

Aspen Property Trust

ARSN: 104 807 767

**INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED
31 December 2022**

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Aspen Property Trust

For the period ended 31 December 2022

Trust particulars

The various services providers for the Aspen Property Trust ("the Trust") are detailed below:

<u>Service</u>	<u>Provider</u>
Responsible Entity ("RE")	Evolution Trustees Limited ("ET")
Investment Manager	Aspen Funds Management Limited ("AFML")
Custodian	Perpetual Corporate Trust Limited
Statutory Auditor	Deloitte Touche Tohmatsu ("Deloitte")

Directors

The following persons held office as Directors of Evolution Trustees Limited for the period ended 31 December 2022:

David Grbin	Non-executive Chairman
Alexander Calder	Non-executive Director
Rupert Smoker	Executive Director
Ben Norman	Alternate Director

The following persons held office as Directors of Aspen Funds Management Limited for the period ended 31 December 2022:

Clive Appleton	Non-executive Chairman
Guy Farrands	Non-executive Director
John Carter	Executive Director
David Dixon	Executive Director

Registered Offices

Evolution Trustees Limited

Suite 703B, 7th Floor
1 York Street
Sydney NSW 2000, Australia
Telephone: (61 2) 8866 5150
Email: info@evolutiontrustees.com.au
Web Address: www.evolutiontrustees.com.au

Aspen Funds Management Limited

Suite 21
285A Crown Street
Surry Hills NSW 2010, Australia
Telephone: (61 2) 9151 7500
Email: homemail@aspengroup.com.au
Web Address: www.aspengroup.com.au

Auditor

Deloitte Touche Tohmatsu
Grosvenor Place
225 George Street
Sydney NSW 2000

Stock Exchange Listing

The Trust's units are listed on the Australian Securities Exchange ("ASX") through Aspen Group Limited ("AGL") under the ASX code APZ (stapled securities). Each stapled security comprises one unit in the Trust and one share in AGL. The Trust and AGL (and their controlled entities) form the consolidated entity ("Aspen Group" or "Group"). The Trust and its wholly owned subsidiary, Midland Property Trust ("MPT"), form the "Consolidated Trust".

Aspen Property Trust

For the period ended 31 December 2022

Directors' report

The Directors of Evolution Trustees Limited ("ET") as responsible entity of the Trust present their report together with the condensed consolidated interim financial statements which comprises the Trust and its subsidiary (collectively referred to as The Consolidated Trust), for the period ended 31 December 2022, and the auditor's review report thereon.

Operating and financial review

The Consolidated Trust recorded a profit attributable to unit holders of \$8.416 million for the period ended 31 December 2022 (\$23.059 million for the period ended 31 December 2021).

Ordinary distributions declared during the period were as follows:

Half-year ended	Record date	Amount per unit 31 December 2022	Amount per unit 31 December 2021
31 December	30 December	3.50 cents	3.10 cents

Aspen Group's distribution policy considers the profitability of the Group, the taxable income of the Trust, capital expenditure requirements, forecast cash flows and the terms and conditions of its debt facility.

On 15 December 2022, Aspen Group announced an expected distribution of 3.50 cents per security in respect of the half-year ended 31 December 2022. This distribution has now been declared and is payable to securityholders on or around 24 February 2023.

Review of financial conditions

Property portfolio

During the period, the following investment properties¹ were revalued based on independent valuations (comparatives are based on 30 June 2022 book values):

- Tween Waters Holiday Park was revalued to \$10.000 million (30 June 2022: \$10.026 million)
- Barlings Beach Holiday Park was revalued to \$20.500 million (30 June 2022: \$20.381 million)
- Darwin Freespirit Resort was revalued to \$31.150 million (30 June 2022: \$26.445 million)

The other properties held by the Trust were subject to Directors' valuation.

On 23 December 2022 Aspen Group contracted to acquire the Black Dolphin Resort Motel in Merimbula, NSW. The property is adjacent to Aspen's Tween Waters Holiday Park. Settlement is expected to occur on 1 March 2023.

¹ Latest independent valuation (and comparatives) are for the entire property, including the property, plant and equipment which are owned by AGL.

Capital management and financial position

During the period, Aspen Group issued 23.60 million new stapled securities at \$1.58 per unit raising \$37.3 million of equity via a placement and security purchase plan. The proceeds were initially mainly used for debt reduction and to position the Group for acquisition opportunities.

At 31 December 2022, the Consolidated Trust had a shared \$156.000 million finance facility with AGL, comprised of a \$150.000 million cash advance facility (30 June 2022: \$150.000 million), a \$5.000 million bank overdraft facility (30 June 2022: \$5.000 million) and a \$1.000 million bank guarantee facility (30 June 2022: \$1.000 million). At 31 December 2022, the Consolidated Trust's portion of the drawn debt was nil (30 June 2022: \$4.29 million) and the gearing ratio was nil (30 June 2022: 2.26%).

Aspen Property Trust

For the period ended 31 December 2022

Directors' report (continued)

Likely developments

The Consolidated Trust continues to pursue growth opportunities that may arise in the accommodation sector, which meet the Group's strategic focus on affordable accommodation.

Significant changes in the state of affairs

Other than noted elsewhere in this Interim Financial Report, there were no significant changes in the state of affairs of the Consolidated Trust that occurred during the period under review.

Safety and environment

No significant accidents or injuries involving employees of the Group were recorded during the period.

Principal activities

The principal activities of the Consolidated Trust during the period is to invest into the accommodation sector.

There was no significant change in the nature of the activities of the Consolidated Trust during the period.

Events subsequent to reporting date

On 23 December 2022, the Aspen Group contracted to acquire the Black Dolphin Motel in Merimbula, NSW for \$5.2 million. The property is adjacent to Aspen's Tween Waters Holiday Park. Settlement is expected to occur on 1 March 2023.

There has not arisen any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of ET, to significantly affect the operations of the Consolidated Trust, the results of those operations, or the state of affairs of the Consolidated Trust, in future financial periods.

Auditor's independence declaration under Section 307C of the Corporations Act 2001

The auditor's independence declaration is included on page 6 and forms part of the Directors' report for the period ended 31 December 2022.

Rounding off

The Consolidated Trust is of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the half-year financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the Directors of the Responsible Entity.



Rupert Smoker

Director

SYDNEY, 20 February 2023

20 February 2023

The Board of Directors
Evolution Trustees Limited
as Responsible Entity of Aspen Property Trust
Suite 703B, 7th Floor, 1 York Street,
Sydney NSW 2000

Dear Board Members

Auditor's Independence Declaration to Aspen Property Trust

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Board of Directors of Evolution Trustees Limited as Responsible Entity of Aspen Property Trust.

As lead audit partner for the review of the financial report of Aspen Property Trust for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Michael Kaplan
Partner
Chartered Accountants

Independent Auditor's Review Report to the Unitholders of Aspen Property Trust

Conclusion

We have reviewed the half-year financial report of Aspen Property Trust (the "Trust") and its controlled entities (together referred to as the "Group"), which comprises the condensed consolidated interim statement of financial position as at 31 December 2022, the condensed consolidated interim statement of profit or loss and other comprehensive income, the condensed consolidated interim statement of cash flows and the condensed consolidated interim statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Directors' Responsibilities for the Half-year Financial Report

The directors of the Responsible Entity of the Trust are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



DELOITTE TOUCHE TOHMATSU



Michael Kaplan
Partner
Chartered Accountants
Sydney, 20 February 2023

Aspen Property Trust

For the period ended 31 December 2022

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Aspen Property Trust

Condensed consolidated interim statement of profit or loss and other comprehensive income

For the period ended 31 December 2022

		Consolidated	
		31 December 2022	31 December 2021
	Note	\$ '000	\$ '000
Rent from investment properties		2,845	2,647
Change in fair value of investment properties		6,568	21,872
Operating expenses		(1,327)	(1,125)
Administration and general expenses		(85)	(72)
Profit from operating activities		8,001	23,322
Finance income		807	81
Finance expenses		(392)	(344)
Net finance income		415	(263)
Profit for the period before income tax		8,416	23,059
Income tax expense		-	-
Profit for the period		8,416	23,059
Other comprehensive income for the period		-	-
Total comprehensive income for the period		8,416	23,059
Profit attributable to:			
Unit holders of the Consolidated Trust	10	8,416	23,059
Profit for the period		8,416	23,059
Total comprehensive income attributable to:			
Unit holders of the Consolidated Trust	10	8,416	23,059
Total comprehensive income for the period		8,416	23,059
		Cents per unit	Cents per unit
Basic earnings per unit	10	4.98	17.49
Diluted earnings per unit	10	4.94	17.33

The Condensed consolidated interim statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes to the financial statements.

Aspen Property Trust

Condensed consolidated interim statement of financial position

As at period ended 31 December 2022

	Note	Consolidated	
		31 December 2022	30 June 2022
		\$ '000	\$ '000
Assets			
<i>Current assets</i>			
Cash at bank and on hand	12	328	212
Trade and other receivables		5	5
Deferred finance costs		65	-
Total current assets		398	217
<i>Non-current assets</i>			
Deferred finance costs		20	-
Receivables from related parties	5	42,185	27,465
Investment property	6	161,183	154,402
Total non-current assets		203,388	181,867
Total assets		203,786	182,084
Liabilities			
<i>Current liabilities</i>			
Trade and other payables	7	6,397	5,554
Total current liabilities		6,397	5,554
<i>Non-current liabilities</i>			
Interest bearing loans and borrowings	8	-	4,010
Total non-current liabilities		-	4,010
Total liabilities		6,397	9,564
Net assets		197,389	172,520
Equity			
<i>Equity attributable to unit holders</i>			
Units on issue	9	412,762	390,029
Accumulated losses		(215,373)	(217,509)
Total equity		197,389	172,520

The Condensed consolidated interim statement of financial position is to be read in conjunction with the accompanying notes to the financial statements.

Aspen Property Trust

Condensed consolidated interim statement of changes in equity

For the period ended 31 December 2022

		Units on issue	Accumulated losses	Total equity
	Note	\$ '000	\$ '000	\$ '000
Balance at 1 July 2022		390,029	(217,509)	172,520
Profit for the period		-	8,416	8,416
Other comprehensive income for the period		-	-	-
Total comprehensive income for the period		-	8,416	8,416
Issue of units, net of transaction costs	9	22,733	-	22,733
Distributions to unit holders	9	-	(6,280)	(6,280)
Balance at 31 December 2022		412,762	(215,373)	197,389

		Units on issue	Accumulated losses	Total equity
	Note	\$ '000	\$ '000	\$ '000
Balance at 1 July 2021		351,008	(237,632)	113,376
Profit for the period		-	23,059	23,059
Other comprehensive income for the period		-	-	-
Total comprehensive income for the period		-	23,059	23,059
Issue of units, net of transaction costs	9	21,894	-	21,894
Distributions to unit holders	9	-	(4,327)	(4,327)
Balance at 31 December 2021		372,902	(218,900)	154,002

The Condensed consolidated interim statement of changes in equity is to be read in conjunction with the accompanying notes to the financial statements.

Aspen Property Trust

Condensed consolidated interim statement of cash flows

For the period ended 31 December 2022

	Note	Consolidated	
		31 December 2022	31 December 2021
		\$ '000	\$ '000
Cash flows from investing activities			
Interest received		1	-
Net cash generated from investing activities		1	-
Cash flows from financing activities			
Proceeds from repayment of related entity loan ¹		306	469
Borrowing and financing costs		(191)	(454)
Net cash generated from financing activities		115	15
Net increase in cash and cash equivalents		116	15
Cash and cash equivalents at beginning of period		212	73
Cash and cash equivalents at end of period	12	328	88
<u>Cash and cash equivalents comprised of:</u>			
Cash at bank and on hand		328	88
Cash in term deposits		-	-
		328	88

¹ This excludes the non-cash impact of:

- Provision of \$14.721 million of additional funding from the Trust to AGL for the period ended 31 December 2022 including \$22.733 million relating to funds receipted by AGL on behalf of the Trust in respect of issuance of stapled securities by the Trust, distributions paid by AGL on behalf of the Trust totalling \$5.427 million, and loan repayment by AGL on behalf of the Trust totalling \$4.296 million.

The Condensed consolidated interim statement of cash flows is to be read in conjunction with the accompanying notes to the financial statements.

Aspen Property Trust

Notes to the Condensed Consolidated Interim Financial Statements

For the period ended 31 December 2022

1. Reporting entity

Aspen Property Trust (the “Trust”) is an Australian resident trust. The address of the Trust’s registered office is Suite 703B, 7th Floor 1 York Street, Sydney, New South Wales 2000. The Trust forms part of Aspen Group’s stapled security structure consisting of one share in Aspen Group Limited (“AGL”) and one unit in the Trust. The consolidated financial statements of the Trust (the “Consolidated Trust”) as at and for the half-year ended 31 December 2022 comprise the Trust and its subsidiary. The Trust is a for-profit entity and is primarily involved in the investment in income-producing accommodation property.

2. Basis of preparation

(a) Statement of compliance

The consolidated financial report is a general-purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. These condensed consolidated interim financial statements do not include all the information required for the full annual financial statements prepared in accordance with Australian Accounting Standards and these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcement made by the Aspen Group Limited and the Consolidated Trust during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

These condensed consolidated interim financial statements were authorised for issue by the Board of Evolution Trustees Limited, the Responsible Entity of the Trust, on 20 February 2023.

(b) Use of key estimates and judgements

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

In preparing these condensed consolidated interim financial statements, significant judgements made by management in applying the Consolidated Trust’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2022.

(c) Financial position

During the period ended 31 December 2022, the Consolidated Trust recorded a profit of \$8.416 million (31 December 2021: profit of \$23.059 million). At 31 December 2022, the Consolidated Trust had net assets of \$197.389 million (30 June 2022: \$172.520 million) and a working capital deficiency of \$6.000 million (30 June 2022: \$5.337 million). The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The RE Board expects the distributions payable at 31 December 2022 of \$6.280 million to be funded from existing cash reserves held by the Trust’s stapled entity, AGL, or if required, through the drawdown of available financing facilities (refer to Note 8).

(d) Comparative information

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current period amounts and other disclosures.

3. Significant accounting policies

With the exception of any changes in accounting policies outlined at Note 17, all other accounting policies applied by the Consolidated Trust in these condensed consolidated interim financial statements are the same as those applied by the Consolidated Trust in its consolidated financial statements as at and for the year ended 30 June 2022 and the prior corresponding interim reporting period.

4. Operating segments

The Consolidated Trust operated in only one segment, being investment in properties within Australia for the periods ended 31 December 2022 and 31 December 2021.

5. Receivables from related parties

	31 December 2022	30 June 2022
	\$ '000	\$ '000
Non-Current		
Amounts receivable from AGL	42,185	27,465

Notes:

Under the stapling arrangements that govern APT and AGL, both entities have agreed and covenanted to the maximum extent permitted by law that they must on the terms and conditions proposed by each other lend money or provide financial accommodation to the other or any of its controlled entities. Based on these arrangements, the Consolidated Trust has a loan agreement with AGL maturing 1 July 2024 as a lender. There is no expectation that this loan will be called upon by either entity in the next twelve months.

The Investment Manager considers the loan to be recoverable and no material expected credit loss provision is required.

6. Investment property

	31 December 2022	30 June 2022
	\$ '000	\$ '000
At 1 July	154,402	125,930
Costs relating to civil works at Sweetwater Grove	213	1,021
Fair value adjustments	6,568	27,451
At 31 December / 30 June	161,183	154,402

Aspen Property Trust

Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the period ended 31 December 2022

6. Investment property (continued)

The following table presents the individual property owned by the Consolidated Trust:

Property	Original acquisition date	Original acquisition costs \$ '000	Latest independent valuation date	Latest independent valuation ¹ \$ '000	Book value at 31 December 2022 \$ '000	Book value at 30 June 2022 \$ '000
Retirement Properties						
Four Lanterns NSW	Jan 2015	6,986	Dec 2021	19,250	18,378	18,272
Mandurah WA	Jun 2015	7,525	Jun 2020	13,725	15,852	15,736
Sweetwater Grove NSW	Aug 2015	2,455	Oct 2021	16,300	14,550	13,771
Park Communities Properties						
Adelaide SA	Oct 2015	7,121	Jun 2021	13,100	13,297	12,505
Tween Waters NSW	Dec 2016	6,800	Oct 2022	10,000	7,381	7,381
Barlings Beach NSW	Jan 2017	13,250	Oct 2022	21,000	15,835	15,544
Koala Shores NSW	Sep 2017	4,341	Nov 2021	11,500	8,779	8,728
Darwin FreeSpirit NT	Dec 2017	13,875	Oct 2022	32,000	25,313	21,349
Highway 1 SA	Oct 2018	17,470	Jun 2021	28,350	26,298	25,616
Aspen Karratha Village WA	Jun 2005	28,881	Apr 2022	15,500	15,500	15,500
Total					161,183	154,402

¹ Latest independent valuation is for the entire property, including the property, plant and equipment owned by AGL.

As at 31 December 2022, the above investment properties were pledged as security for the Consolidated Trust's and AGL's finance facilities. Refer to Note 8 for further details.

Fair value is determined on the basis of either an independent valuation prepared by external valuers as at the date of the balance sheet, or Directors' valuation. Independent valuations of property investments are obtained at intervals of not more than three years with Directors' valuations in intervening years. Independent valuations are performed by external, independent property valuers, having appropriate recognised professional qualifications and experience in the location and category of the property being valued.

As a result of the independent valuations received for Tween Waters Holiday Park, Barlings Beach Holiday Park and Darwin FreeSpirit Resort, and Directors' valuations on the remaining properties, there was a net upward movement of \$6.568 million in the portfolio book value as at 31 December 2022.

Certain external valuers have indicated in their reports that the events of COVID-19 present unprecedented set of circumstances on which to base a judgement regarding property values. As a result, they have indicated that their valuations are reported on the basis of 'material valuation uncertainty' as per Valuation Reports (VPS 3) and matters that may give rise to material valuation uncertainty (VPGA 10) of the RICS Red Book Global. Consequently, less certainty and a higher degree of caution should be attached to their valuations than would normally be the case.

The fair value measurement of \$161.183 million (30 June 2022: \$154.402 million) has been categorised as a Level 3 fair value, based on the unobservable inputs to the valuation technique used.

Aspen Property Trust

Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the period ended 31 December 2022

7. Trade and other payables

	31 December 2022	30 June 2022
	\$ '000	\$ '000
Current		
Distributions payable	6,382	5,528
Accrued liabilities	15	26
At 31 December / 30 June	6,397	5,554

8. Interest bearing loans and borrowings

	31 December 2022	30 June 2022
	\$ '000	\$ '000
Non-current liabilities		
Secured debt facility – Gross	-	4,292
Less: Deferred borrowing transaction costs	-	(282)
Total interest-bearing loans and borrowings as at 31 December / 30 June	-	4,010

The Consolidated Trust together with AGL have financing arrangements in place with a total limit of \$156.000 million comprising a revolver, a bank overdraft facility and a bank guarantee facility. These financing facilities are secured with first ranking registered real property mortgages over some of the Consolidated Trust's and AGL's directly owned properties, and a fixed and floating charge over Aspen Group Limited, Aspen Property Trust, Aspen Living Villages Pty Ltd, Aspen Property Developments Pty Ltd, Realise Residential WA Pty Ltd, Realise Residential WA 2 Pty Ltd, Realise Residential WA 3 Pty Ltd, Realise Residential WA 4 Pty Ltd, Realise Residential WA 5 Pty Ltd, Realise Residential WA 6 Pty Ltd, Realise Residential WA 7 Pty Ltd, Realise Residential WA 8 Pty Ltd, Realise Residential WA 9 Pty Ltd, Realise Residential WA 10 Pty Ltd, Realise Residential WA 11 Pty Ltd, Realise Residential WA 12 Pty Ltd, Realise Residential WA 13 Pty Ltd, Realise Residential WA 14 Pty Ltd, Realise Residential WA 15 Pty Ltd, Realise Residential WA 16 Pty Ltd, Realise Residential WA 17 Pty Ltd, Nest QLD Pty Ltd, Footprint MB Pty Ltd and Digs Accommodation Vic Pty Ltd.

During the period the Consolidated Trust repaid all its borrowings using funds received from the securities placement.

Secured revolver

At 31 December 2022, the Consolidated Trust together with AGL had a secured revolver of \$150.000 million (30 June 2022: \$150.000 million), maturing in April 2024.

Secured bank overdraft facility

At 31 December 2022, the Consolidated Trust together with AGL had a secured bank overdraft facility of \$5.000 million (30 June 2022: \$5.000 million), maturing in April 2024.

Secured bank guarantee facilities

At 31 December 2022, the Consolidated Trust together with AGL had secured bank guarantee facilities totalling \$1.000 million (30 June 2022: \$1.000 million), maturing in April 2024.

Aspen Property Trust

Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the period ended 31 December 2022

8. Interest bearing loans and borrowings (continued)

	31 December 2022	30 June 2022
	\$ '000	\$ '000
Financing facilities		
Secured revolver	150,000	150,000
Secured overdraft facility	5,000	5,000
Secured bank guarantees	1,000	1,000
	156,000	156,000
Facilities utilised at reporting date (at gross)		
Secured revolver – Consolidated Trust	-	4,292
Secured revolver – AGL	121,947	123,947
Secured bank guarantees	759	759
	122,706	128,998
Facilities not utilised at reporting date		
Secured revolver	28,053	21,761
Secured overdraft facility	5,000	5,000
Secured bank guarantees	241	241
	33,294	27,002

9. Units on issue

For the six months period ended 31 December 2022

	31 December 2022	31 December 2022
Units on issue	Units'000	\$'000
On issue at 1 July 2022	155,043	390,029
Issued during the period, net of transaction costs	24,378	22,733
On issue at 31 December 2022 – fully paid	179,421	412,762

The Consolidated Trust recorded the following amounts within unit holders' equity as a result of the issuance of units.

For the year ended 30 June 2022

	30 June 2022	30 June 2022
Units on issue	Units'000	\$'000
On issue at 1 July 2021	116,368	351,008
Issued during the period, net of transaction costs	38,675	39,021
On issue at 30 June 2022 – fully paid	155,043	390,029

Ordinary distributions

31 December 2022	Cents per unit	Total amount \$'000	Estimated date of payment
July 2022 – December 2022	3.50	6,280	24 February 2023

Aspen Property Trust

Notes to the Condensed Consolidated Interim Financial Statements (continued)

For the period ended 31 December 2022

10. Earnings per unit

	31 December 2022	31 December 2021
	Cents per unit	Cents per unit
Basic earnings per unit	4.98	17.49
Diluted earnings per unit	4.94	17.33

	31 December 2022	31 December 2021
	\$ '000	\$ '000
Profit attributable to ordinary stapled unit holders		
Continued Operations	8,416	23,059

	31 December 2022	31 December 2021
	'000 units	'000 units
Weighted average number of units		
Basic units at 31 December	169,164	131,820
Diluted units at 31 December	170,517	133,042

11. Financial risk management

The Consolidated Trust's financial risk management objectives and policies are consistent with those disclosed in the Annual Report as at and for the year ended 30 June 2022.

12. Cash and cash equivalents for the Condensed Consolidated Interim Statement of Cash Flows

	31 December 2022	30 June 2022
	\$ '000	\$ '000
Cash at bank and in hand	328	212
Cash and cash equivalents at the end of the period	328	212

13. Related party transactions

Related parties' arrangements are consistent with those disclosed in the financial report for the year ended 30 June 2022.

14. Contingent liabilities

	31 December 2022	30 June 2022
	\$ '000	\$ '000
Guarantees issued to third parties	759	759

The Trust acts as a Joint Guarantor in respect of the \$156.000 million financing facility referred to in Note 8. As at 31 December 2022, \$121.947 million of the financing facility was utilised by AGL.

Other than the above, the Directors of the Responsible Entity are not aware of any material contingent liabilities existing at 31 December 2022 or at the date of completion of these condensed consolidated interim financial statements.

15. Commitments

Other than as noted in Note 16, the Directors of the responsible entity are not aware of any material commitments existing at 31 December 2022 or at the date of completion of these condensed consolidated interim financial statements.

16. Subsequent events

On 23 December 2022, the Aspen Group contracted to acquire the Black Dolphin Motel in Merimbula, NSW for \$5.2 million. The property is adjacent to Aspen's Tween Waters Holiday Park. Settlement is expected to occur on 1 March 2023.

Other than the above, there has not arisen any other item, transaction, or event of a material and unusual nature likely, in the opinion of the Directors of the responsible entity, to affect significantly the operations of the Consolidated Trust, the results of those operations, or the state of affairs of the Consolidated Trust, in future financial periods.

17. New or amended accounting standards

New and amended standards adopted from 1 July 2022

The Consolidated Trust has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year. Their adoption has had no material impact on the disclosures and/or amounts reported in these financial statements.

Aspen Property Trust

Directors' declaration

For the period ended 31 December 2022

Directors' declaration

1. In the opinion of the Directors of the responsible entity of the Consolidated Trust, Evolution Trustees Limited:

(a) the interim financial statements and notes set out on pages 9 to 20 are in accordance with *the Corporations Act 2001*, including:

- (i) giving a true and fair view of the Consolidated Trust's financial position as at 31 December 2022 and of its performance for the period ended on that date; and
- (ii) complying with Accounting Standards AASB 134 *Interim Financial Reporting*, the *Corporations Regulations* and other mandatory professional reporting requirements; and

(b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Rupert Smoker

Director

SYDNEY, 20 February 2023