Aspen Group

FY22 Financial Results Presentation

August 2022

Newcastle, NSW

Contents

Darwin Freespirit Resort, NT - winner of Best Family Friendly Venue (Awards for excellence 2022)

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FY22 Results Summary

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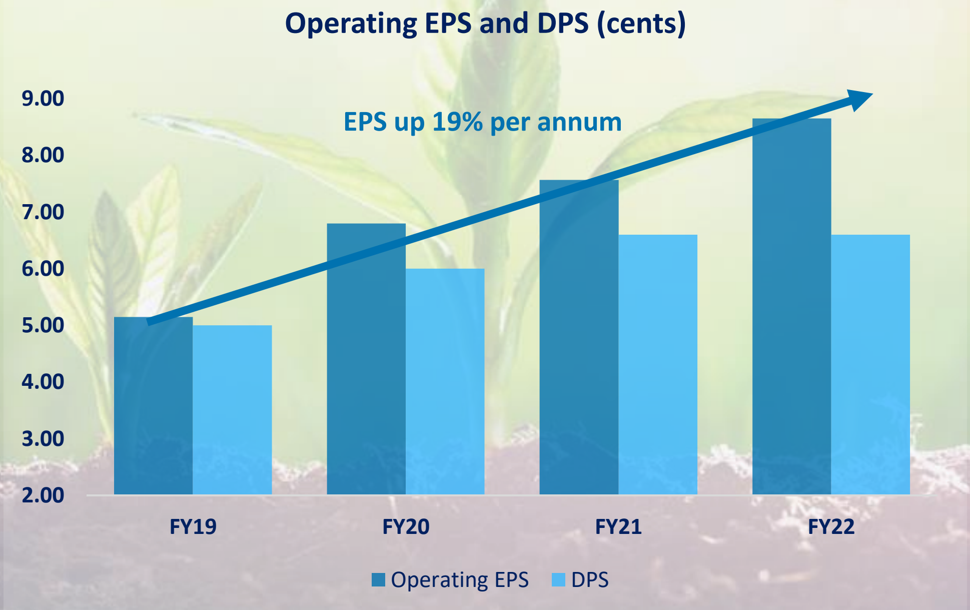
FY22 – Operating Earnings & Distributions

Profits increased materially in a challenging environment with portfolio positioned for continued growth...

Total Revenue	Property NOI	Operating Earnings[1]	Operating EPS	DPS
$46m +31%	**$14.8m** +17% Development Profit **$3.5m** +78%	**$11.8m** +34%	**8.65 cents** +14%	**6.60 cents** Retained more Earnings for Reinvestment

(compared to FY21)

- Aspen is a fully integrated owner, operator, developer that can accommodate both long and short stay customers, with a strong track record of value creation – MER[2] is very competitive at 1.0%
- Occupancy and rents / room rates are increasing across the portfolio:
  - Massive unsatisfied demand for longer term residential accommodation at more affordable rents
  - Rebound in demand for short stay accommodation with COVID dissipating and borders reopening – broadly spread across tourists, corporates, students
- Continued rapid growth in profitability while maintaining a measured balance of Property NOI (81%) and Development Profit (19%)
- Highly cash generative business – no lease incentives, no straight-line accounting of income, minimal arrears, low development inventory / high stock turn – operating cashflow after finance and borrowing costs up 25% to $14.1m equating to 119% of Operating Earnings (128% in FY21)
- New distribution policy targeting 65-75% of Operating EPS to retain earnings to fund SIBC and support growth initiatives



1. Operating Earnings is a non-IFRS measure that is determined to present, in the opinion of the directors, the operating activities of Aspen in a way that appropriately reflects Aspen's operating performance – refer to financial report for full definition. Result excludes Trading Profits from the sale of Perth Houses in FY22 ($1.67m) and FY21 ($0.19m) and residential land sales at Coorong Quays post acquisition on 1 June 2022. The previously reported Trading Profits on the Perth Houses are captured in the revaluations of these properties which have increased Net Asset Value. 2. MER – Management Expense Ratio: Net Corporate Overheads / Closing Total Assets

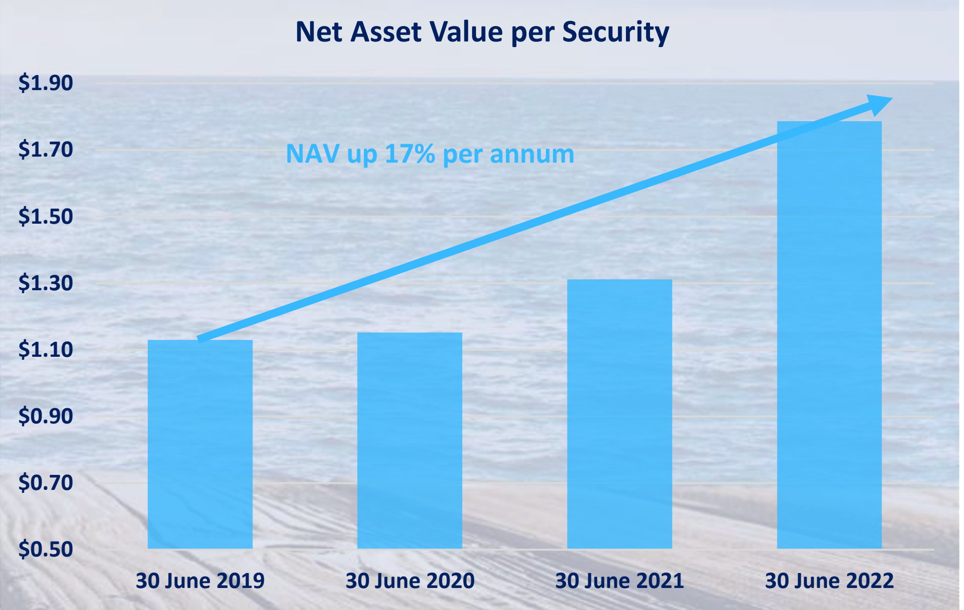
FY22 - Capital

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

Approved dwellings/sites	Total Asset Value	Portfolio WACR[1] / Value per dwelling/site	Net Debt / Gearing[3]	NAV per security
4,646	**$452m**	**6.4%**	**$117m**	**$1.79**
+69%	+84%	**$85k**	**28%**	+36%

(compared to FY21)

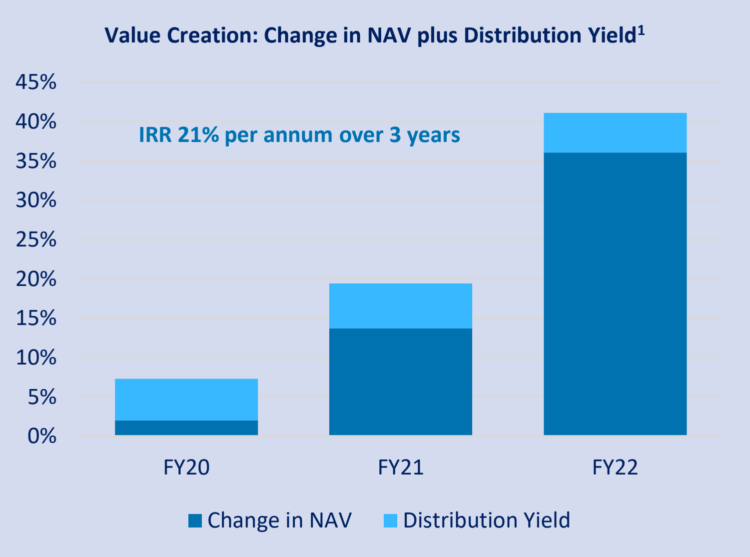
- Business and portfolio continues to scale up through attractively priced acquisitions and redevelopment/refurbishment projects
- NAV increase mainly driven by NOI increase, value-add in our projects and retained earnings - only 9cps of the 48cps increase related to a 40bps compression in WACR[1]
- Over the past 3 years Aspen's total asset value has increased by $311m with only $73m of new equity raised - the material value creation has increased debt capacity, reduced WACC[2] and increased returns for securityholders
- Estimated discount of c.$25m (16cps) imbedded in book values of current residential refurbishment projects to allow for development and leasing risk, and time value – expected to be released over the next 6-18 months as projects are completed
- Aspen owns 100% interests in all its properties - no JV partner interests to satisfy

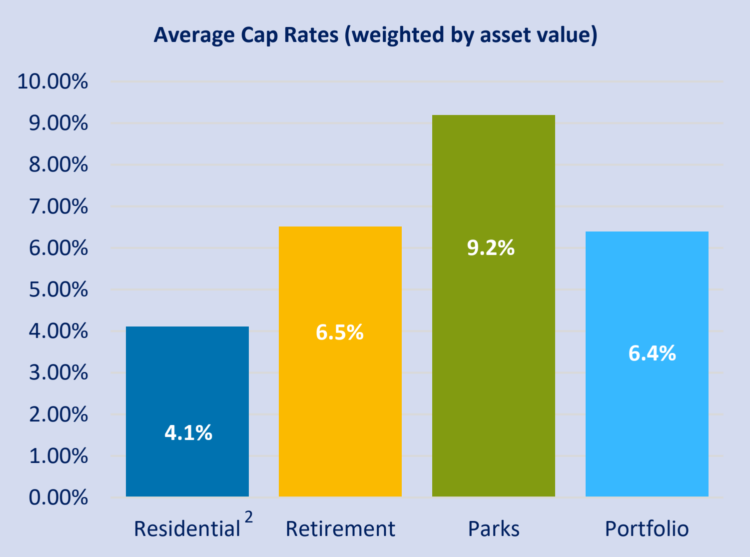


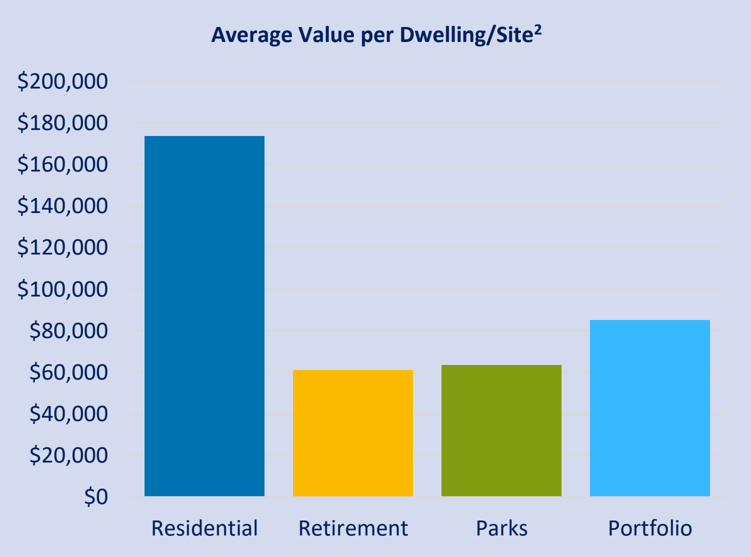
1. WACR – weighted average cap rate, weighted by value – on a like-for-like basis for all properties held since 30 June 2021. 2. WACC – weighted average cost of capital. 3. Gearing = (financial debt less cash) / (total assets less cash less RV resident loans)

Material Value Creation

Aspen creates value for securityholders by enhancing the value of its properties through refurbishment and development, driving growth in rents, net income and asset value...







- **Portfolio weighted average cap rate (WACR) of 6.4% -** attractive compared to interest rates, recent transactions of similar properties, other real estate sectors

- **Relatively low acquisition prices and book values** enables Aspen to offer quality accommodation on competitive terms to our customers while generating attractive returns for securityholders – average book values:
  - $85k per dwelling/site
  - $27k per land lease development site – the final value of the sites once leased is above total production cost, adding to NAV (not reflected in Operating Earnings)
  - $45k per residential development site – high margin projects that release capital once developed and sold

1. Distribution Yield is distribution per security for the period divided by starting NAV. 2. Residential portfolio excludes residential land lot inventory

Alexandrina Cove Lifestyle Village, Coorong Quays, SA

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Portfolio Performance

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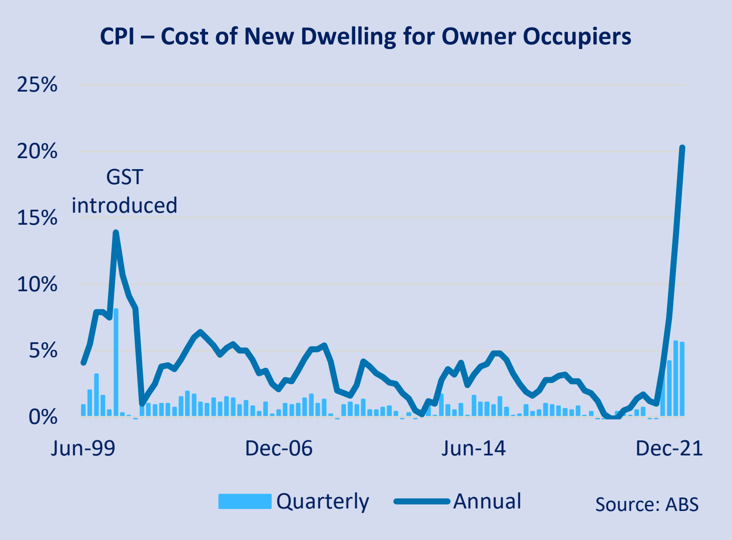
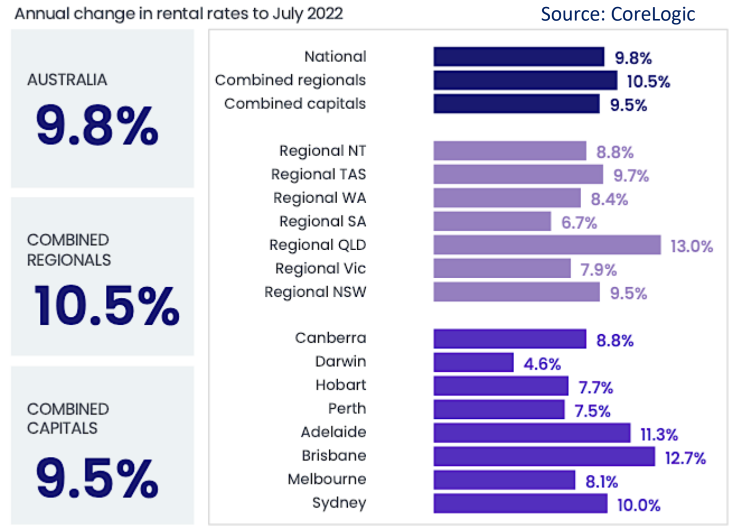
Residential Portfolio (48% of portfolio value)

$m unless stated	Residential Portfolio		
	FY22	FY21	Change
# Dwellings/Sites	1,353	602	125%
Residential Operations:			
Revenue	$6.56	$2.66	147%
NOI	**$2.69**	**$1.39**	**93%**
Margin	41%	52%	
Residential Land Development:			
# Site Sales	11	0	
Average Sales Price (inc. GST)	$254k		
Revenue (ex. GST)	$2.54		
Development Profit	**$0.97**	**$0.00**	
Margin - %	38%		
Margin per Site	$89k		
Closing Contracts on Hand (ex. GST)[1]	$5.39	$0.00	
Combined NOI & Development Profit	**$3.66**	**$1.39**	**163%**





- Aspen's portfolio has been acquired at well below replacement cost which enables us to charge competitive rents while also generating attractive investment returns
- Residential rents are growing rapidly in most of Aspen's markets due to low vacancy rates, building supply and cost issues, and demand increasing with interstate and overseas borders opening
- Housing shortage is most severe at the lower end of the rent spectrum – demand is >4x supply for the lowest 40% of households by income that Aspen targets[2]
- Margin decline in FY22 was due to a large proportion of dwellings being offline during refurbishment
- Aspen's refurbishment projects are performing well - some delays, but dwellings typically leased within a week of becoming available, rents are higher than budget, yield on cost of c.6% which is 20% above initial guidance of 5% and at least 33% above valuation cap rates of 4.5% (or lower), resulting in substantial NOI growth and NAV uplift[3]
- Commenced residential land lot sales at Mount Barker – attractive margin of $89k per site or 38%
- Residential land lot contracts[1] on hand of $5.39 million - 2x FY22 revenue
- Continued recycling of capital from our Perth House Portfolio at net yields of c.3% - redeploying into property more suited to our customer base, with higher returns

1. Includes contracts, deposits and EOIs at 30 June 2022 2. Refer to National Housing Finance and Investment Corporation data in Appendix A page 17. 3. Refer to 126 Peninsula Rd, Maylands case study page 9

Perth Apartment Portfolio – Case Study: 126 Peninsula Road, Maylands

Valuation uplift of $8.8m - 127% above total cost

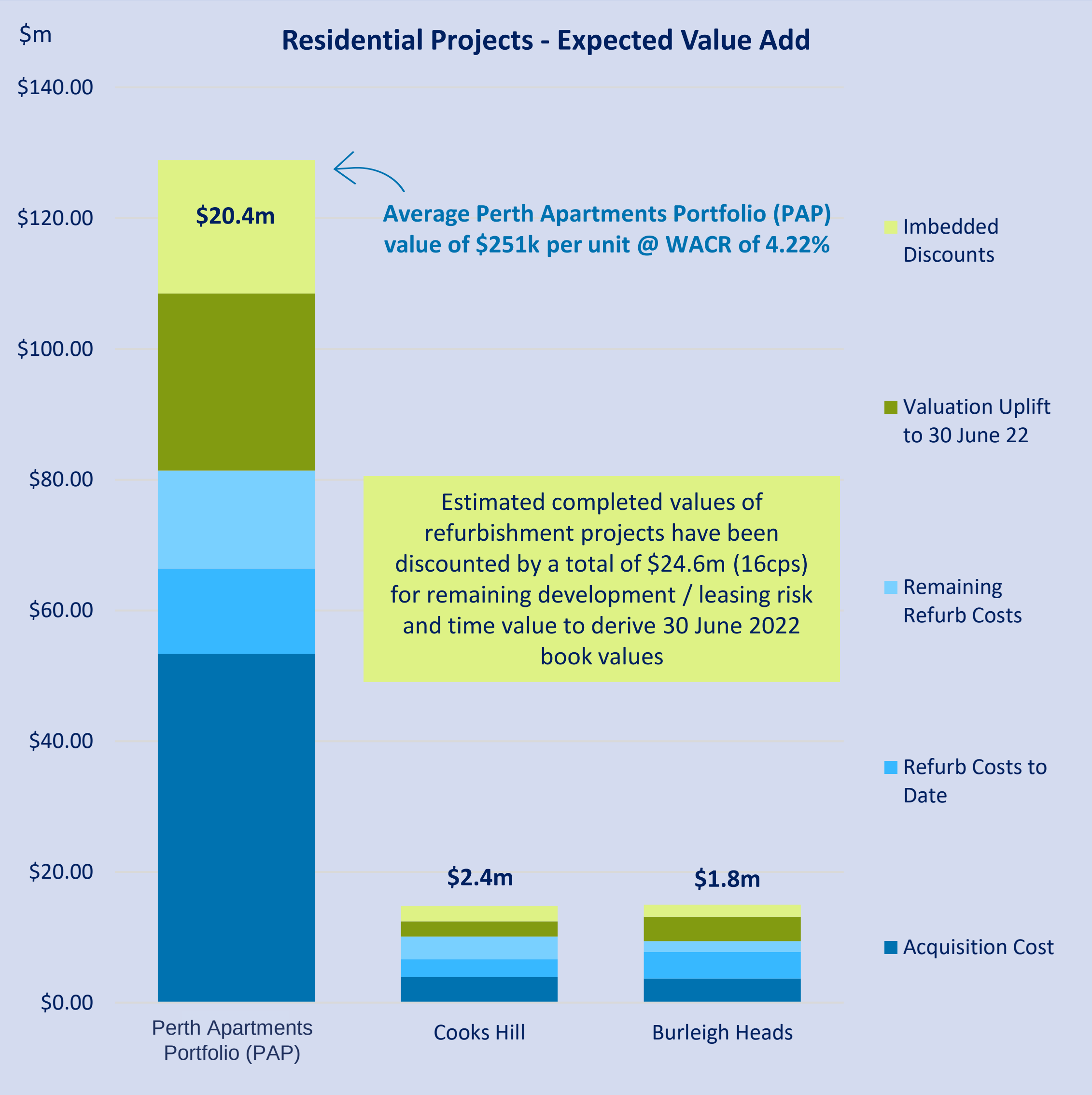
- Single building with 4 levels, 68 two bedroom apartments, on grade and underground parking
- Apartment refurbishment works complete – only external works remaining (mainly landscaping)
- All apartments leased – typically within 1 week of being available
- Average starting rent of $290 per week with typical contracted rent increase of $30 per week after first 6 months of the lease (initial rent was discounted during refurbishment works)
- Valued by CBRE as a single building at $15.8m ($232k per apartment) on completion on a net cap rate of 4.50% - this cap rate is conservative relative to transactions of similar assets that we have observed across Australia, in our opinion
- CBRE's estimated total value of the apartments on a strata titled basis is $20.4m ($300k per apartment) – we will assess the feasibility of strata titling in future

126 Peninsula Road, Maylands

CBRE Valuation Assumptions	126 Peninsula Road, Maylands	
	Total ($m)	Per Unit
Acquisition Cost	$3.85	$56,611 [1]
Refurbishment Costs to 30 June 2022	$2.34	$34,412
Refurbishment Cost Remaining [2]	$0.76	$11,141
Total Cost [2]	**$6.95**	**$102,163**
Average Weekly Rent		**$319**
Gross Rent per Annum	$1.13	
NOI Margin	63%	
NOI	**$0.71**	
Cap Rate	4.50%	
Completion Value	**$15.76**	**$231,729**
Less Remaining Costs to Complete	-$0.76	
Valuation	**$15.00**	**$220,588**
Valuation Uplift	**$8.81**	
% of Total Cost	**127%**	
Net Yield on Cost	**10.21%**	
Net Yield on Valuation	**4.50%**	

1. Acquisition cost based on value splits determined by the valuer (JLL) at purchase
2. Estimated

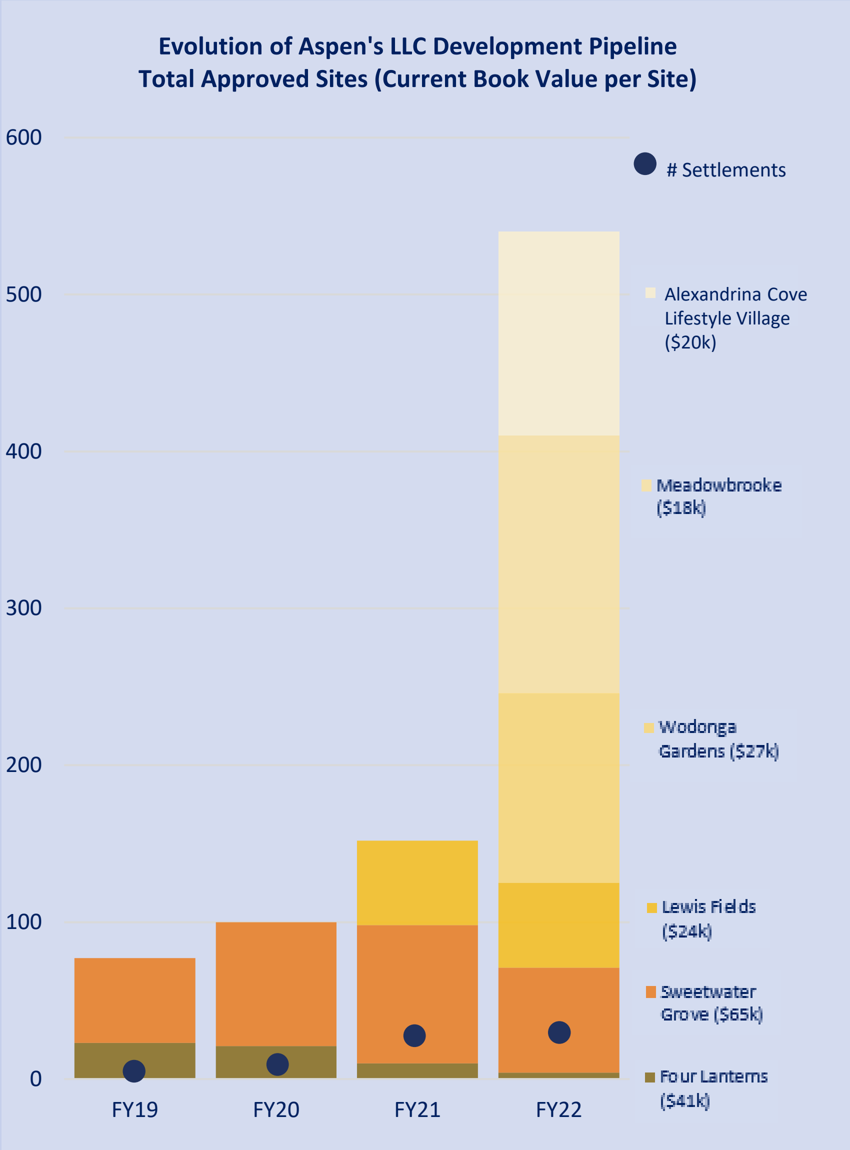
Residential Portfolio – Expected Stabilised NOI and Potential NAV Uplift



1. FY22 proforma based on expected increase in NOI from Perth Apartment Portfolio, Burleigh Heads and Cooks Hill projects once complete and leased

Retirement Communities (17% of portfolio value)

$m unless stated	Retirement Communities		
	FY22	FY21	Change
# Dwellings / Sites - Closing	1,101	583	88%
Retirement Operations:			
Revenue	$4.74	$3.76	26%
NOI	**$2.81**	**$2.31**	**22%**
Margin	59%	61%	
Retirement Development:			
# House Sales / New Site Leases	27	24	13%
Average Sales Price (inc. GST)	$332k	$276k	20%
Revenue (ex. GST)	$8.15	$6.03	35%
Development Profit	**$2.54**	**$1.97**	**29%**
Margin - %	31%	33%	
Margin per House	$94k	$82k	15%
Closing Contracts on Hand (ex. GST)[1]	$8.16	$2.21	
Combined Profit - $m	**$5.35**	**$4.28**	**25%**

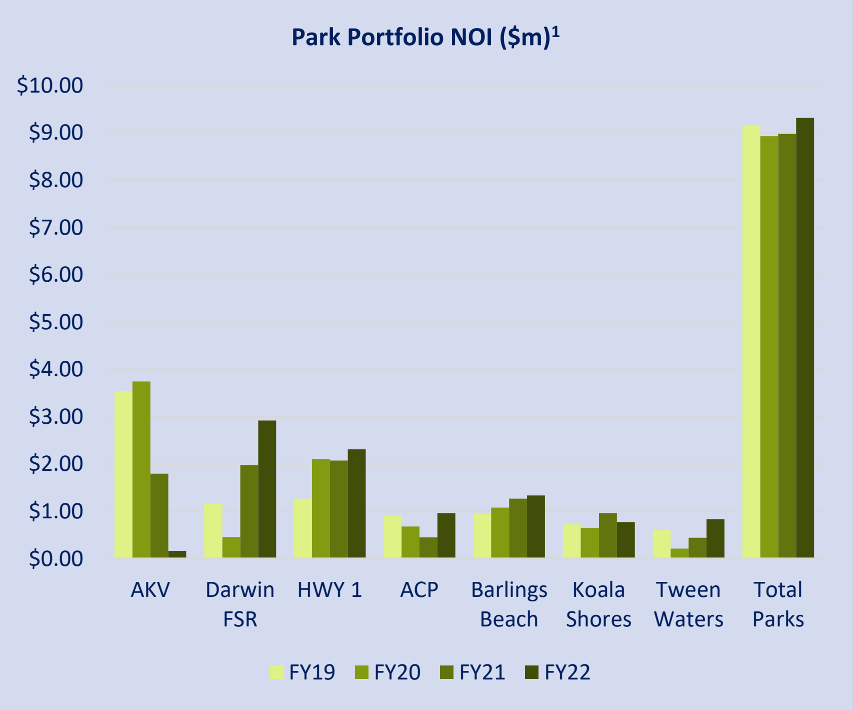


- Land Lease Community land rental rates are typically increasing 3-5% per annum – we have chosen not to take advantage of higher headline inflation
- Average land rent of only $179pw – below the Commonwealth Rent Assistance cap of $197pw (per couple) – this helps maintain rental growth and sustainability
- Creating new land leases organically through development - generates development profit on the house sale and also increases annuity rental income and NAV (given our low entry price for the land)
- Growth in FY22 held back by building industry turmoil – we have been carrying a low level of new house inventory to reduce risk – only $3m total house inventory at 30 June 2022 (no stock overhang)
- Now developing and selling new houses in 6 communities v. only 1 in FY20
- Development pipeline has increased significantly to 540 sites – equates to 20x FY22 settlements
- Contracts[1] on hand for new houses of $8.16 million – 1x FY22 revenue

1. Includes contracts, deposits and EOIs at 30 June 2022

Park Communities (35% of portfolio value)

$m unless stated	Park Communities		
	FY22	FY21	Change
# Dwellings / Sites	2,192	1,562	40%
Revenue	$24.03	$22.62	6%
NOI	**$9.33**	**$8.98**	**4%**
Margin	39%	40%	



Park Community portfolio NOI has been robust over the past few years despite COVID, bushfires, floods, building industry turmoil and expiry of Woodside's lease at Aspen Karratha Village (AKV)

The main drivers have been:

- Diversified portfolio, customer base and income streams – mixture of permanent residents, tourists and corporates on different lease types
- Good operational management – Property Manager upgrades, improved customer service, optimising mix of revenue v. cost throughout the seasons and market disruptions
- Improved accommodation products – refurbishment and additions to park dwellings and facilities, installation of labour, energy and water saving devices
- Growth in underlying demand with limited new supply (some withdrawal of capacity in the industry due to conversion of park tourist sites to retirement resident sites)
- Covid dissipating / borders opened

Portfolio provides very attractive yield plus significant growth opportunities through redevelopment into highest and best use over time - this is supported by the widening gap between the book values of some of our parks and their local residential house / land prices despite similar market dynamics[2]

1. Chart excludes Coorong Quays park component that was acquired on 1 June 2022 and contributed NOI of $25k. 2. Refer to appendix A page 28 for illustrative comparisons


UMG Co-Living (Uniresort), Qld

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Outlook & Guidance

Outlook & Guidance

Outlook

- **Aspen's platform has improved materially** – more of the executive team is located closer to our assets and we have upgraded the "cluster" manager structure in favour of more enthusiastic, empowered, and accountable Property Managers at each asset
- **Vacancy rates are near historic lows in most of our markets and there is plenty of unsatisfied demand at our low rents and prices** - our dwelling and land rents are growing
- **Completion of residential redevelopment/refurbishment projects is expected to add about $5.5m in NOI** (FY22 pro forma) when stabilised – expect $25m of valuation discount to be released on completion
- **Continued ramp up of development activity is generating more annuity rents, development profits and NAV uplift** – contracts[1] on hand compared to total revenue in FY22 is already 1x for our Retirement communities and 2x for our Residential communities
- **With Covid dissipating and borders now open, tourist, corporate and foreign student demand has rebounded –** to date in FY23 revenue for every property is pleasingly ahead of the prior corresponding period, so too are forward bookings at our parks
  - Darwin FreeSpirit Resort is in its peak tourist season and profit growth is continuing from its strong FY22 result – good enquiry from corporates planning future projects in NT
  - Aspen Karratha Village is enjoying increased corporate demand from a wide variety of customers – FY23 YTD occupancy is 48% and the trend is encouraging (30% in FY22)
  - UMG Co-living (Uniresort) is now attracting more foreign students – expected to achieve full occupancy from late August until end of semester (75% occupancy in September 2021)
- **Acquisitions:** to date property transaction prices have generally remained robust despite deteriorating economic and financial conditions **– we expect Aspen's opportunities to increase, and we will remain patient**
- **Building industry turmoil:**
  - Generally, our projects have been delayed 3-6 months and costs have increased 15-20%
  - We have managed the risks well, delivering the latest stage of Sweetwater Grove within budget after the builder failed, tightly managing house inventory, paying little for land that is already approved and partly developed, and achieving higher sales prices (margins have held up at c.30%)
  - We expect building industry conditions to normalise over the next 12 months
- **Immigration:**
  - We would like the Federal Government to speed up visa processing and increase immigration, which would help us accelerate the rollout of more affordable accommodation product across Australia
- **Cost of debt is increasing:**
  - We have assumed interest rates would normalise at some point and we have operated the business and acquired/marked the portfolio accordingly
  - About half our interest rate exposure is fixed to April 2024 at 50bps and our gearing of 28% is below our long-term target range of 30-40%

Guidance

Aspen remains well positioned to continue to grow Operating EPS and/or NAV per Security by at least 10% per annum over the medium term

1. Includes contracts, deposits and EOIs at 30 June 2022

Highway 1 Tourist & Caravan Park

Appendix A

Aspen's Business and Property Portfolio

Aspen's Business Model

Aspen Provides Quality Accommodation on Competitive Terms to Australian Households

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 <$300pw	Average Land Lease Rent <$180pw	Average New Dwelling Sales Price of <$375k

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

We recently established **Aspen Social** – collaborating with the Red Cross and Nulsen Disability Services to help provide social housing

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 electricity 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 and religion.

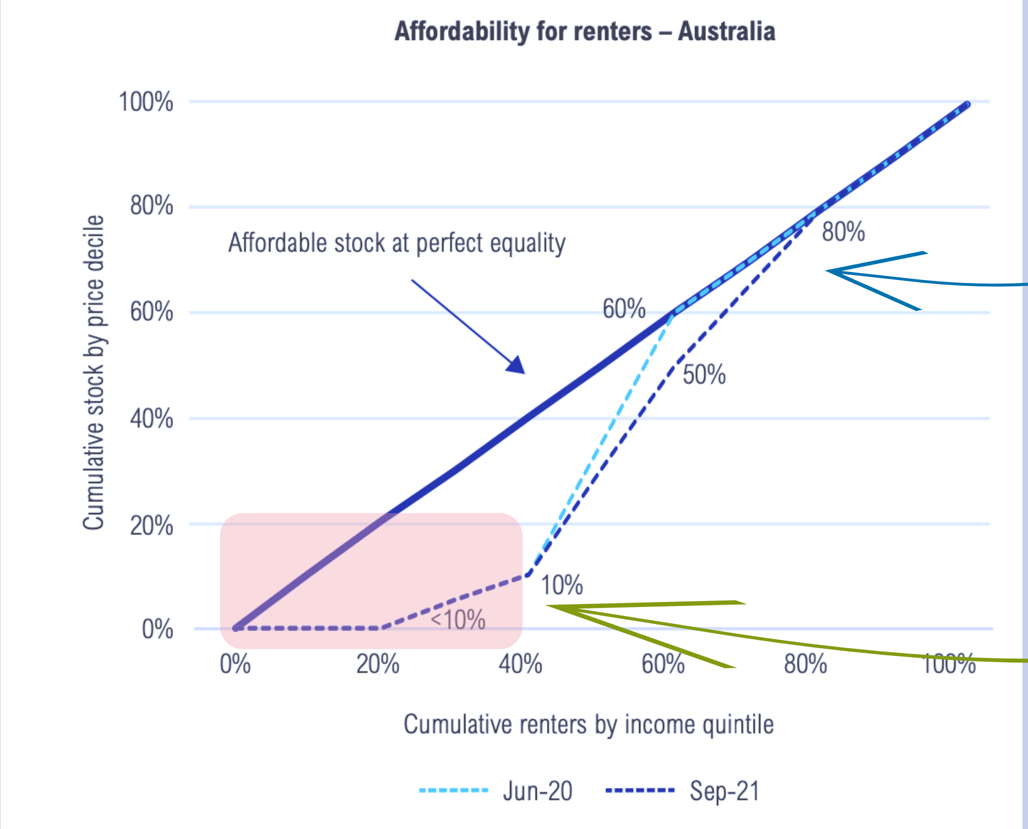
We continuously strive for the highest WH&S standards at our properties to keep our employees, suppliers and customers safe

Our Joint CEOs own a combined stake of 9% in Aspen Group and 50% of their remuneration package is deferred for up to 3 years and subject to performance hurdles and vesting conditions

Further information on Aspen's ESG Program is contained in Appendix C

Massive Demand for Aspen's Lower Cost Accommodation

Aspen's core target market is the c.40% of Australian households who can afford to pay no more than $400pw in rent...



Market in Equilibrium:

- **Supply / Demand in Balance**
- **Average / Normal Returns**

Aspen's Target Market

Market Dislocation:

- **Demand is more than 4x Supply**
- **Opportunities to help solve a problem and generate Outsized Returns**

Less than 10% of rental stock in Australia is available at rents that the bottom 40% of household renters (by income) can afford[1]

1. Source: National Housing Finance and Investment Corporation. Income data from ANU, ABS. Rent data from CoreLogic

Current Portfolio Summary

Current Portfolio Aggregates – Including Land Development Inventory	
Land Area	178 hectares
Approved Sites	4,646
Dwellings owned by Aspen	1,768
Density:	
- sites per hectare	31
Portfolio Value:	$396m
- per hectare	$2.2m
- per approved dwelling/site	$85k
Valuation WACR	6.4%

Aspen portfolio is valued at $396m:

- Average value of $85k per approved dwelling/site
- Only $2.2m per hectare of land (including the value of dwellings)
- WACR of 6.4%

Aspen continues to pursue attractively priced acquisitions. The general traits that Aspen seeks in properties it acquires include:

- Desirable locations – particularly metropolitan
- Large land parcels that are under-utilised
- Existing dwellings priced at below replacement cost with 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

Providing our customers attractive lifestyle options at competitive prices and rents....while developing highest and best use over time

Camping / Sites

Cabins

Manufactured Homes

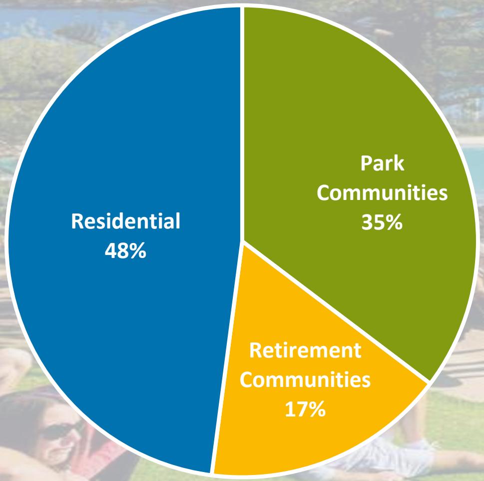
Residential Homes

Apartments / Co-Living

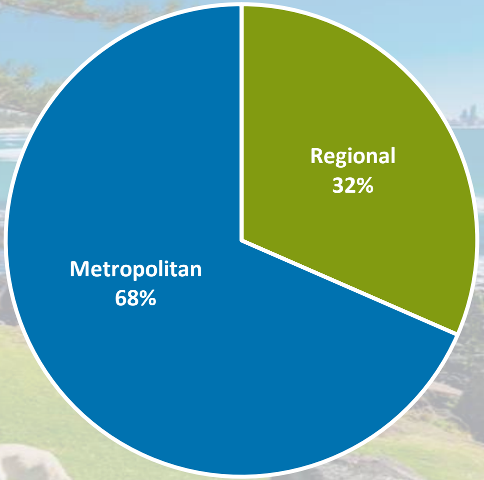
Portfolio Diversity

Aspen owns, operates and develops residential, retirement and park communities in metropolitan and lifestyle locations where our customers lease dwellings and land sites...

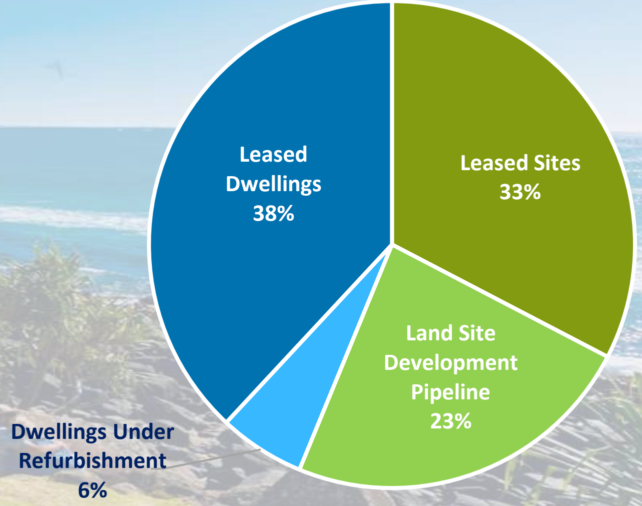
Portfolio Value by Property Type



Location by Value



Operating and Development Mix

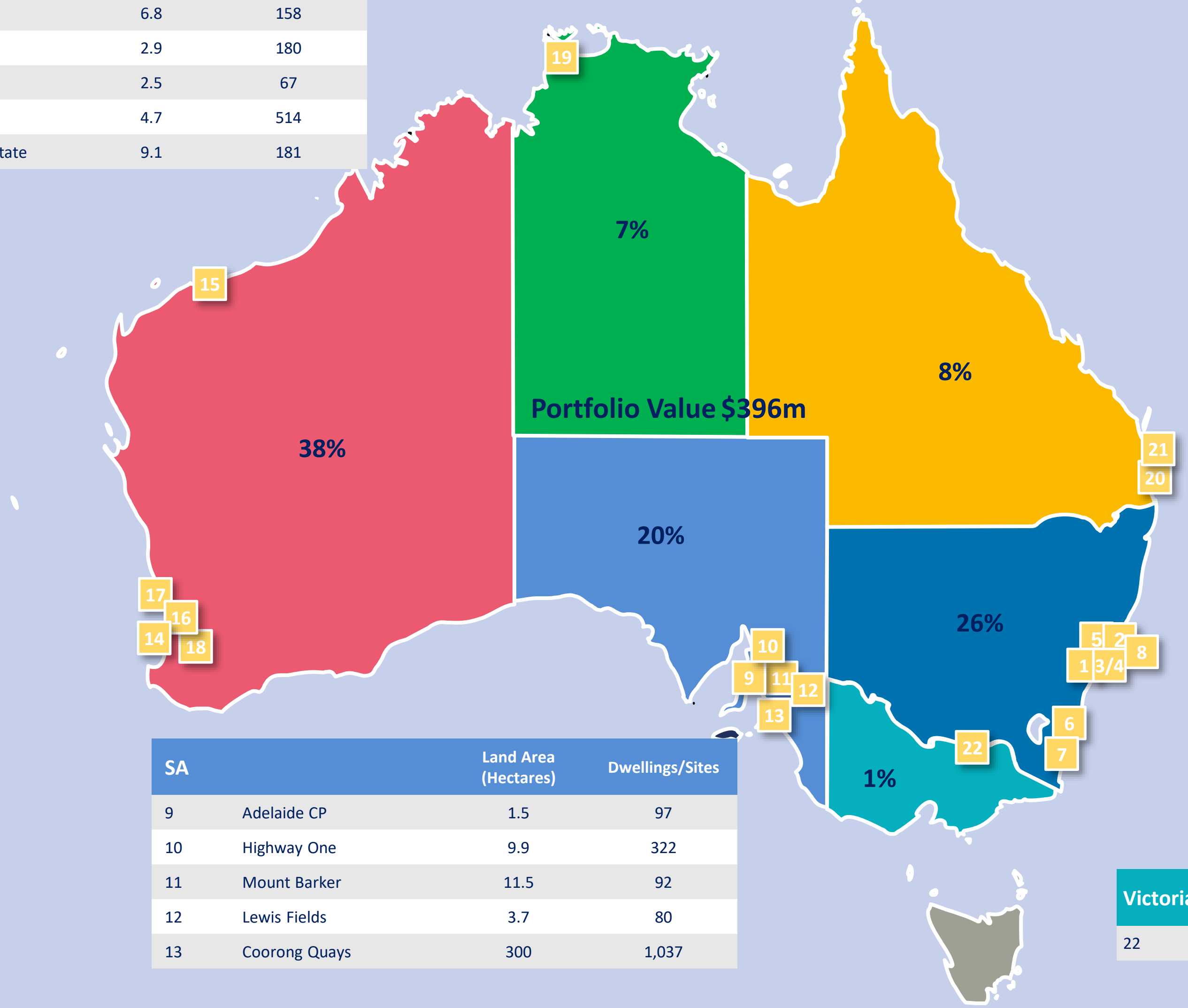


Geographic Diversity

WA		Land Area (Hectares)	Dwellings/Sites
14	Mandurah	6.8	158
15	AKV	2.9	180
16	Perth House Portfolio	2.5	67
17	Perth Apartment Portfolio	4.7	514
18	Meadowbrooke Lifestyle Estate	9.1	181

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

Queensland		Land Area (Hectares)	Dwellings/ Sites
20	Burleigh Heads	0.9	18
21	UMG Co-living	1.2	308



NSW		Land Area (Hectares)	Dwellings/Sites
1	Four Lanterns	3.9	131
2	Sweetwater Grove	6.0	215
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	50

SA		Land Area (Hectares)	Dwellings/Sites
9	Adelaide CP	1.5	97
10	Highway One	9.9	322
11	Mount Barker	11.5	92
12	Lewis Fields	3.7	80
13	Coorong Quays	300	1,037

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

Acquisition of MHIF / Coorong Quays Completed 1 June 2022

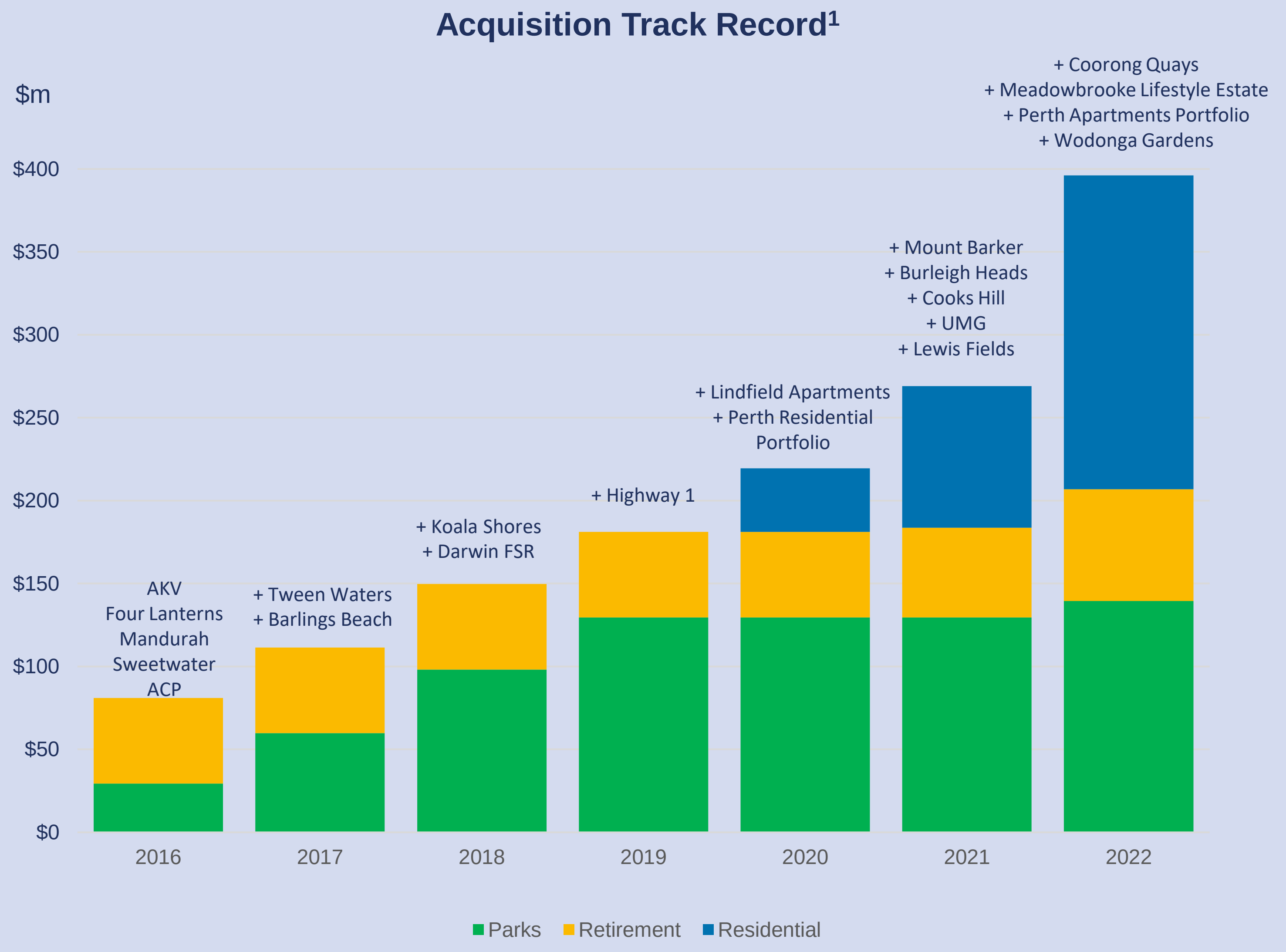
- **Coorong Quays, Hindmarsh Island, South Australia:**
  - Masterplanned community with over 3,000 approved sites across c.300 hectares
  - Over 1,650 sites developed and income producing (including over c.1,200 residential sites over which we hold encumbrances - excluded from our definition of dwellings/sites)
  - Many more sites to be developed including:
    - 262 more residential land sites to be sold (new residents will pay encumbrance fees)
    - 130 more retirement community sites to be leased (new residents will pay land rents)
    - 200 cabin / caravan sites in a mixed-use park (not yet commenced)
    - Plenty of capacity to increase marina / storage leases with little capital outlay (some new residential and retirement residents will lease these spaces too)

- **Purchase price of $24.5m (including working capital) – external valuation:**
  - Net rental income capped at c.8%
  - Residential development land equating to c.$40k per approved site
  - Land Lease Community development land equating to c.$20k per approved site

- **Initial guidance at acquisition - 1st Year Profits of $2.57m**:
  - Net operating income of $0.75m
  - Residential land development profit of $1.44m at margin of 36%
  - Retirement land lease house sale profit of $0.39m at margin of 20%

- **Funding:**
  - 95% APZ equity and 5% cash
  - MHIF shareholders had strong preference for APZ scrip over cash

Portfolio Growth and Management



- 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 usually easier and quicker to rent and sell
  - Continued pivoting between short stay and long stay offer when conditions change to maximise profits
  - Strong growth in development pipeline
  - AKV weighting has reduced considerably – Aspen is in a strong position to be able to optimise risks/rewards of this asset

1. Based on property carrying values at FY22

Residential Portfolio

	Residential[1]							
	WA		NSW			QLD		
	Perth Apartment Portfolio[6]	Perth House Portfolio	Lindfield Kiah	Lindfield Kalinda	Cooks Hill	Uniresort	Burleigh Heads	Total Residential
Region	Perth Metro	Perth Metro	Sydney Metro	Sydney Metro	Newcastle Metro	Brisbane Metro	Gold Coast Metro	
Land Ownership	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	
Resident Tenure	Rental	Rental	Rental	Rental	Rental	Rental	Rental	
Total Land Area (HA)	**4.7**	**2.5**	**0.19**	**0.16**	**0.19**	**1.2**	**0.94**	**9.9**
Operational Sites	310	67	20	22	0	308	6	**733**
Pipeline - Refurbishment Dwellings	204	0	0	0	50	0	12	**266**
Pipeline - Undeveloped Sites	0	0	0	0	0	0	0	**0**
Total Approved Sites [2]	**514**	**67**	**20**	**22**	**50**	**308**	**18**	**999**
- per Ha	108	27	104	140	263	256	19	**101**
Owned Dwelling Inventory [3]	514	67	20	22	50	308	18	**999**
- per Approved Site	100%	100%	100%	100%	100%	100%	100%	**100%**
Book Value [4] ($m)	**$93.48**	**$24.30**	**$9.00**	**$4.98**	**$8.97**	**$21.30**	**$11.47**	**$173.50**
Valuation Cap Rate [5]	4.22%	NA	3.25%	3.25%	4.10%	5.75%	3.10%	**4.11%**
Value Per HA ($m)	$19.72	$9.73	$46.66	$31.76	$47.21	$17.67	$12.20	**$17.49**
Value Per Approved Site	$181,868	$362,687	$450,000	$226,364	$179,400	$69,156	$637,222	**$173,674**

1. The Ridge, Mount Barker and Coorong Quays residential land projects are classified as development inventory on the balance sheet (not investment property) and are therefore not included in this analysis
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 - please refer to the financial report (note 8 on pages 51-53) for additional information on valuations
5. Cap rates for the Residential projects (Perth Apartments, Burleigh Heads and Cooks Hill) are applied to expected stabilised net income post completion and leasing (costs to complete and a discount for risk is applied to completed values to derive current book values)

aspen Residential

Residential Portfolio (48% of portfolio value)

Perth Apartment Portfolio (PAP)

- 514 apartments (17 buildings) being refurbished-to-rent
- Expected total cost including refurbishment of c.$80m / average of $156k per apartment
- Already >350 leased at average rent of $294 per week (typical contracted rent increase of $20-30pw after 6 months of lease commencement)
- Expected stabilised NOI of $4.8m – 6.0% net yield on total cost
- Expected total valuation uplift of $47m – 58% above total expected cost

Perth House Portfolio

- Originally 84 houses – purchase price of $20m / $238k per dwelling
- Sold 15 houses in FY22 - $6.74m total proceeds / $449k per dwelling, net yield c.3% - profit on sale not included in Operating Earnings
- Average rent has increased 16% since acquisition to $390 per week (like for like basis)

Lindfield Apartments

- Mixture of residential residents on market rents and retirement village residents on highly subsidised rents - average rent of only $256pw
- Pacific Highway building has high underlying land value with high density zoning

Cooks Hill Co-Living Community

- Traditional boarding house being converted into co-living community with 50 self-contained studios
- Expected completion delayed to around December 2022
- Quality of accommodation is superior to initial proposal and rents are expected to be higher
- Expected total cost including refurbishment of c.$10m / average $200k per apartment
- Expected stabilised NOI of $0.6m – 6.0% net yield on total cost
- Expected total valuation uplift of $5.0m – 51% above total expected cost

UMG Co-Living Community (UniResort)

- 64 units / 304 ensuited rooms (plus caretakers unit) – currently leased predominantly to students
- Occupancy of only 72% and rent of only $212 per week in FY22 - performance was impacted by QLD border closures - we took the opportunity to take some apartments offline for refurbishment
- We expect occupancy of c.100% from late August with foreign students returning

Burleigh Heads Community

- 18 new townhouses undergoing cosmetic refurbishment and civil works
- Expected total cost including refurbishment of $9.4m / average $522k per house
- First 6 houses refurbished and leased at average rent of $780pw - final 12 houses expected to be completed and leased around September 2022
- Expected stabilised NOI of $0.5m – 5.3% net yield on total cost
- Expected total valuation uplift of $5.5m – 59% above total expected cost

Land Development Projects:

The Ridge, Mount Barker Residential Land Lots (92 lots in development pipeline)

- Titles received on Stage 1 of 36 lots
- 11 sales settled at the end of June 2022 generating an attractive profit margin of 38% or $94k per site
- Buyer enquiry declined while the site was inaccessible due to civil works - higher interest rates and tighter lending standards are also likely to be a factor

Coorong Quays Residential Land Lots (262 lots in development pipeline)

- $1.9m of sales settled in June 2022 post acquisition – these were not included in FY22 Operating Earnings as the lots were included in working capital, not inventory for sale, at the time the transaction was agreed
- Over $5m (ex. GST) of contracts[1] on hand - expected margin of c.35%

1. Includes contracts, deposits and EOIs at 30 June 2022

Retirement Community Portfolio

	Retirement							
	NSW		WA		VIC	SA		
	Four Lanterns	Sweetwater Grove	Mandurah Gardens	Meadowbrooke	Wodonga Gardens	Lewis Fields	Alexandrina Cove	Total Retirement
Region	Sydney Metro	Newcastle Region	South Coast	South Coast	Albury-Wodonga	Fleurieu	Fleurieu	
Land Ownership	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold	
Resident Tenure	Land Lease	Land Lease / Rental	Land Lease	Land Lease	Retirement Village	RV / Land Lease	RV / Land Lease	
Total Land Area (HA) [1]	**3.9**	**6.0**	**6.8**	**9.1**	**8.8**	**3.7**	**7.5**	**45.7**
Operational Sites	130	148	158	20	**51**	26	28	**561**
Pipeline - Refurbishment Dwellings	0	0	0	0	**0**	0	0	**0**
Pipeline - Undeveloped Sites	4	67	0	164	**121**	54	130	**540**
Total Approved Sites [2]	**134**	**215**	**158**	**184**	**172**	**80**	**158**	**1,101**
- per Ha	34	36	23	20	**20**	22	21	**24**
Owned Dwelling Inventory [3]	1	28	0	3	**51**	26	17	**126**
- per Approved Site	1%	13%	0%	2%	**30%**	33%	11%	**11%**
Book Value [4] ($m)	**$19.20**	**$16.36**	**$16.05**	**$3.26**	**$5.93**	**$2.43**	**$4.20**	**$67.43**
Valuation Cap Rate	4.75%	6.75%	6.25%	N/A	**N/A**	N/A	6.50%	**6.51%**
Value Per HA ($m)	$4.89	$2.73	$2.37	$0.36	**$0.67**	$0.66	$0.56	**$1.47**
Value Per Approved Site	$143,284	$76,093	$101,582	$17,717	**$34,477**	$30,375	$26,582	**$61,244**

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 – please refer to the financial report (note 8 on pages 51-53) for additional information on valuations. Note for Wodonga Gardens and Lewis Fields - some leases at these properties are regulated under Retirement Village Acts and residents are obligated to pay Deferred Management Fees (DMF) under contracts. The book values in this table reflect the fair value of the estimated DMF revenue stream plus the fair value of spare land (ie. excludes gross up for resident loans included in the financial statements)

aspen Retirement

Retirement Communities

Four Lanterns (134 total sites – 4 in development pipeline)

- 9 houses sold in FY22 at an average price of $433k (inc. GST)
- Converting 1 old house and an amenities block into 4 sites - new houses being installed and expected to sell in 1H FY23

Sweetwater Grove (215 total sites - 67 in development pipeline)

- 15 houses sold in FY22 at an average price of $262k (inc. GST)
- Stage 2 completed within budgeted cost despite collapse of builder in November 2021
- Next stage of 15 new houses has commenced - 6 under contract[1] at average price of $346k (inc. GST) – 21% above previous stages
- We deliberately offered the initial new houses at very low prices to attract new residents as the community transitions from an older-style van park to a land lease retirement community

Mandurah Gardens (158 total sites) – mature village, resale prices recovering over past 24 months

Meadowbrooke (184 total sites – 164 in development pipeline)

- Council approval received for new house designs
- Expect selling prices to start at $250-275k to encourage demand post receivership

Wodonga Gardens (172 total sites – 121 in development pipeline)

- Residents approved conversion of spare land from RV to Land Lease scheme for 109 sites
- The final 12 RV houses are under construction and all were under contract/deposit at 30 June 2022 at an average price of $391k (plus 25% DMF on exit)

Lewis Fields (80 total sites – 54 in development pipeline)

- The first 4 land lease houses are under construction and were under contract/deposit at 30 June 2022 at an average price of $359k and top price of $399k (previous high under DMF structure was $330k)
- Settlements expected to commence in 1HFY23

Alexandrina Cove Lifestyle Community, CQ (158 total sites – 130 in development pipeline)

- 3 new houses settled in June 2022 at an average price of $380k (inc. GST) and average margin of $95k
- Next stage of construction is underway – planning to offer waterfront houses for the first time in FY23

1. Includes contracts, deposits and EOIs

Park Community Portfolio

	Park Communities									
	NSW			SA			NT	WA		
	Barlings Beach	Koala Shores	Tween Waters	Highway One	Adelaide CP	Coorong Quays	Darwin FSR	AKV	Total Parks	Portfolio
Region	South Coast	Central Coast	South Coast	Adelaide Metro	Adelaide Metro	Fleurieu	Darwin Metro	Pilbara		
Land Ownership	Freehold	Free/Leasehold	Freehold	Freehold	Freehold	Freehold	Freehold	Freehold		
Resident Tenure	Land Lease / Short Stay	Short Stay	Short Stay	Short Stay / Land Lease	Short Stay	Mixed	Short Stay / Rental	Short Stay		
Total Land Area (HA)	**8.8**	**5.1**	**1.9**	**9.9**	**1.5**	**42.5**	**10.8**	**2.9**	**83.4**	**139**
Operational Sites	260	144	98	310	97	415	**486**	180	**1,990**	**3,284**
Pipeline - Refurbishment Dwellings	0	0	0	0	0	0	**0**	0	**0**	**266**
Pipeline - Undeveloped Sites	0	0	0	0	0	202	**0**	0	**202**	**742**
Total Approved Sites [1]	**260**	**144**	**98**	**310**	**97**	**617**	**486**	**180**	**2,192**	**4,292**
- per Ha	30	28	50	31	65	15	**45**	62	**26**	**31**
Owned Dwelling Inventory [2]	33	40	33	115	47	13	**182**	180	**643**	**1,768**
- per Approved Site	13%	28%	34%	37%	48%	2%	**37%**	100%	**29%**	**41%**
Book Value [3] **($m)**	**$20.38**	**$11.91**	**$10.03**	**$31.56**	**$13.79**	**$9.85**	**$26.44**	**$15.50**	**$139.46**	**380.4**
Valuation Cap Rate	7.25%	8.00%	8.50%	8.25%	8.00%	8.44%	**9.50%**	16.00%	**9.19%**	**6.40%**
Value Per HA ($m)	$2.33	$2.35	$5.15	$3.20	$9.19	$0.23	**$2.44**	$5.30	**$1.67**	**$2.73**
Value Per Approved Site	$78,385	$82,708	$102,347	$101,806	$142,165	$15,964	**$54,403**	$86,111	**$63,622**	**$88,628**

1. Approved Sites is the total number of underlying units or land sites currently permitted on the property under title, licence or other conditions
2. 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
3. Property values are a mixture of Directors' and external valuations - please refer to the financial report (note 8 on pages 51-53) for additional information on valuations

aspen Holiday Parks

Park Communities – Significant Value-Add Opportunities

Park Communities portfolio is valued on a WACR of 9.2% – high relative to bond rates and most other real estate asset classes

These properties also have significant growth potential through redevelopment into highest and best use over time - for example:

Barlings Beach:

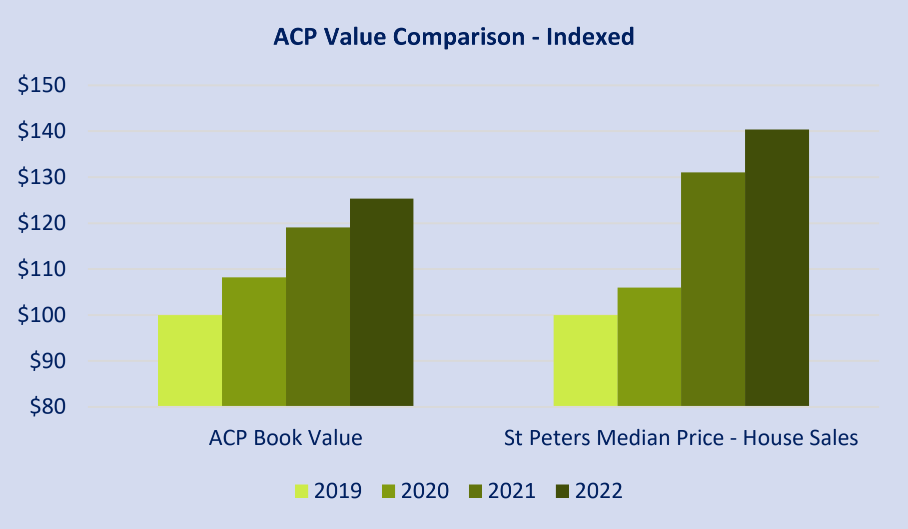
- 8.8 hectares of beachfront land on the NSW south-coast with a large Canberra and Sydney customer base
- Essentially a holiday home land lease community – c.90% of the 260 approved sites are leased to customers who own their own dwelling / holiday cabin
- Median sales price of a house in the local area (Tomakin) is $898k[1], roughly doubling since 2019 – this should help underpin future growth in value and rents / room rates at Barlings Beach
- We have started selling new holiday cabins from c.$100k with a land lease rent of c.$7.5k per annum on previously under-utilised tent camping sites and vacant land

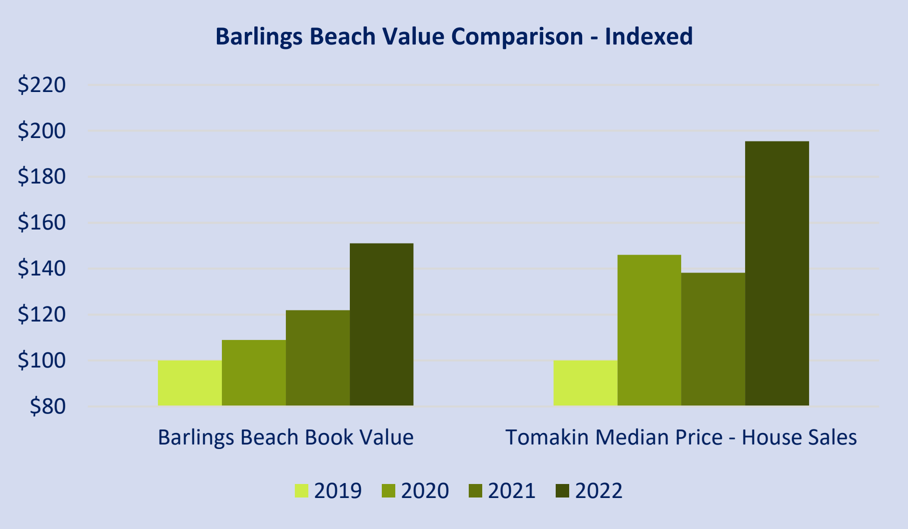
Highway 1:

- 9.9 hectares of land in metropolitan Adelaide, now only 30 minute drive to Adelaide CBD post opening of M2 freeway
- Creation of more discrete tourist/corporate/residential precincts, and increasing density through addition of new dwellings for rent or sale/land lease

Adelaide Caravan Park (ACP):

- 1.5 hectares of land adjoining Adelaide CBD in one of Adelaide's most exclusive neighbourhoods
- Median sales price of a house in the local area (St Peters) is $1.725m[1], up 40% since 2019
- Master planning for potential development of multi-story apartment complex and townhouses





1. Source: CoreLogic

New cabins for sale from $100,000 at Barlings Beach Holiday Park, NSW

Appendix B

Financial Accounts

Operating Profit – FY22

Key Metrics	FY22 $m	FY21 $m	Change
Statutory Profit	**75.38**	**25.39**	197%
Total Revenue	**46.02**	**35.07**	31%
Operating & Development Net Income	**18.34**	**14.65**	25%
Margin	**40%**	**42%**	
Breakdown:			
Rental & ancillary services revenue	*35.33*	*29.05*	*22%*
Direct property expenses	*(20.50)*	*(16.37)*	*25%*
Net Operating Income	***14.84***	***12.68***	*17%*
Operating Margin	***42%***	***44%***	
Development revenue	*10.69*	*6.03*	*77%*
Cost of sales	*(7.18)*	*(4.05)*	*77%*
Net Development Profit	***3.51***	***1.97***	*78%*
Development Margin	***33%***	***33%***	
Net Corporate Overheads	**(4.75)**	**(4.50)**	**5%**
MER[2]	1.0%	1.8%	
Operating EBITDA	**13.60**	**10.15**	34%
Net finance expense	(1.76)	(1.34)	31%
Tax	-	-	
Operating Earnings[1]	**11.84**	**8.81**	34%
Securities (weighted)	136.93	116.36	18%
Operating EPS (cents)	**8.65**	**7.57**	14%
DPS (cents)	**6.60**	**6.60**	0%

Statutory Profit up 197% - includes revaluation gains

Operating Earnings up 34% to $11.84m – Operating EPS up 14% to 8.65 cents

Rental and ancillary services revenue up 22% to $35.33m - revenue increased at every property except the Perth House Portfolio (due to sales of houses over the past 18 months), Cooks Hill (emptied for redevelopment), Koala Shores (COVID and rain), and AKV (expiry of Woodside lease)

Net Operating Income up 17% to $14.84m at a margin of 42% - held back by vacant dwellings under refurbishment

Net Development Profit up 78% to $3.51m through the sale of 38 new retirement houses and residential land sites at an average margin of $92k or 33%:

- Excludes the sale of 11 residential land sites for a total of $1.9m (ex. GST) at CQ post acquisition on 1 June 2022
- Trading Profit from the sale of existing houses is no longer included in Operating Earnings as the uplift in value is reflected in NAV through revaluation gains (total profit of $1.67m in FY22 and $0.19m in FY21)

Management Expense Ratio (MER) declined further to 1.0% - highly competitive for a fully integrated operating and development platform with a strong track record of value creation

Net finance expense up 31% - higher debt and interest rates

Nil tax – Aspen has a material amount of historic tax losses that currently shelters taxable profits

DPS maintained – new distribution policy targeting 65-75% of Operating Earnings

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
2. MER – Management Expense Ratio: Net Corporate Overheads / Closing Total Assets

Reconciliation of Statutory Profit to Operating Profit

	FY22 $m	FY21 $m	% Change
Statutory Net Profit after Tax	**75.38**	**25.39**	**197%**
Adjustments:			
Depreciation of PPE	0.99	0.73	
Property revaluation gains	(61.13)	(17.79)	
Insurance claim proceeds	-	(0.58)	
Asset transaction costs & other	(0.82)	1.93	
Deferred tax benefit recognised	(2.58)	(0.88)	
Operating Profit	**11.84**	**8.81**	**34%**
Net finance expense	1.76	1.34	31%
EBITDA	**13.60**	**10.15**	**34%**
Net corporate overheads and other	4.75	4.50	5%
Operating and Development Net Income	**18.34**	**14.65**	**25%**

Depreciation / R&M / SIBC

- PPE Depreciation of $0.99m under IFRS does not reflect the true expense
- A total of $1.61m was spent in FY22 maintaining the properties:
  - R&M totalled $0.78m - expensed at the property level, therefore already deducted from Property NOI
  - SIBC totalled $0.83m (0.6cps) - initially capitalised to the balance sheet and captured in asset revaluations (up or down)

Deferred tax asset valuation increased in the period due to the increased profitability of Aspen Group Limited

Net finance expense - $1.06m of interest was capitalised to projects in FY22

Summary Balance Sheet and Capital Management

Key Metrics	30 June 22 $m	30 June 21 $m	Change
Total Assets	**452.5**	**246.5**	**84%**
- Property Assets	*412.6*	*228.7*	*80%*
Net Debt	**117.5**	**66.4**	**77%**
- Cash	*10.7*	*8.3*	
- Gross Debt	*128.2*	*74.7*	
Net Asset Value (NAV)	**277.0**	**152.6**	**82%**
Securities (period end)	155.0m	116.4m	
NAV per Security	**$1.79**	**$1.31**	**36%**
Gearing[1]	28%	28%	
Loan to Value Ratio (LTV)[2]	40%	30%	
Interest Cover Ratio (ICR)[2]	4.9x	7.1x	

$m	Expiry	Limit	Utilised 30 June 2022	Available
Debt Facilities	April 2024	$156.00	$129.00	$27.00
Total Margin (above BBSW)	2.000%			
Swaps - Floating to Fixed	April 2024	$70.00		
Fixed Rate	0.498%			

NAV per security $1.79 - up 37% over the year

Property Assets up 80% - driven mainly by the acquisition of Perth Apartment Portfolio (PAP), Wodonga Gardens, Meadowbrooke and Coorong Quays, and revaluation gains

Gross debt of $128.2m and net debt of $117.5m:

Gearing of 28% - below long term target range of 30-40%

LTV of 40% - at 30 June 2022, some of Aspen's property value was not included in the security pool

ICR of 4.9x

Interest Rate Hedging - $70m of BBSW exposure fixed at 50bps until April 2024

1. Gearing = (Gross Financial Debt less Cash) / (Total Assets less Cash less RV Resident Loans. 2. As defined under Aspen's debt facility – LTV convent is 50% and ICR covenant is x2.

Statutory Accounts Extract: Statement of Profit and Loss

	Note	2022 $'000	2021 $'000
Continuing operations			
Rental income		32,326	26,708
Home and land sales		10,690	6,027
Food and Beverage, other ancillary sales, and net gaming revenue		3,007	2,337
Other revenue	1	654	450
Total revenue		46,677	35,522
Other income – insurance claim proceeds	2	-	577
Net fair value gain on Investment properties	8	58,387	17,793
Reversal of previous impairment on property, plant and equipment		2,876	-
Gain from sale of investment properties		263	187
Fair value loss on retirement village resident loans	23	(134)	-
Expenses			
Operational expenses	2	(5,093)	(4,978)
Property expenses	2	(9,109)	(6,463)
Cost of Homes and Land sold		(7,182)	(4,054)
Employee expenses	2	(10,718)	(8,604)
Administration expenses	2	(2,139)	(1,704)
Depreciation and amortisation expenses		(986)	(729)
Other expenses	2	(1,908)	(1,875)
Total expenses		(37,135)	(28,407)
Earnings before interest and income tax expense (EBIT)		70,934	25,672
Finance income	2	114	163
Finance costs	2	(1,848)	(1,434)
Other finance income / cost – fair value gain / (loss) on interest rate swaps		3,605	116
Profit before income tax		72,805	24,517
Income tax benefit		2,576	875
Profit from continuing operations		75,381	25,392
Discontinued operations			
Loss for the year from discontinued operations	21	-	(1)
Profit for the year		75,381	25,391

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

Statutory Accounts Extract: Balance Sheet - Assets

	Note	30 June 2022 $'000	30 June 2021 $'000
Assets			
Current assets			
Cash and cash equivalents	4	10,730	8,277
Trade and other receivables	5	1,694	1,556
Investment property assets held for sale	9	-	1,200
Inventories	10	2,542	1,081
Net investment in sublease	25	158	1,256
Total current assets		15,124	13,370
Non-current assets			
Investment properties	8	386,062	209,774
Property, plant and equipment	7	26,523	17,680
Inventories	10	13,300	-
Intangible assets		140	103
Right of use assets	24	612	798
Deferred tax assets	3	6,576	4,000
Net investment in sublease	25	-	158
Derivative asset		3,605	-
Other		516	613
Total non-current assets		437,334	233,126
Total assets		452,458	246,496

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

Statutory Accounts Extract: Balance Sheet – Liabilities and Equity

	Note	30 June 2022 $'000	30 June 2021 $'000
Liabilities			
Current liabilities			
Trade and other payables	6	16,256	9,023
Resident Loans	23	25,817	6,420
Provisions	11	1,607	1,473
Lease liability	26	348	1,630
Deferred management revenue (DMF)	23	647	-
Total current liabilities		44,675	18,546
Non-current liabilities			
Interest bearing loans and borrowings	16	127,670	74,197
Deferred management revenue (DMF)	23	2,503	-
Lease liability	26	589	937
Derivative liability	17	-	265
Total non-current liabilities		130,762	75,399
Total liabilities		175,437	93,945
Net assets		277,021	152,551
Equity			
Equity attributable to equity holders of the parent			
Issued capital	14	562,602	509,745
Reserves	14	6,966	981
Accumulated losses		(288,710)	(354,338)
Total equity attributable to equity holders		280,858	156,388
Non-controlling interest	22	(3,837)	(3,837)
Total equity		277,021	152,551

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

Statutory Accounts Extract: Cash Flow Statement

	Note	2022 $'000	2021 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		51,313	40,495
Payments to suppliers and employees (inclusive of GST)		(34,066)	(27,752)
Net cash flows from operating activities	4	17,247	12,743
Cash flows used in investing activities			
Acquisition of investment properties		(64,255)	(30,581)
Payment for development of investment properties		(26,048)	(4,781)
Acquisition of property, plant and equipment		(1,619)	(1,068)
Proceeds from sale of investment property assets, net of selling costs		6,519	826
Interest received		114	163
Net cash flows used in investing activities		(85,289)	(35,441)
Cash flows from financing activities			
Proceeds from borrowings		53,587	32,154
Proceeds from net investment in sublease		1,255	1,078
Distributions paid		(8,401)	(7,384)
Payment of financing and borrowing costs		(3,238)	(1,635)
Payment of lease liability		(1,629)	(1,309)
Issuance of stapled securities (net of costs)		28,921	-
Net cash flows from financing activities		70,495	22,904
Net increase in cash and cash equivalents		2,453	116
Cash and cash equivalents at beginning of year		8,277	8,161
Cash and cash equivalents at end of year	4	10,730	8,277

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	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Rental income	6,562	2,657	4,742	3,764	21,022	20,287	-	-	32,326	26,708
Food and beverage, other ancillary sales, and net gaming revenue	-	-	-	-	3,007	2,337	-	-	3,007	2,337
Other revenue	-	-	-	-	-	-	654	450	654	450
Total Rental, ancillary services, and other revenue	6,562	2,657	4,742	3,764	24,029	22,624	654	450	35,987	29,495
Development sales (houses and land)[5]	2,542	-	8,148	6,027	-	-	-	-	10,690	6,027
Total segment revenue [1]	9,104	2,657	12,890	9,791	24,029	22,624	654	450	46,677	35,522
Property EBITDA	2,692	1,394	2,810	2,306	9,334	8,979	-	-	14,836	12,679
Development EBITDA	971	-	2,536	1,973	-	-	-	-	3,507	1,973
Other - corporate	-	-	-	-	-	-	(4,745)	(4,499)	(4,745)	(4,499)
Total operating EBITDA [2]	3,663	1,394	5,346	4,279	9,334	8,979	(4,745)	(4,499)	13,598	10,153
Finance income	-	-	-	-	-	-	9	5	9	5
Finance costs	-	-	-	-	-	-	(1,769)	(1,349)	(1,769)	(1,349)
Operating profit / (loss) before depreciation and income tax	3,663	1,394	5,346	4,279	9,334	8,978	(6,505)	(5,842)	11,838	8,809
Depreciation and amortisation	-	-	-	-	(726)	(619)	(260)	(110)	(986)	(729)
Net Fair value gain/(loss) on investment properties	41,062	7,023	9,362	(127)	7,963	10,897	-	-	58,387	17,793
Reversal of previous impairment on property, plant and equipment	-	-	-	-	2,876	-	-	-	2,876	-
Fair value loss on retirement village resident loans	-	-	(134)	-	-	-	-	-	(134)	-
Other income / (expenses)[3]	(331)	(1,743)	(463)	(118)	(47)	(27)	1,665	(46)	824	(1,934)
Insurance claim proceeds	-	-	-	-	-	577	-	-	-	577
Income tax benefit	-	-	-	-	-	-	2,576	875	2,576	875
Profit / (loss) after tax attributable to parent entity	44,394	6,674	14,111	4,034	19,400	19,806	(2,524)	(5,123)	75,381	25,391
Segment assets and liabilities reviewed by CODM can be analysed as follows:										
Segment assets	189,084	70,597	99,544	48,626	139,457	109,343	24,373 [4]	17,930	452,458	246,496
Segment liabilities	-	-	-	-	-	-	(175,437)	(93,945)	(175,437)	(93,945)
Additions to non-current assets during the year	72,697	31,637	39,784	10,060	14,842	3,037	14	85	127,338	44,819

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

Appendix C

ESG

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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 generally 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.
- As a part of Aspen's desire to provide access to quality accommodation to those in need ''**Aspen Social**'' has been launched. Aspen recognises the shortage of affordable housing is most acute at the social end in every state and territory in Australia. This initiative aims to assist the providers of social housing by donating a proportion of our residential dwellings net rent free. To date we are collaborating with the Red Cross and Nulsen Disability Services

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 CO2 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 CO2

Environmental, Social and Corporate Governance Program

Environmental (continued)

- 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

Governance

- Aspen Group comprises the stapled head entities Aspen Group Limited (AGL) and Aspen Property Trust. AGL 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 AGL and has its own Board. Between the two entities' Boards, there are currently 6 members of which 4 are considered independent. The only member of AGL's Board 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 AGL 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 about 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.

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Appendix D

Distribution & Tax History

Distribution & Tax History

Period / Quarter Ended	Payment Date	Distribution Type	Aspen Group Ltd	Aspen Property Trust[1]		Total Amount Paid CPS
			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	82.0%	3.50
Dec-21	25/02/2022	Ordinary	-	3.10	85.0%	3.10
Jun-22	25/08/2022	Ordinary	-	3.50	88.9%	3.50

30 June 2022	Aspen Group Ltd	Aspen Property Trust
	Gross ($m)	Gross ($m)
Revenue tax losses	61	-
Capital tax losses	37	-

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

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