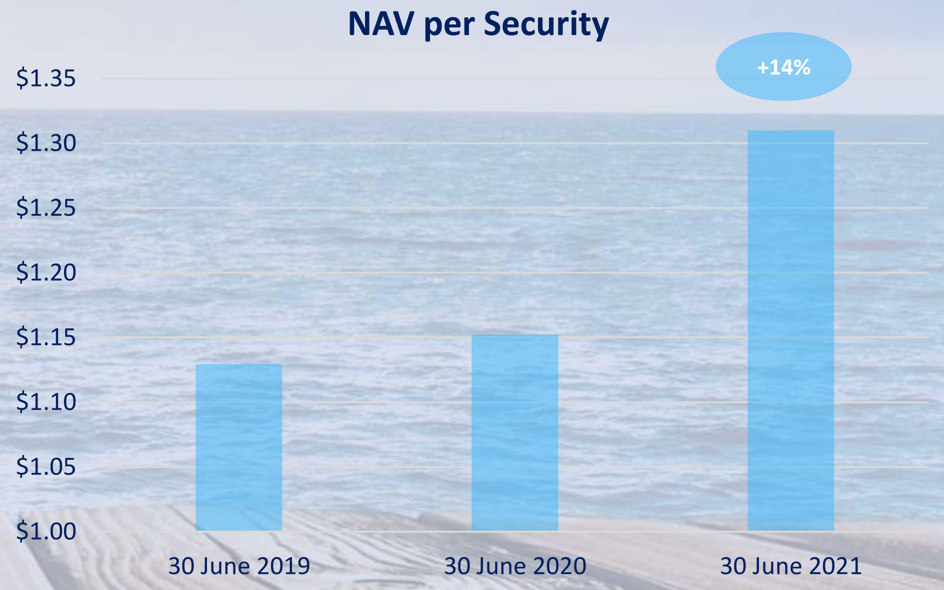


FY21 Performance (compared to FY20) - Capital

Aspen has continued to grow its business, portfolio and value while managing risks...

Total Approved Dwellings / Sites	Total Approved Sites to Develop	Total Assets	Portfolio WACR	Gearing	Book Equity	NAV
+25% to 2,747	+149% to 249	+29% to $247m	7.7% Book Value of $83k per Dwelling / Site	29%	+14% to $153m	+14% to $1.31 per security

- Added five properties to the portfolio including Cooks Hill Co-living Community, Mount Barker Land, Burleigh Heads Residential Build to Rent, Upper Mount Gravatt Co-living Community and Lewis Fields Retirement Village (all acquisition costs written off)
- Our entry prices continue to be very attractive despite a general firming in cap rates and increase in property prices across all of Aspen's markets – we continue to find opportunities to acquire and redevelop property at well below the local costs of buying existing property and developing new property
- Good balance of operational and development sites – average cost of approved development sites of $40k is a fraction of prices being paid by others
- Started recycling capital from our Perth House Portfolio, where prices have recovered to around replacement cost and net yields are <3%, into other areas where we can provide more affordable accommodation to our customer base and generate higher returns
- Gearing of 29%, below long term target range of 30-40%



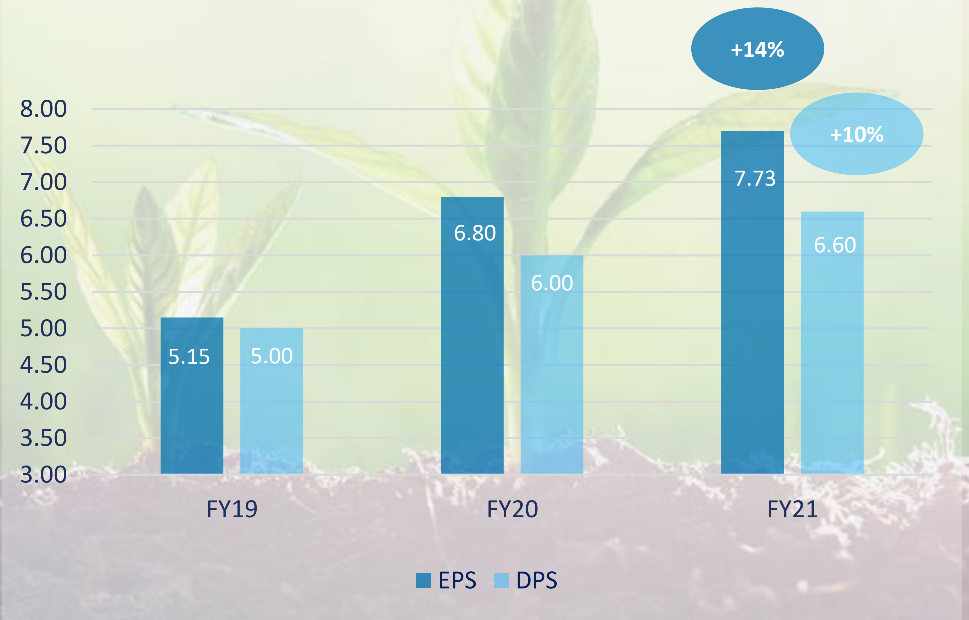
FY21 Performance (compared to FY20) – Earnings & Distributions

Aspen has continued to grow its business, portfolio and profits while managing risks...

- **Total Revenue** +18% to $36.0m
- **Property NOI** +8% to $12.7m
- **D&T Profits** +220% to $2.2m
- **MER reduced to 1.8%**
- **Operating Profit** +36% to $9.0m
- **EPS** +14% to 7.73 cents
- **DPS** +10% to 6.60 cents

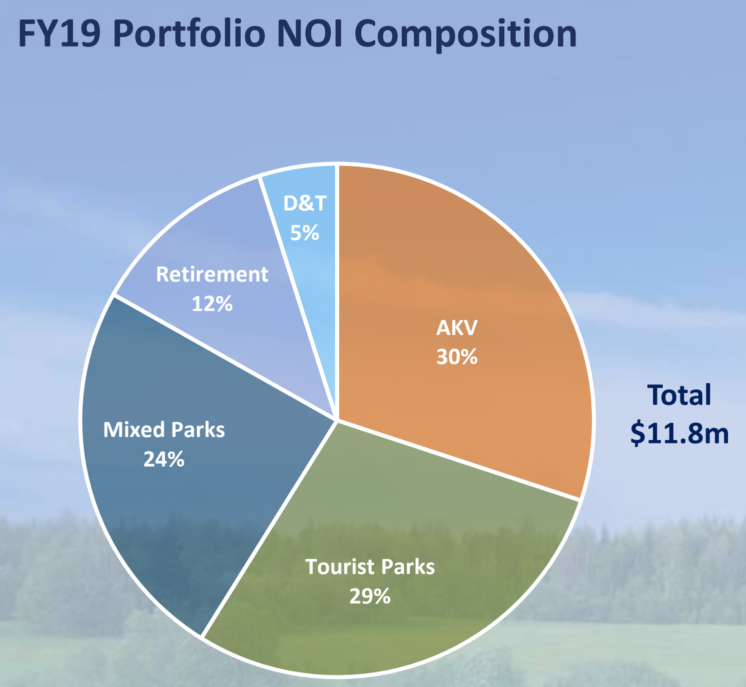
- Continued strong growth in EPS and DPS despite increased weighting to lower yielding / higher growth metropolitan residential properties and land assets, and after issuing new securities in late FY20
- Highly cash-generative business – annual operating cashflow (after interest expense) has averaged $10.4m and 9.75cps over past 2 years
- Property NOI up 8% despite a 52% decline in NOI from Aspen Karratha Village while we build a new customer base - Darwin Freespirit Resort NOI was up 332% driven by the new F&B and entertainment facilities, some recovery in short stay accommodation and cost reductions
- We continue to methodically grow development and trading (D&T) pipeline, revenues and profits – D&T profits were a measured 15% of total portfolio NOI
- Margin expansion – property operations up 2 points to 44% and D&T up 1 point to 31%
- Management Expense Ratio (MER) has reduced by more than 50% since FY19 to 1.8%

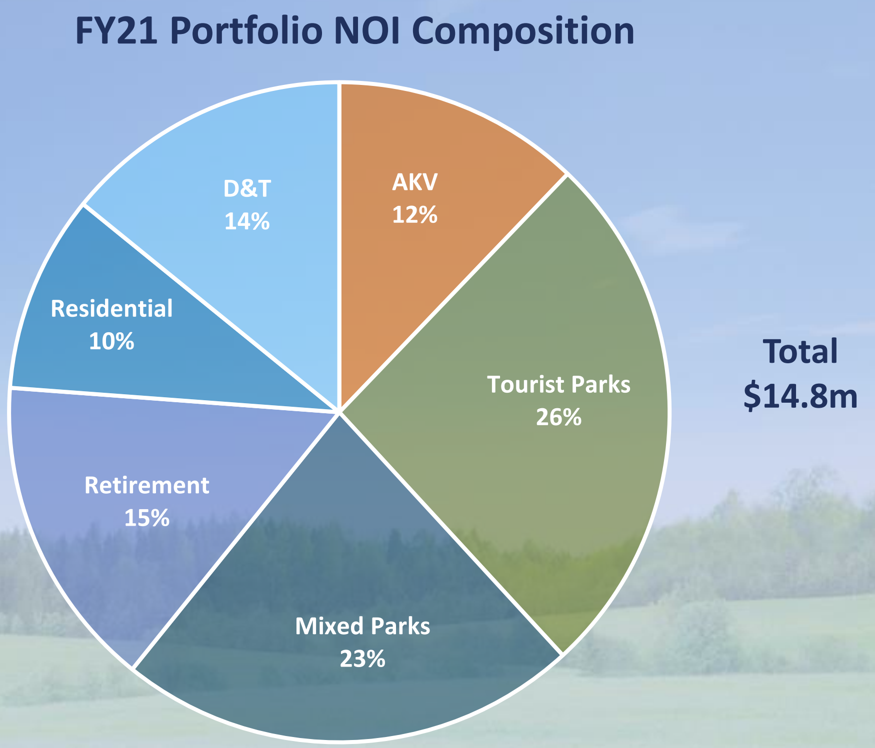
EPS and DPS (cents)



Portfolio Transformation

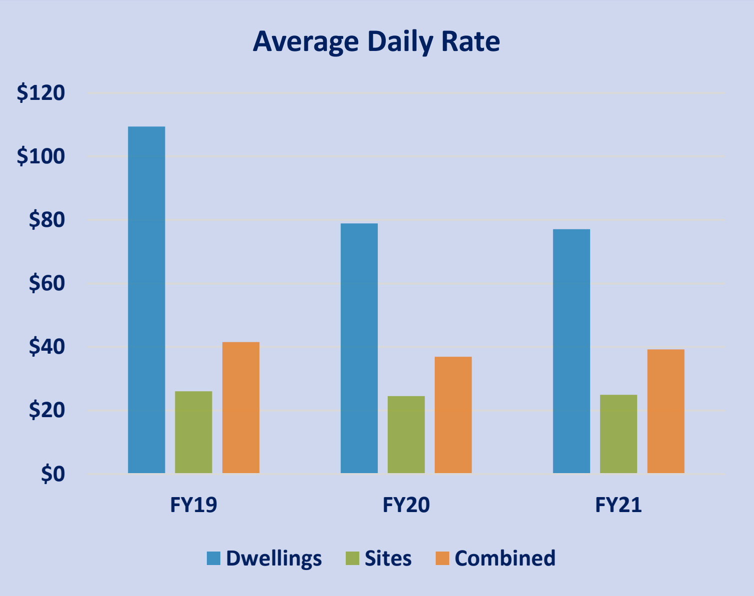
Growing our customer base, equity value and profits while diversifying risks

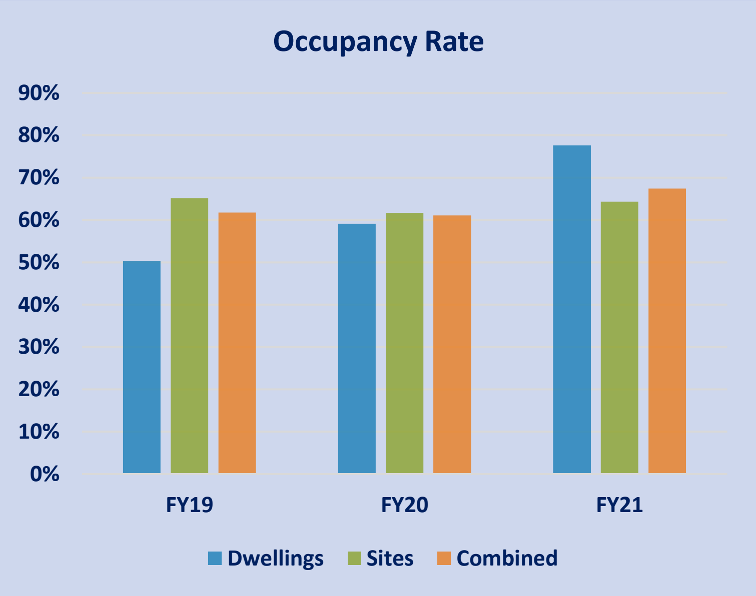


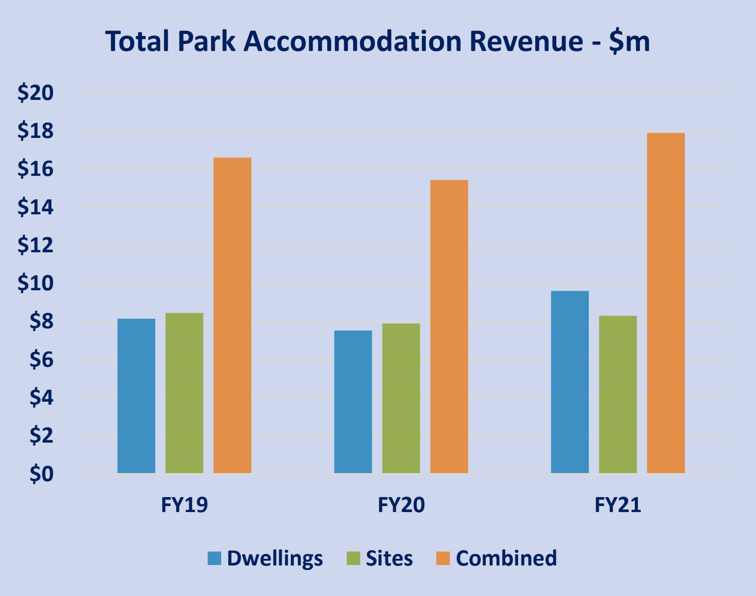


Material Profit Drivers #1

Actively pivoting between short stay and long stay leases at our Park Communities during COVID...





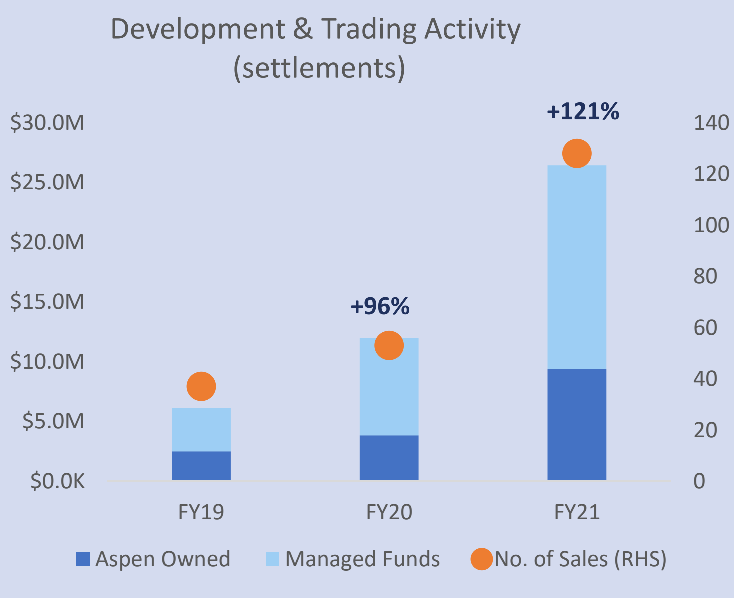


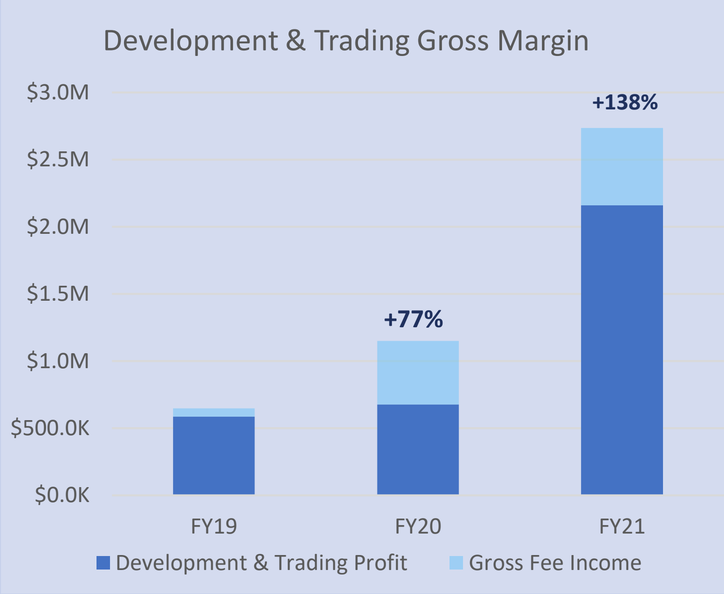
- At the start of the pandemic in early 2020 we quickly moved to leasing our traditional tourist cabins for longer stay residential purposes – we have subsequently pivoted between short stay and longer stay leasing depending on the season and the ever-changing lockdown status
- Across our whole portfolio of these cabins and sites, this strategy has resulted in lower average rates, but higher occupancy and total revenue - the cost of servicing longer stay residents is lower than for short stay, therefore total NOI has also increased
- Our two parks most impacted by COVID-19, Tween Waters near the NSW-VIC border and Adelaide Caravan Park near the Adelaide CBD, still experienced material declines in NOI – we expect NOI to recover once lockdowns end

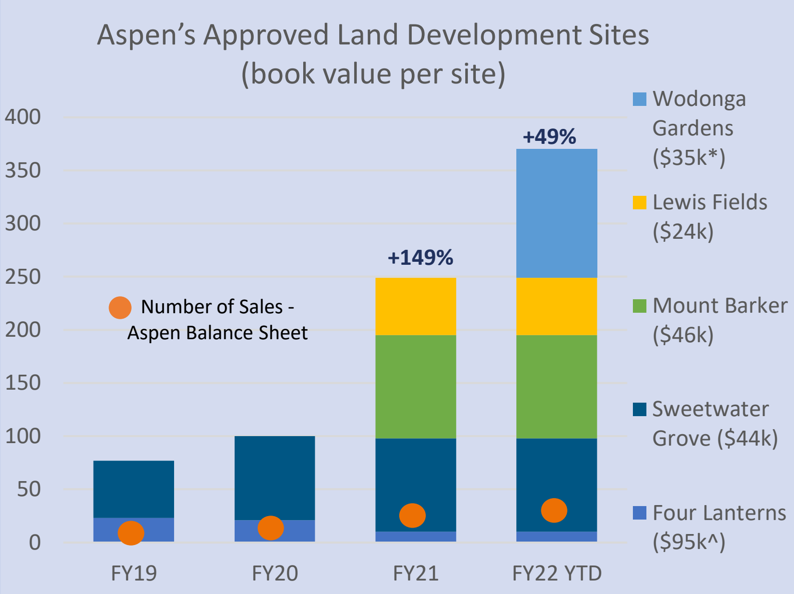
Excludes Aspen Karratha Village which was leased to Woodside under a long term arrangement until late January 2021

Material Profit Drivers #2

Growth in Development and Trading activity...





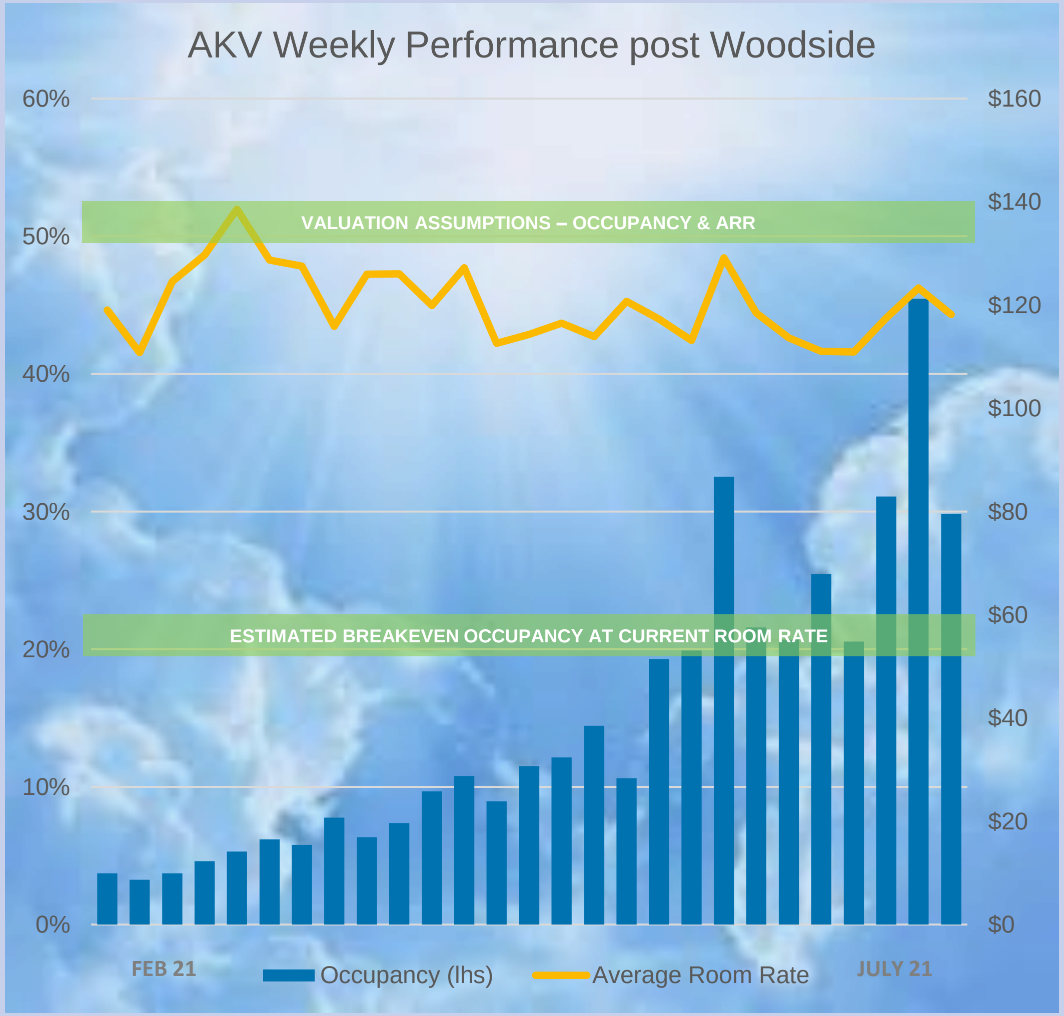


- Development and trading activity continues to increase
- Aspen achieved over $25m of development revenues from its own and funds' projects - over time we expect an increasing proportion of development activity and returns to be on Aspen's balance sheet
- The repositioning and upgrade of Sweetwater Grove into a land lease retirement community has been well received by new customers – both prices and volumes of new house sales have increased
- We are still in the planning phase for the Mount Barker development – optimising the configuration and mix of residential and land lease sites (STCA)
- The acquisition of the Lewis Fields and Wodonga Gardens retirement communities adds 175 approved land development sites to Aspen's pipeline at a very low cost
- We expect to continue to rapidly grow D&T profits – we have already secured 31 deposits/contracts/sales in FY22 compared to 26 sales on balance sheet in FY21

* Wodonga Gardens value is Aspen's contracted purchase price – not yet externally valued. ^Four Lanterns sites are fully developed with all site infrastructure installed

Material Profit Drivers #3

Steady progress building a new customer base at Aspen Karratha Village...



- At AKV we pivoted to a short stay model after Woodside's lease expiry in January 2021
- We have internalised management of the property and relocated our park manager from Darwin Freespirit Resort – we now have greater control over the operations and distribution, and we have also reduced costs
- We are upgrading cabins and common areas which will further enhance AKV as one of the best parks in the region
- Occupancy has been building well across a very diverse customer base and room rates are materially higher than than under Woodside's lease
- Discussions are ongoing with major corporates for longer term leases – much of the potential growth in Karratha is contingent on Woodside greenlighting its major projects which has taken longer than we expected, but will hopefully occur in 1HFY22
- AKV's NOI was down 52% in FY21 compared to FY22 and -$78k in the second half – it has become profitable again in recent times and has been steadily building towards the calendar 2022 valuation assumptions, being:
  - Occupancy 52.5%
  - ARR $134 per night
  - NOI $2.9m
- However, AKV NOI is very uncertain and likely to remain volatile while we operate it under a short stay model - Aspen is now in a stronger position to take this risk with the potential benefit of higher returns

Financial Performance – FY21

Key Metrics	FY21 $m	FY20 $m	Change
Statutory Profit	**25.39**	**11.87**	114%
Total Revenue	**35.95**	**30.37**	18%
Operating & Development Net Income	**14.84**	**12.46**	19%
Margin	41%	41%	
- Rental & ancillary services revenue	29.07	28.13	3%
- Direct property expenses	(16.39)	(16.34)	
Net Operating Income	**12.68**	**11.78**	8%
Operating Margin	**44%**	**42%**	
- Development & trading revenue	6.88	2.25	206%
- Cost of sales	(4.72)	(1.57)	
Net Development & Trading Income	**2.16**	**0.68**	220%
Development & Trading Margin	**31%**	**30%**	
Net Corporate overheads	(4.50)	(4.43)	1%
Operating EBITDA	**10.34**	**8.03**	29%
Net finance expense	(1.34)	(1.39)	(3%)
Tax	-	-	-
Operating Profit[1]	**9.00**	**6.64**	36%
Securities (weighted)	116.4	97.6	19%
Operating EPS (cents)	**7.73**	**6.80**	14%
DPS (cents)	**6.60**	**6.00**	10%

- **Rental and ancillary services revenue up 3%** - mainly attributable to higher contributions from Darwin FreeSpirit Resort particularly from its new F&B and entertainment facilities, pivoting between short and long stay leases, and contributions from acquisitions including the Perth House Portfolio, Cooks Hill and Uniresort Co-Living communities
- **Net Operating Income up 8%** - margin improved to 44% driven by good cost controls across the business
- **Net Development & Trading Income up 220%** - sale of 26 houses mainly at Sweetwater Grove and Four Lanterns at an average margin of $83k (7 in FY20 at average margin of $96k)
- **Net corporate overheads up 1%** - lower management expense ratio of 1.8%. Includes project management fees of $0.4m from the Mill Hill Capital funds
- **Net interest expense down 3%** - lower interest rates offset higher borrowings
- **Nil tax** – Aspen has a material amount of historic tax losses that currently shelters taxable profits
- **EPS up 14%**
- **DPS up 10%**
- The insurance payout relating to the NSW South Coast bushfires in early 2020 has not been included in Operating Profit

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

Balance Sheet and Capital Management

Key Metrics	FY21 $m	FY20 $m	Change	Dec 2020 $m
Property Assets	228.7	167.0	37%	185.7
Total Assets	246.5	190.7	29%	205.4
- Cash	8.3	8.2		7.9
- Gross Debt	74.7	42.5		53.6
Net Debt	66.4	34.3	93%	45.7
Gearing[1]	27.9%	18.8%		23.1%
Loan to Value Ratio[2]	30.2%	20.6%		25.0%
Interest Cover Ratio[3]	7.1x	5.5x		6.9x
Net Asset Value (NAV)	152.6	134.0		140.2
Securities at period end	116.4m	116.3m		116.4m
NAV per Security	**$1.31**	**$1.15**	**14%**	**$1.20**

- **Property Assets up 37%** - driven mainly by the acquisition of Cooks Hill and Uniresort co-living communities, Mount Barker land, Burleigh Heads build to rent community, and the Lewis Fields Retirement Village, and revaluation gains
- Drawn debt of $74.7m, gearing of 27.9% and LTV of 30.2% - comfortably below covenant limit of 50%
- Interest Cover Ratio (ICR) of 7.1x - comfortably above facility covenant limit of 2.0x
- **NAV up 14%** over the year

1. Net Debt divided by Total Assets less Cash less RV Resident Obligations (target range of 30-40%). 2. Debt facility LTV covenant is 50%. 3. Debt facility ICR covenant is 2.0x

Outlook

Aspen is well positioned to continue to grow profits and the book value of equity over the medium term and we are aiming for growth of at least 10% per annum...

- **Residential:**
  - Currently achieving average rent increase of 13% on lease renewals for our Perth houses post ending of WA's moratorium in late March 2021
  - At Upper Mount Gravatt Co-Living occupancy is ahead of expectations and we have reduced costs quickly – NOI yield was over 7% annualised in first 3 months of ownership (versus initial guidance of 5% within 18 months)
  - Burleigh Heads refurbishment is underway, and we expect the first 8 houses to be completed and leased by December 2021 with the remainder by June 2022. Total cost is expected to be $8.7m and net yield over 5.5%. Prices and rents have increased in this market since acquisition
  - Cooks Hill Co-living redevelopment into 50 self-contained apartments has been approved and works are about to commence. We expect the project to be completed by the end of FY22 and start contributing to earnings in FY23. Total cost is expected to be $9.1m and net yield over 5.5%. Prices and rents have increased in this market since acquisition

- **Retirement Communities:**
  - Land rents continue to increase at around 2-4% per annum – Mandurah Gardens increase was delayed due to the WA moratorium
  - Number of land leases continues to grow due to development activity - sales volumes and prices have been increasing for new houses at Sweetwater Grove and we expect Four Lanterns to be sold out this year
  - Already 3 DMF rolls at Lewis Fields since acquisition – residents are supportive of our proposal to change to a land lease model for new houses
  - Wodonga Gardens acquisition is expected to settle in late August

- **Park Communities:**
  - Expect continued volatility due to COVID-19 and associated lockdowns
  - Tween Waters and Adelaide Caravan Park have been impacted the most and are expected to be more profitable once lockdowns end
  - Darwin Freespirit Resort is currently in its high season and is performing above last year
  - We remain positive about Karratha's growth prospects - AKV occupancy has been building well and room rate is well above the prior rate with Woodside, but NOI will remain volatile until a new short stay customer base is more established and or we enter into longer term leases with corporate customers
  - Plenty of opportunities to improve our accommodation offering and profits through refurbishment / repositioning / redevelopment

- **Development & Trading:**
  - Development of new houses: already deposited/contracted/sold 31 in FY22 compared to 26 sales in all of FY21
  - Existing houses: selectively recycling capital from Perth houses at c.$100k profit margin on cost and <3% net yield – already deposited/contracted/sold 9 houses in FY22 compared to 2 sales in all of FY21

- **Acquisitions:**
  - Today we announced a new major acquisition of the Perth Apartment Portfolio at a price of $101k per apartment - this further enhances Aspen's leading position in truly affordable accommodation

Aspen's Credentials

- ✓ Customer-centric provider of quality accommodation on competitive terms
- ✓ Highly experienced and disciplined management team with substantial shareholdings in the company
- ✓ Integrated ownership, operating and development platform that is scalable
- ✓ Over 3,400 approved dwellings/sites generating diversified and reliable revenue streams
- ✓ Ample organic growth opportunities within the portfolio through refurbishment/repositioning/redevelopment
- ✓ Acquisitions constantly under review - addressable market worth over $1 trillion and growing
- ✓ Opportunities to recycle capital to fund profitable growth
- ✓ Strong ESG credentials – taking care of households that need more affordable accommodation, the environment, employees, suppliers and shareholders

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Portfolio Summary

Current Portfolio Summary

Current Portfolio Aggregates[1]

Properties	20
Land Area	92.4 hectares
Approved Sites	3,433
Dwellings owned by Aspen	1,695
Density:	
- sites per hectare	37
Portfolio Value:	$287m
- per hectare	$3.1m
- per approved dwelling/site	$83k
Valuation WACR	6.93%

- Aspen currently has 20 properties valued at approximately $287m:
  - Average value of approximately $83k per approved dwelling/site
  - Only $3.1m per hectare / $310 per sqm of land
  - WACR of 6.93%
- Aspen also manages two major residential and retirement projects and earns project management 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 have alternative uses and 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 – providing our customers attractive lifestyles options at competitive prices and rents

Camping / Sites

Cabins

Manufactured Homes

Residential Homes

Apartments / Co-Living

1. Including the acquisitions of Wodonga Gardens Retirement Estate and Perth Apartments Portfolio at purchase price (before acquisition costs) which contracted post FY21 and have not yet settled

Aspen’s Competitive Prices and Rents

Current Metrics[1]:

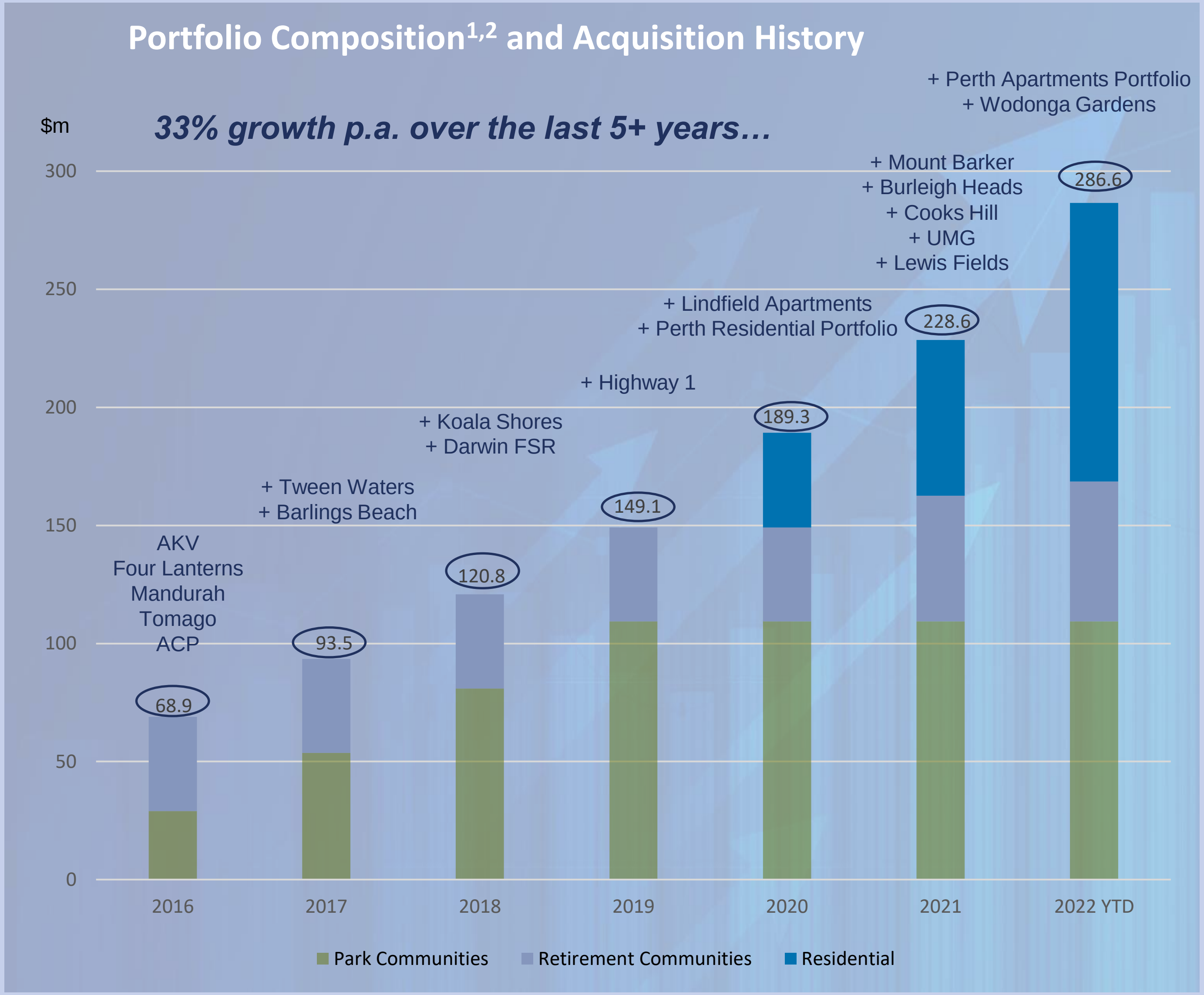
Portfolio Value	**$287m**
Number of Dwellings/Sites	**3,433**
Average Value per Dwelling/Site	**$83k**
WACR	**6.93%**

Houses	Apartments	Mixed Use Parks	Land Lease Communities	Co-Living
				

	Houses	Apartments	Mixed Use Parks	Land Lease Communities	Co-Living
Average Book Value per Dwelling/Site	$342k	$287k	$77k	$79k	$60k
Average Weekly Rent (Medium/Long Term)	$358	$268[2]	$340[3]	$166	$207

1. Including the acquisitions of Wodonga Gardens Retirement Estate and Perth Apartments Portfolio at purchase price (before acquisition costs) which contracted post FY21 and have not yet settled
2. Includes residents under Retirement Village leases at below-market rent
3. Based on short stay cabin conversions into longer term leases

Aspen's Portfolio Composition & Growth



- Aspen's portfolio composition and income streams have improved materially over the past few years.
  - 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 rent and sell
  - Continued pivoting between short stay and long stay offer when conditions change to maximise profits
  - AKV weighting has reduced considerably – Aspen is in a stronger position to be able to optimise risks/rewards

1. Based on property carrying values at FY21. Including the acquisitions of Wodonga Gardens Retirement Estate and Perth Apartments Portfolio at purchase price (before acquisition costs) which contracted post FY21 and have not yet settled
2. Excludes value of CREST and Coorong Quays which are managed by Aspen Group and owned by Funds

FY22 YTD Acquisitions – Attractively Priced and Building Significant Scale

Wodonga Gardens Retirement Estate, Victoria



Perth Apartments Portfolio




	Wodonga Gardens Retirement Estate, Victoria	Perth Apartments Portfolio
Status:	Contracted July 2021	Contracted August 2021
Purchase Price:	$6.01m	$52.0m
Dwellings/Sites:	172 comprising: 51 Homes and 121 approved development sites	514 apartments
Land Area:	8.8 hectares	4.7 hectares
Value Metric:		
- Per Site/	$35k per site	$101k per apartment

H2 FY21 Acquisitions – Attractively Priced

Uniresort Co-Living, Upper Mount Gravatt, QLD

Lewis Fields Retirement Village, Strathalbyn, SA

Status:	Settled April 2021	Settled June 2021
Purchase Price:	$18.5m	$2.36m
Approved Sites/Dwellings:	308	80 comprising: 26 Homes and 54 approved development sites
Land Area:	1.2 hectares	3.7 hectares
Value Metric:		
- Per Site/dwelling	$60k per room or $280k per apartment	$30k per site


Aspen Karratha Village, WA

3

Operations and Development & Trading

Property NOI – FY21 vs. FY20

Residential Communities

- Cooks Hill – Under development
- Perth Residential – +139%
- Uniresort – New
- Lindfield Apartments – +83%
- Burleigh Heads – Under development

Retirement Communities

- Four Lanterns – +6%
- Lewis Fields – New
- Mandurah Gardens[1] – -5%
- Sweetwater Grove – -4%
- Mount Barker – Under development

Park Communities

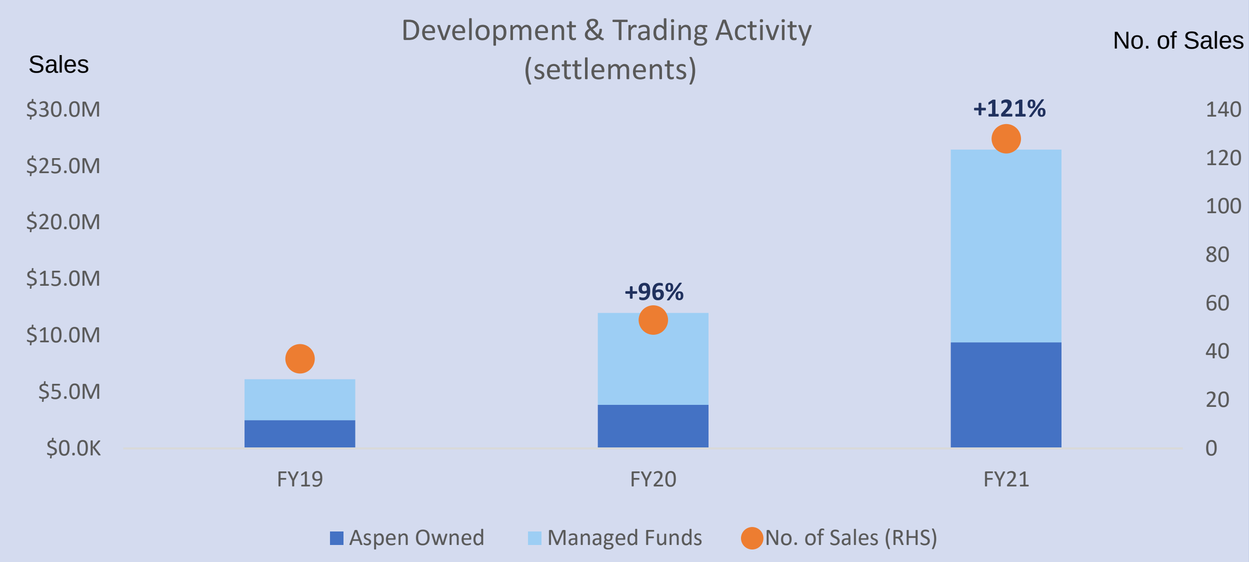
- Barlings Beach – +18%
- Darwin FSR – +332%
- AKV – -52%
- Highway One – -2%
- Koala Shores – +48%
- Adelaide CP – -34%
- Tween Waters – 110%

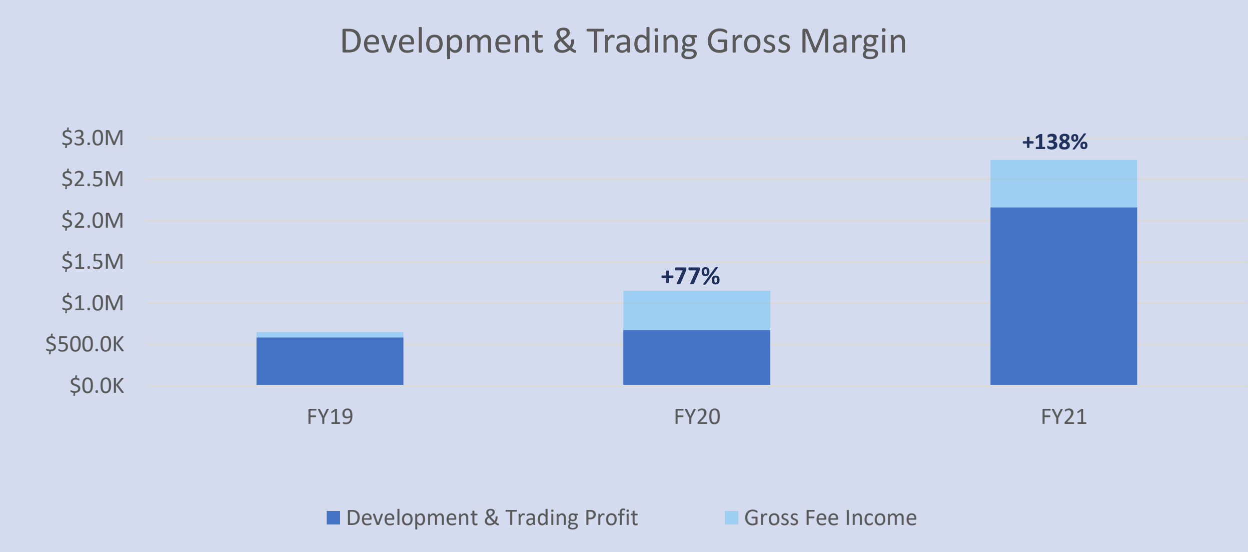
1. Adjusted for abnormal land tax refund in FY20

Development & Trading Activity

Solid momentum in development and trading activity has continued in FY21 with 26 house settlements v. 7 for FY20:

- **Development and sales of houses** under a land lease model:
  - 23 house settlements in FY21 v. 7 for FY20
  - Four Lanterns: profit of $1,195k from the sale of 11 houses ($676k profit in FY20)
  - Sweetwater Grove sales commenced in FY21 generating profit of $693k from the sale of 12 houses
  - The average sales margin at Four Lanterns was $109k and $58k at Sweetwater Grove
  - Mandurah Gardens Estate: profit of $84k was recorded on the sale of the manager residence that is no longer required
- **Project management** of MHC Funds' residential and retirement developments:
  - Fee income of $400k ($350k in FY20)
- **Resale of homes** in our communities where Aspen acts as agent:
  - Gross fee income[1] of $175k from the resale of 15 homes at Mandurah Gardens Estate excluding manager residence ($125k in FY20)
- **Trading profits** from sale of existing properties:
  - We continue to selectively sell houses from the Perth residential house portfolio where it is more beneficial to sell than to re-lease once tenants vacate and refurbishment works are completed. In FY21 profit of $187k was recorded on the sale of 2 houses at an average sales margin of $93k.





1. Before sales fees

Marina at Coorong Quays, SA

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Managed Funds

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Funds Managed by Aspen – FY21

Coorong Quays

- Operating profit 16% above FY21
- Marina berth occupancy up 12%
- Excellent land sales with 131 contracts in FY21 compared to 23 for FY20. 80 land and house lots are due for settlement in FY22 at 30 June 2021
- Land prices have moved up across the development with similar lots selling in FY21 for over 50% more than in FY20.
- Completed civil works on 72 residential land lots in 1H FY21 and commenced works on a further 70 lots for completion in 1H FY22.
- Preparation on a further 65+ land lots to be developed in 2H FY22
- 6 houses in ACLV have sold or contracted in FY21. We have 1 house in inventory and a further 4 houses under construction We are now developing a pipeline of off-plan sales with 1 already completed.
- Project on track for at least a 2-3x equity multiple

CREST @ Woodside

- All civil works are approaching completion, with all titles expected to be created in 1HFY22.
- 20 houses and 9 land lots (29 in total) settled in FY21 compared to 15 for FY20.
- There are contracts on a further 31 house and land lots to be settled in FY22.
- Final 12 homes are undergoing their refurbishments with completion expected by Oct 2022.
- Currently undertaking feasibility and planning for the creation of further lots on a c.3ha portion of the site
- Project on track to generate 2-3x equity multiple

Rockleigh

- All lots have now been sold and settled

Coorong Quays, SA – a developed and sold-out land stage from FY21


Alexandrina Cove Lifestyle Village, Coorong Quays, SA – new homes

5

ESG

Environmental, Social and Corporate Governance Program

Social

- Aspen improves society and reduces inequality by providing quality accommodation on affordable terms to a wide variety of Australian households in residential, retirement and park communities. We typically rent dwellings for under $400 per week and land sites for under $200 per week and sell new houses at our land lease communities for under $400,000.

- 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 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.

- Some of our properties are located in past and present Indigenous communities and we actively seek to help these communities and conserve heritage items. For instance, to help protect the Barlings Beach Aboriginal Place, we recently 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 property.

Environmental

- Looking after the environment, today and for future generations is essential. We recognise the need to continually reduce environmental impacts, work towards sustainable resource use and ensure emissions are at or below levels that can be reabsorbed without harm.

- Aspen has a carbon emission reduction target for the assets that it controls that is in accordance with the 2015 Paris Agreement.

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

- Reduced resource use, energy intensity and CO_2 emissions are inherent in Aspen's business model because we provide accommodation with some or all the following attributes:
  - Communal living – more efficient sharing of resources such as living, dining, entertaining and recreational spaces, and transport (community bus)
  - Dwelling size less than half the Australian average for new homes – 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 must meet current regulated building standards including energy efficiency (eg. replacing obsolete vans/annexes with highly insulated Xodboxes that require significantly less energy to operate)
  - Renewable energy installations such as rooftop solar, solar-boosted gas/electric water heaters and solar street lighting - we intend to install batteries at our properties if they become economic for our customer base
  - Water saving devices and recycling - clean water requires energy to produce and distribute
  - Community gardens - local food production reduces transport requirements and absorbs CO_2
  - Recycling and composting facilities - composting food reduces CO_2 emissions relative to burying food
  - Relatively high levels of vegetation that absorbs CO_2
  - Replacing our vehicles with more efficient or electric/hybrid versions when appropriate
  - Metering – making customers more aware of their electricity, gas and water use and charging directly for it to influence behaviour

Environmental, Social and Corporate Governance Program

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. Between the two entities' Boards, there are currently 6 members of which 5 are considered independent. The only member who is considered non-independent is the Joint Chief Executive Officer by virtue of his executive role and substantial shareholding 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 are 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 where 50% of total remuneration is deferred for up to 3 years and subject to vesting conditions including qualitative and quantitative performance measures.

Further information on Aspen's ESG program including our approach to sustainable procurement, employees, and OH&S is available on our company website.


Koala Shores Holiday Park, NSW

Appendix A

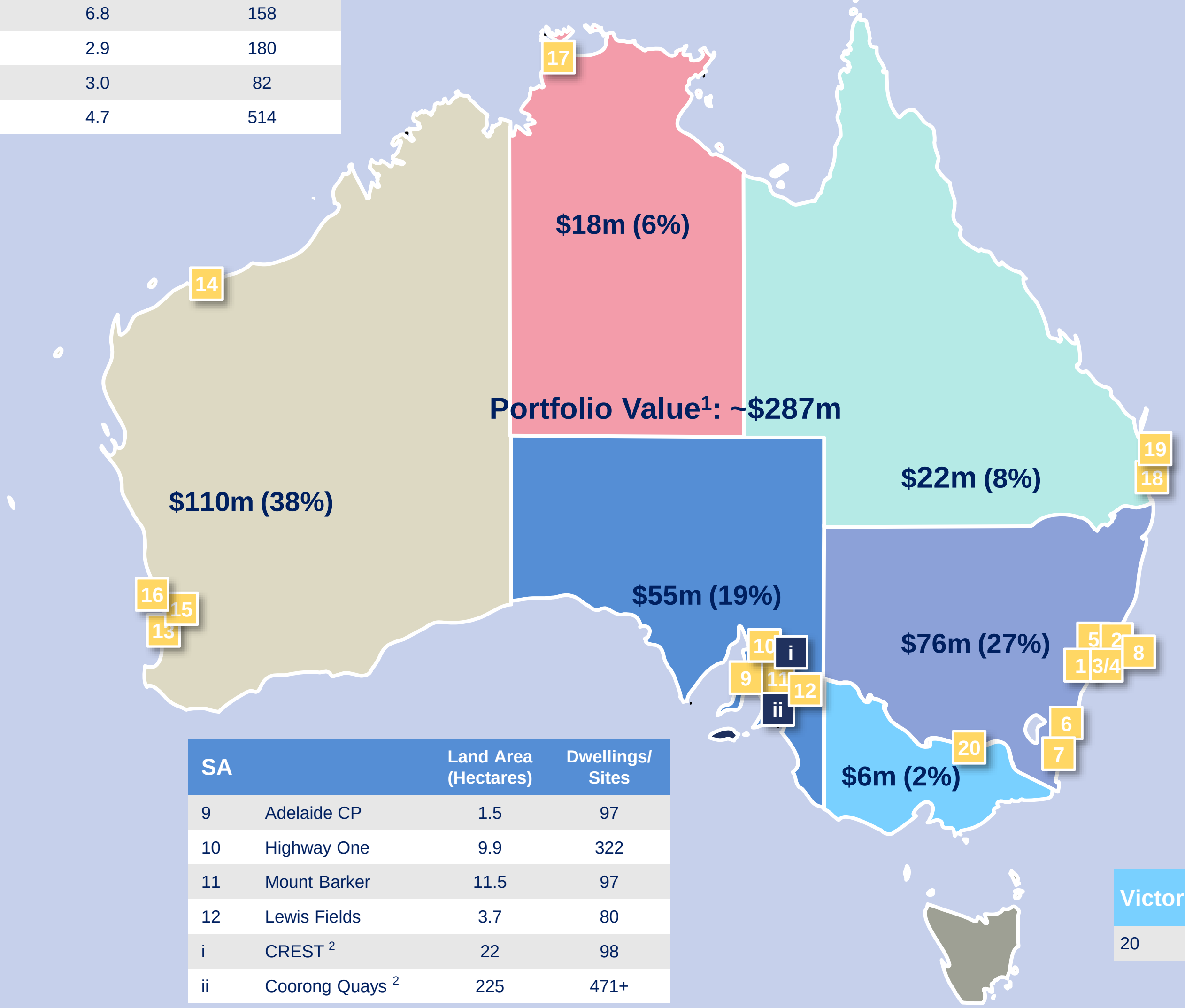
Property Details

Aspen's portfolio is geographically diversified…

WA		Land Area (Hectares)	Dwellings/Sites
13	Mandurah	6.8	158
14	AKV	2.9	180
15	Perth House Portfolio	3.0	82
16	Perth Apartment Portfolio	4.7	514

NT		Land Area (Hectares)	Dwellings/ Sites
17	Darwin FreeSpirit	10.8	461

Queensland		Land Area (Hectares)	Dwellings/ Sites
18	Burleigh Heads	0.9	18
19	Uniresort UMG	1.2	308



NSW		Land Area (Hectares)	Dwellings/ Sites
1	Four Lanterns	3.9	131
2	Sweetwater Grove	6.0	214
3	Lindfield Kiah	0.19	20
4	Lindfield Kalinda	0.16	22
5	Koala Shores	5.1	144
6	Barlings Beach	8.8	260
7	Tween Waters	1.9	98
8	Cooks Hill	0.19	55

SA		Land Area (Hectares)	Dwellings/ Sites
9	Adelaide CP	1.5	97
10	Highway One	9.9	322
11	Mount Barker	11.5	97
12	Lewis Fields	3.7	80
i	CREST [2]	22	98
ii	Coorong Quays [2]	225	471+

Victoria		Land Area (Hectares)	Dwellings/ Sites
20	Wodonga Gardens	8.8	172

1. Including the acquisitions of Wodonga Gardens Retirement Estate and Perth Apartments Portfolio at purchase price (before acquisition costs) which contracted post FY21 and have not yet settled
2. CREST and Coorong Quays are owned by Funds managed by Aspen Group

Aspen Group: Portfolio Summary

	New South Wales									Victoria	Queensland		
	Four Lanterns	Lindfield Kiah	Lindfield Kalinda	Sweetwater Grove	Koala Shores	Cooks Hill	Barlings Beach	Tween Waters	Total NSW	Wodonga Gardens[6]	Uniresort	Burleigh Heads	Total QLD
Region	Sydney Metro	Sydney Metro	Sydney Metro	Central Coast	Central Coast	Central Coast	South Coast	South Coast		Albury-Wodonga	Brisbane Metro	Gold Coast	
Land Ownership	Freehold	Freehold	Freehold	Freehold	Free/Leasehold	Freehold	Freehold	Freehold		Freehold	Freehold	Freehold	
Resident Tenure	Land Lease	Rental	Rental	Land Lease / Rental	Short Stay	Rental	Land Lease / Short Stay	Short Stay		Retirement Village	Rental	Rental	
Total Land Area (HA) [1]	3.9	0.19	0.16	6.0	5.1	0.19	8.8	1.9	**26.3**	**8.8**	1.2	0.94	**2.1**
Operational Sites	121	20	22	126	144	55	260	98	**846**	**51**	308	18	**326**
Pipeline - Undeveloped Sites	10	0	0	88	0	0	0	0	**98**	**121**	0	0	**0**
Total Approved Sites [2]	131	20	22	214	144	55	260	98	**944**	**172**	308	18	**326**
- per Ha	33	104	140	36	28	289	30	50	**36**	**20**	256	19	**152**
Owned Dwelling Inventory [3]	0	20	22	1	40	55	33	33	**204**	**51**	308	18	**326**
- per Approved Site	0%	100%	100%	0%	28%	100%	13%	34%	**22%**	**30%**	100%	100%	**100%**
Book Value [4] ($m)	$12.44	$7.00	$5.06	$13.63	$9.75	$3.87	$16.45	$8.10	**$76.31**	**$6.01**	$18.50	$3.52	**$22.02**
Valuation Cap Rate [5]	6.50%	3.74%	3.97%	8.50%	8.85%	N/A	7.75%	9.00%	**7.31%**	**N/A**	5.68%	N/A	**5.68%**
Value Per HA ($m)	$3.17	$36.31	$32.26	$2.27	$1.92	$20.38	$1.88	$4.16	**$2.91**	**$3.40**	$15.35	$3.74	**$10.26**
Value Per Approved Site	$94,977	$350,200	$229,909	$63,710	$67,708	$70,400	$63,269	$82,653	**$80,837**	**$34,942**	$60,065	$195,500	**$67,543**

Aspen Group: Portfolio Summary

	Western Australia					South Australia					NT	Australia
	Mandurah Gardens	AKV	Perth House Portfolio	Perth Apartment Portfolio[6]	Total WA	Adelaide CP	Highway One	Mount Barker	Lewis Fields	Total SA	Darwin FSR	
Region	South Coast	Pilbara	Perth Metro	Perth Metro		Adelaide Metro	Adelaide Metro	Adelaide Hills			Darwin Metro	
Land Ownership	Freehold	Freehold	Freehold	Freehold		Freehold	Freehold	Freehold			Freehold	
Resident Tenure	Land Lease	Short Stay	Rental	Rental		Short Stay	Short Stay / Land Lease		Retirement Village		Short Stay / Rental	
Total Land Area (HA) [1]	6.8	2.9	3.3	4.7	**17.8**	1.5	9.9	11.5	3.7	**26.6**	**10.8**	**92.4**
Operational Sites	158	180	82	514	**934**	97	322	0	26	**445**	**461**	**3,063**
Pipeline - Undeveloped Sites	0	0	0	0	**0**	0	0	97	54	**151**	**0**	**370**
Total Approved Sites [2]	158	180	82	514	**934**	97	322	97	80	**596**	**461**	**3,433**
- per Ha	23	62	25	108	**53**	65	33	8	22	**22**	**43**	**37**
Owned Dwelling Inventory [3]	0	180	82	514	**776**	47	115	N/A	26	**188**	**150**	**1,695**
- per Approved Site	0%	100%	100%	100%	**83%**	48%	36%	N/A	33%	**32%**	**33%**	**49%**
Book Value [4] ($m)	$13.73	$16.00	$28.05	$52.00	**$109.78**	$13.10	$28.35	$4.59	$8.82[7]	**$54.86**	$17.59	**$286.58**
Valuation Cap Rate [5]	7.58%	17.00%	3.01%	4.00%	**6.09%**	8.01%	8.24%	N/A	N/A	**8.17%**	**9.00%**	**6.93%**
Value Per HA ($m)	$2.03	$5.47	$8.40	$10.96	**$6.18**	$8.73	$2.87	$0.40	$2.38	**$2.06**	**$1.63**	**$3.10**
Value Per Approved Site	$86,899	$88,889	$342,073	$101,167	**$117,537**	$135,052	$88,043	$47,361	$110,250	**$92,054**	**$38,161**	**$83,477**

1. Sweetwater Grove 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. Property 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. Perth apartment portfolio is current estimate of stabilised yield
6. Acquisition of Wodonga Gardens Retirement Estate and Perth Apartments Portfolio at purchase price (before acquisition costs) which contracted post FY21 and have not yet settled
7. Based on gross book value

Operational Performance and Opportunities

	Residential Communities				
	Perth Portfolio	Lindfield Apartments	Cooks Hill Co-Living	Burleigh Heads	UMG
Highlights	▪ Modern family dwellings acquired in Nov 2019 for $20.0m[1] equating to average price of $238k per dwelling ▪ Portfolio is generally fully leased[2], quality of tenancies has improved and arrears have declined ▪ Achieved average rent increase of 13% on lease renewals ▪ Portfolio has been externally revalued at $28.05m, representing over 40% increase on cost	▪ Treatts Road refurbishment program almost complete and only 3 Retirement tenants remaining ▪ Both Treatts Road and Pacific Highway properties are generally fully leased[2] and market rents have been recovering from cyclical lows during the depths of COVID	▪ Acquired in July 2020 for $3.75m[1] equating to only $68k per room ▪ Council have approved plans to redevelop and expand into a co-living community with 50 self-contained studio apartments ▪ The building has been fully vacated in preparation for building works which are anticipated to take approximately 9 months to complete ▪ Total cost is expected to be $9.1m ($182k per unit) and net yield over 5.5%	▪ Acquired in December 2020 for $3.15m[1] equating to average price of $175k per house ▪ Engineering and refurbishment works have commenced and are anticipated to take approximately 9 months to complete ▪ Total cost is expected to be $8.7m ($483k per house) and net yield over 5.5%	• Acquired in April 2021 for $18.5m[1] equating to an average of $60k per room or $280k per apartment. • Occupancy increase and cost reduction achieved quickly • NOI yield was over 7% annualised in first 3 months of ownership (versus initial guidance of 5% within 18 months)
Opportunities	▪ We continue to selectively redeploy capital from our Perth residential portfolio where it is more beneficial to sell than to re-lease once tenants vacate and refurbishment works are completed. In FY22 we have so far settled the sale of five houses and entered into conditional contracts on another four at an average price of $435k and average profit margin per house of $107k after all costs	▪ Review of Retirement Village scheme status at Treatts Road ▪ Pacific Highway property is zoned high density residential	▪ Median price of 1 bedroom units in Newcastle is $530k (Domain.com.au)	▪ Median price of 3 bedroom houses in Burleigh Heads is $913k (Domain.com.au)	▪ The land is zoned High Density Residential Up to 8 stories, and about 24,000sqm of gross floor area can be developed which is over twice the current density

1. Pre-transaction costs. 2. Excluding dwellings under refurbishment or for sale

Operational Performance and Opportunities

	Retirement Communities			Park Communities	
	Four Lanterns	Mandurah Gardens	Sweetwater Grove	Barlings Beach	Highway One
Highlights	▪ NOI up 6% on FY20 with increased rate, increased number of sites leased and good cost control ▪ 11 new house sales were settled in FY21 at an average price of $338k	▪ NOI down 5% on FY20 (adjusted for land tax reversal in pcp) reflecting the moratorium on rent increases which was lifted on 28 March 2021 ▪ 16 houses were sold in FY21 (vs 9 in FY20), with 13 being sold in H2 as Perth residential vacancies have declined and residential rents and prices have increased • We have reduced our sales commission rate to encourage higher internally managed sales	▪ The repositioning and upgrade into a land lease retirement community has been well received by new customers ▪ NOI down 4% on FY20 primarily due to development works which has reduced the number of leased dwellings/sites ▪ Stage 1 of community upgrade and addition of 29 new houses well underway - 12 new house sales were settled in FY21 at an average price of $230k and land rent of $160 per week	▪ NOI up 18% on FY20 due to increase in rates, pivoting the traditional tourist cabins between short stay and longer stay leases sat optimal times, and because FY20 was impacted by the summer bushfires	▪ NOI down 2% on FY20 with short stay tourism and corporate custom being impacted by COVID and chaotic travel and gathering restrictions ▪ Trial of 4 new Xodboxes has been very successful – quickly leased for residential use at rents of $275-$325 per week, achieving marginal ROCE >15%
Opportunities	▪ 10 developed land sites available for the final stage and we have commenced selling new houses off the plan ▪ 6 houses contracted/deposited so far in FY22 ▪ Local vacant land prices are higher than book value ▪ Improvement / churn of existing dwellings over time	▪ Steady sales in FY22 with 4 settlements/contracts already	▪ Increased pricing on new houses ▪ 8 houses contracted/deposited in FY22 already ▪ New house pipeline increased by freeing up land – still 88 sites remaining ▪ Improvement / churn of existing dwellings over time ▪ Expect cap rate compression from 8.50% as property is converted into higher quality retirement community	▪ Upgrade of park facilities and infrastructure has commenced following completion of heritage study ▪ Potential to further differentiate site fees in accordance with location (beachside v. landside) ▪ Potential to sell our beachfront tourist cabins and lease the land sites to increase ROCE	▪ Infrastructure upgrades to improve efficiency and amenity ▪ Expanding affordable long term cabin rental and land lease product on under utilised land ▪ Opportunities to acquire adjoining land

Operational Performance and Opportunities

	Park Communities				
	Adelaide CP	Koala Shores	Tween Waters	Darwin Freespirit	AKV
Highlights	▪ NOI down 34% on FY20 largely due to the impacts of COVID and chaotic travel and gathering restrictions ▪ Heritage church leased to commercial tenant and heritage house refurbished and leased	▪ NOI up 48% on FY20 due to increased occupancy, improved room and site inventory, higher rates and good cost controls ▪ 10 cabins refurbished	▪ NOI up 110% on FY20 reflecting material impact of bushfires in the summer of FY20, pivoting between short and longer stay leasing, and tight cost control ▪ However, NOI still being negatively impacted by lockdowns due to COVID, particularly given NSW-VIC border location	▪ NOI up 332% on FY20 driven by the introduction of new entertainment facilities, longer stay leasing, improved domestic tourism trade when borders were open, and tight cost control ▪ New energy efficient hot water systems installed ▪ New electricity meters installed on cabins to pass through the cost to residential customers	▪ NOI down 52% on FY20 ▪ Aspen has assumed management of the property and will operate a short stay model post expiry of Woodside agreement in January 2021 ▪ Activity in Karratha Region has been robust (airline passenger arrivals have largely recovered from the COVID-lows) ▪ Cabin upgrade and refurbishment program progressing ▪ Occupancy is gradually increasing from a varied customer base including both tourism and workforce
Opportunities	▪ Recovery in profits once COVID passes ▪ Zoned for higher density residential – currently assessing masterplan options for new apartments and townhouses, co-living and caravan park complex	▪ Continued recovery in short term accommodation revenues once COVID passes	▪ Recovery in profits once COVID passes ▪ Property is well located and approved for higher density with 10m height limit – potential apartment development in future	▪ Continued recovery in short term accommodation revenues once COVID passes including new domestic routes (e.g. Adelaide, Canberra) ▪ More infrastructure upgrades to improve efficiency and amenity	▪ Potential for strong growth in business activity in Karratha, particularly if Woodside's various projects are greenlighted ▪ Can switch back to long term lease agreement at any time if in demand and profitable ▪ Current book value is c.50% of replacement cost

Key Development Projects & Pipeline

Attractive investment opportunities exist within the current portfolio to increase profits, build income streams, and create value…

Key Projects	Project Dwellings / Sites[1]	FY22	FY23	FY24 and Beyond
Development – ***new income producing sites / enhance quality of broader asset and tenancies / capital return and trading profit opportunities…***				
1. Four Lanterns	10	Develop and sell remaining houses		
2. Sweetwater Grove	88	Develop and sell houses under LLC model on spare land / upgrade remainder of park dwellings as rental or LL product		
3. Lewis Fields	54	Change current DA for undeveloped land – develop and sell houses under a LLC model		
4. Wodonga Gardens	121	Change current DA for undeveloped land – develop and sell houses under a LLC model		
Total	273			
Redevelopment/Refurbishment – ***achieve higher rents at existing sites / enhance quality of asset and tenancies / increase asset value…***				
5. Lindfield Apartments	3	Refurbish remaining 3 RV units when available / review RV scheme		
6. Burleigh Heads Townhouses	18	Complete civil works / refurbish houses		
7. Cooks Hill Co-Living Community	50	Redevelop into 50 self-contained units		
Total	71			
Future Projects – Planning Stage				
8. Mount Barker	97+	Change current DA – develop combination of residential land lots and LLC		
9. Highway 1	50+		Expansion and reconfiguration - additional rental and land lease sites	
10. Adelaide Caravan Park	100+		Redevelop into higher density mixed-use	
Total	247+			
Grand Total	**591+**			

1. The number of dwellings/sites that are being developed/redeveloped in each project – some sites are subject to council approvals

Development & Trading Activity

Strong growth continues in the profitable development and trading of house and land inventory…

	House and Land Sales Summary						Houses & Lots		
	No. of Sales[6]			Average Sales Price (Inc. GST if applicable)			Built Houses	Developed Land Lots	Future Pipeline (Approved)
	FY21	FY20	FY19	FY21	FY20	FY19			
Development and Sale of Houses									
Four Lanterns	11	7	5	$338k	$352k	$357k	-	10	-
Sweetwater Grove	12	-	-	$230k	-	-	-	17	71
Perth House Portfolio[1]	2	-	-	$425k	-	-	82	-	-
Mandurah Gardens Estate	1	-	-	$144k	-	-	-	-	-
Lewis Fields[2]	-	-	-	-	-	-	-	4	50
Wodonga Gardens[2]	-	-	-	-	-	-	-	20	101
Mount Barker[3]	-	-	-	-	-	-	-	-	97
Total	**26**	**7**	**5**	**$287k**	**$359k**	**$357**	**86**	**47**	**319**
Project Management[4]									
Coorong Quays (CQ)	56	21	21	$148k	$202k	$118k	1	20	450+
CREST	29	11	0	$295k	$285k	-	52	44	2
Rockleigh	2	5	7	$111k	$156k	$165k	-	-	-
Total	**87**	**37**	**28**	**$196k**	**$220k**	**$130k**	**53**	**64**	**452+**
Resale of Homes[5]: Mandurah Gardens	**15**	**9**	**4**	**$130k**	**$160k**	**$178k**			
Total	**128**	**53**	**37**	**$207k**	**$215k**	**$166k**	**139**	**111**	**771+**

1. We continue to selectively sell houses from the Perth residential house portfolio where it is more beneficial to sell than to re-lease once tenants vacate and refurbishment works are completed
2. Partially developed DMF Retirement Villages. We are aiming to gain approvals to development the remaining sites under a land lease model. Wodonga Gardens was contracted to purchase in July 2021 and settlement is expected in August 2021
3. We are aiming to change the current development approval from 97 residential land lots to about 50 residential land lots and 140 LLC sites
4. Aspen earns Project Management fees equal to 7% of total project costs on the Mill Hill Capital Funds' projects
5. Aspen earns 5% commission for the sale of existing houses owned by customers (we usually share these fees with local real estate agents)
6. Sales represents settled sales

Mandurah Gardens Estate, WA

Appendix B

Statutory Accounts Extracts

Reconciliation of Statutory Profit to Operating Profit

	FY21 $m	FY20 $m
Statutory Net Profit after Tax	**25.39**	**11.87**
Adjustments:		
Depreciation of PPE	0.73	0.52
Asset revaluations	(17.79)	(3.40)
Transaction costs and other	2.12	0.77
Insurance claim proceeds	(0.58)	-
Tax benefit	(0.87)	(3.12)
Operating Profit	**9.00**	**6.64**
Net finance expense	1.34	1.39
Operating EBITDA	**10.34**	**8.03**
Net corporate overheads and other	4.50	4.43
Operating and Development Net Income	**14.84**	**12.46**

Asset revaluations

- In H2 the Perth House portfolio, Highway 1, Adelaide Caravan Park, and Barlings Beach Holiday Park were revalued, following the revaluation of Aspen Karratha Village (AKV) in H1. All other properties were subject to Director reviews
- Revaluation gains were primarily recorded on the Perth House portfolio ($7.0m), Highway 1 ($3.4m), Adelaide Caravan Park ($1.1m), Barlings Beach Holiday Park ($1.5m), Koala Shores Holiday Park ($1.1m) and Aspen Karratha Village ($4.5m)
- No material revaluation adjustments were recorded in relation to the other properties

Depreciation / R&M / SIBC

- Aspen spent $1.63m during the half maintaining its properties:
  - R&M totalled $0.79m - expensed at the property level, therefore already deducted from NOI
  - SIBC totalled $0.84m - initially capitalised to the balance sheet and written off

Statutory Accounts Extract: Statement of Profit and Loss

	Note ^	2021 $'000	2020 $'000
Continuing operations			
Rental income		26,708	26,923
Home sales		6,027	2,247
Food and Beverage, other ancillary sales, and net gaming revenue		2,337	1,203
Other revenue	1	450	397
Total revenue		35,522	30,770
Other income – insurance claim proceeds	2	577	-
Net fair value gain on Investment properties	8	17,793	3,401
Gain from sale of investment properties		187	-
Expenses			
Operational expenses	2	(4,978)	(6,184)
Property expenses	2	(6,463)	(5,699)
Cost of Homes sold		(4,054)	(1,571)
Employee expenses	2	(8,604)	(7,709)
Administration expenses	2	(1,704)	(2,039)
Depreciation and amortisation expenses		(729)	(523)
Other expenses	2	(1,875)	(1)
Total expenses		(28,407)	(23,726)
Earnings before interest and income tax expense (EBIT)		25,672	10,445
Finance income	2	163	170
Finance costs	2	(1,318)	(1,868)
Profit before income tax		24,517	8,747
Income tax benefit		875	3,125
Profit from continuing operations		25,392	11,872
Discontinued operations			
Loss for the year from discontinued operations	20	(1)	(1)
Profit for the year		25,391	11,871
Profit attributable to ordinary equity holders of the parent entity		25,391	11,871
Profit/(Loss) attributable to non-controlling interest		-	-
Profit for the year		25,391	11,871

^The above should be read in conjunction with the accompanying notes contained in the financial statements

Statutory Accounts Extract: Balance Sheet

	Note^	30 June 2021 $'000	30 June 2020 $'000
Assets			
Current assets			
Cash and cash equivalents	4	8,277	8,161
Trade and other receivables	5	1,556	6,630
Investment property assets held for sale	9	1,200	-
Inventories		1,081	1,958
Net investment in sublease	24	1,256	1,108
Total current assets		13,370	17,857
Non-current assets			
Investment properties	8	209,774	150,085
Property, plant and equipment	7	17,680	16,919
Intangible assets		103	82
Right of use assets	23	798	538
Deferred tax assets	3	4,000	3,125
Net investment in sublease	24	158	1,384
Other		613	444
Total non-current assets		233,126	172,577
Total assets		246,496	190,434
Liabilities			
Current liabilities			
Trade and other payables	6	9,023	9,046
Provisions	10	1,473	1,213
Lease liability	25	1,630	1,291
Total current liabilities		12,126	11,550
Non-current liabilities			
Interest bearing loans and borrowings	15	74,197	42,218
Resident Loans	22	6,420	-
Lease liability	25	937	2,255
Derivative liability	16	265	381
Total non-current liabilities		81,819	44,854
Total liabilities		93,945	56,404
Net assets		152,551	134,030
Equity			
Equity attributable to equity holders of the parent			
Issued capital	13	509,745	509,715
Reserves	13	981	201
Accumulated losses		(354,338)	(372,049)
Total equity attributable to equity holders		156,388	137,867
Non-controlling interest	21	(3,837)	(3,837)
Total equity		152,551	134,030

^The above should be read in conjunction with the accompanying notes contained in the financial statements

Statutory Accounts Extract: Cash Flow Statement

	Note ^	2021 $'000	2020 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		40,495	33,489
Payments to suppliers and employees (inclusive of GST)		(27,752)	(22,244)
Net cash flows from operating activities	4	12,743	11,245
Cash flows (used in)/from investing activities			
Acquisition of investment properties		(35,452)	(36,025)
Acquisition of property, plant and equipment		(1,068)	(4,123)
Proceeds from sale of investment property assets, net of selling costs		826	-
Interest received		163	170
Net cash flows used in investing activities		(35,531)	(39,978)
Cash flows (used in)/from financing activities			
Proceeds from borrowings		32,154	29,998
Repayment of borrowings		-	(12,000)
Proceeds from net investment in sublease		1,078	942
Distributions paid		(7,384)	(5,253)
Payment of financing and borrowing costs		(1,635)	(1,528)
Payment of lease liability		(1,309)	(1,098)
Issuance of stapled securities (net of costs)		-	19,367
Net cash flows used in financing activities		22,904	30,428
Net decrease in cash and cash equivalents		116	1,695
Cash and cash equivalents at beginning of year		8,161	6,466
Cash and cash equivalents at end of year	4	8,277	8,161

^The above should be read in conjunction with the accompanying notes contained in the financial statements

Statutory Accounts Extract: Segment Information

	Residential		Retirement Communities		Park Communities		Other		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Rental income	2,800	1,122	3,621	3,465	20,287	22,324	-	-	26,708	26,923
Home sales [1]	850	-	6,027	2,247	-	-	-	-	6,877	2,247
Food and beverage, other ancillary sales, and net gaming revenue	-	-	-	-	2,337	1,215	-	-	2,337	1,203
Other revenue	-	-	-	-	-	-	450	397	450	397
Total segment revenue [2]	3,650	1,122	9,648	5,712	22,624	23,539	450	397	36,372	30,770
Operating EBITDA [3]	1,739	504	4,139	3,020	8,960	8,935	(4,498)	(4,434)	10,340	8,025
Finance income	-	-	-	-	-	-	5	27	5	27
Finance costs	-	-	-	-	-	-	(1,349)	(1,413)	(1,349)	(1,413)
Operating profit / (loss) before depreciation and income tax	1,739	504	4,139	3,020	8,960	8,935	(5,842)	(5,820)	8,996	6,639
Depreciation and amortisation	-	-	-	-	(619)	(474)	(110)	(49)	(729)	(523)
Net Fair value gain/(loss) on Investment properties	7,063	1,207	(167)	1,422	10,897	772	-	-	17,793	3,401
Other expenses[4]	(2,056)	-	8	-	(27)	(32)	(46)	(739)	(2,121)	(771)
Insurance claim proceeds	-	-	-	-	577	-	-	-	577	-
Income tax benefit	-	-	-	-	-	-	875	3,125	875	3,125
Profit / (loss) after tax attributable to parent entity	6,746	1,711	3,980	4,442	19,788	9,201	(5,123)	(3,483)	25,391	11,871
Segment assets and liabilities reviewed by CODM can be analysed as follows										
Segment assets	70,597	32,756	48,626	38,745	109,343	95,484	17,930	23,729	246,496	190,714
Segment liabilities	-	-	-	-	-	-	(93,945)	(56,684)	(93,945)	(56,684)
Additions to non-current assets during the year	31,637	31,549	10,060	2,340	3,037	2,101	85	23	44,819	36,013

1 *Home sales revenue includes proceeds on sale of investment properties totalling $0.850 million, consistent with reporting format to CODM . This is excluded from statutory revenue and recognised on a net basis as 'Gain from sale of investment properties' totalling $0.187 million.*

2 *All segment revenues are derived from external customers.*

3 *Operating EBITDA represents earnings before interest, tax, depreciation and amortisation and excluding non-underlying items.*

4 *Other expenses are expenses which are excluded from CODM's review of operating profits. This includes expenses such as share-based payments, fair value adjustment on interest rate swaps, and asset acquisition transaction costs.*


Highway 1 Caravan and Tourist Park, Bolivar South, SA – Xodboxes

Appendix C

Distribution & Tax History

Distribution & Tax History

Period / Quarter Ended	Date Paid	Distribution Type	Aspen Group Ltd	Aspen Property Trust[1]		Total Amount Paid cents
			CPS	CPS	Tax Deferred / Non assessable income	
Dec-17	28/02/2017	Ordinary	-	2.10	-	2.10
Jun-17	29/08/2017	Ordinary	-	2.50	-	2.50
Oct-17	20/10/2017	Special Capital	-	5.00	100.0%	5.00
Dec-17	27/02/2018	Ordinary	-	2.10	31.4%	2.10
Jun-18	30/08/2018	Ordinary	-	2.10	30.5%	2.10
Dec-18	26/02/2019	Ordinary	-	2.30	45.7%	2.30
Jun-19	30/08/2019	Ordinary	-	2.70	43.3%	2.70
Dec-19	28/02/2020	Ordinary	-	2.75	56.5%	2.75
Jun-20	28/08/2020	Ordinary	-	3.25	69.8%	3.25
Dec-20	25/02/2021	Ordinary	-	3.10	70.7%	3.10
Jun-21	20/08/2021	Ordinary	-	3.50	TBA	3.50

30 June 2021	Aspen Group Ltd	Aspen Property Trust
	Gross ($m)	Gross ($m)
Revenue tax losses	69.3	-
Capital tax losses	39.5	-

1. APT has elected to adopt the Attribution Managed Investment Trust regime from 1 July 2016

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