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ASX ANNOUNCEMENT

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2025 AGM – Chair Address

Good afternoon and welcome to today's annual general meeting of Aspen Group. My name is Guy Farrands, and I am your independent Chairman.

Today I will make some comments before handing over to Patrick Maddern, our Head of Asset Management and Development, who will give you a more detailed review of the business. We will then move onto the formal part of the meeting.

But before I begin, I want to pay tribute to my predecessor Chairman, Clive Appleton who retired from the board at our last AGM. Clive joined the board in 2012 and held the Chair role from 2016 to 2024, leading Aspen during some of its most difficult times through to the prosperity which we enjoy today. In particular, Clive led the transaction that resulted in our two joint Chief Executive Officers and Head of Asset Management joining the business, which is an extremely important part of our recent success. We owe a great debt of gratitude to Clive, and we wish him very well in his retirement.

This year Aspen has built on the work done by our team and produced a record result, both in terms of the financial performance of the business and the stock price.

Patrick will provide more details on this, but never before has our purpose of providing affordable accommodation to Australians been more important. Our target customer base is households with incomes of less than \$100,000 per annum. This market is very large – we estimate it to be approximately 40% of all households. It is no exaggeration to say that they have never found it so difficult to find accommodation that they can afford.

We seek to control as tightly as possible those things which we can control, in particular costs.

We pride ourselves on running Aspen as economically as possible. This applies to both our overhead, which is low relative to most competing companies, and the cost of production. This way we can offer our housing product to our customers at the best price possible whilst maintaining attractive profitability. Although we do not envisage any major market shakeouts in the next year, our approach provides a margin for safety if markets deteriorate.

The highest of our overhead costs is wages and salaries. Whilst it is important to pay fair market salaries to retain the excellent people on our team, it is essential that their total rewards are, to the extent appropriate, geared towards shareholder returns. We try to keep base salaries low and pay incentive payments dependent on individual performances and the performance of the business.

The extent of stock ownership amongst the board and staff is high. All members of the board own Aspen securities and all our head office staff and park managers participate in the LTI scheme. Long-term incentives, which are paid in Aspen securities only if certain performance targets are reached, are a major part of remuneration packages. In the case of our two joint Chief Executive Officers, in 2025 approximately 60% of their total compensation came from long-term incentives which are related to total returns on Aspen's listed securities and book equity. We believe this structure better aligns management interests with your interests as securityholders.

There were several significant acquisitions during the year, along with some disposals where properties had reached what we see as full value and no longer suited Aspen's affordable accommodation mantra.

Our approach to acquisitions is like our approach to operating costs, we do not hesitate to walk away from opportunities that are too expensive. Whilst execution is very important, much value is created by buying properties at the right price and we pride ourselves on doing just that. We have no interest in expansion for expansions sake; we are focused on buying properties that can provide the best accommodation solutions for our customer base as these are likely to offer the best possible returns for securityholders.

We dispose of properties where we feel that their value has been maximised or they no longer meet our core value proposition – affordability. A good example of this is the Burleigh Heads townhouse complex that Aspen acquired under a receivership sale in 2020 during the COVID outbreak. The total project cost was about \$530k per townhouse and they were initially leased at less than \$600 per week. Over the subsequent few years, the Burleigh Heads market significantly improved and rents headed towards \$1,000 per week which is unaffordable for Aspen's customer base. The properties were therefore sold individually, achieving an average price of about \$1 million. The capital has been recycled into better opportunities including, for example, the acquisition of 81 apartments at Burwood Victoria in March 2024 for \$100k per unit which were leased at \$270 per week.

Property is a cyclical business, and we have a keen eye on how our balance sheet is structured. We undertook a debt refinance during the year to improve flexibility, increase duration and reduce margin. Aspen's gearing is usually less than 30% and it can comfortably service its debt with its strong rental income streams alone – it is not reliant on development profits.

Whilst these transactions were important, perhaps the most significant event that occurred during the year was our capital raising which increased Aspen's equity base and liquidity and therefore attractiveness to institutional investors. This equity raising was a critical step towards inclusion in the ASX 300 index, which we believe has assisted the stock price performance.

Before I hand over to Patrick, I want to sincerely thank our staff for their achievements over the year. We are very fortunate to have recruited excellent, highly committed people. In particular I want to thank our joint Chief Executive Officers John and David who have provided outstanding leadership and, most importantly, developed a sense of purpose and a culture of excellence that have been embedded in the business for the long-term.

I also want to thank you, our securityholders, for your support.

Guy Farrands

Chairman

2025 AGM – Management Address

Thanks Guy. Good afternoon, I'm Patrick Maddern, Head of Asset Management and Development.

Aspen is Helping Solve Australia's Affordable Housing Crisis

Australia's affordable housing crisis is deepening. The rental vacancy rate has dropped to a record low of 1.5%, rental listings are about 25% below average, and rents and prices are accelerating again¹. The proportion of listed rentals offered at less than \$400 per week has collapsed to 8% Australia-wide and under 5% in Aspen's major markets - a small fraction of the 40% of households that need it². To address the shortfall, and to accommodate expected population growth of 1.8 million over the next 5 years³, production needs to jump 40% to a record 1.2 million new dwellings, costing roughly \$1 trillion. The situation is diabolical and the opportunities are massive.

Aspen is doing its bit to help solve the problem. Over the past 5 years Aspen tripled its portfolio of quality, affordable accommodation to over 6,500 dwellings and sites. About 4,000 are in the rental pool with an average weekly gross rent of only \$325 per dwelling/site⁴. Over 2,500 sites are in the development pipeline with an average book value of about \$35k per planned site, a fraction of the price paid by competitors. While charging affordable rents and prices, and investing in the future pipeline, Aspen generated ROE⁵ of 24% per annum for securityholders.

We expect Aspen's strong growth and profitability to continue over the next 5 years.

Aspen's Affordable Accommodation Model

Aspen offers its affordable accommodation under three different funding models:

1. Residential Living - Aspen owns the combined dwelling and land which is leased to customers
2. Lifestyle land lease - Aspen owns the land only which is leased to customers who own their dwelling
3. Residential land lots - Aspen sells developed land lots to customers who prefer to own both dwelling and land (typically borrowing from banks to help fund it)

Our preference is to develop and offer all three options in the same location to increase Aspen's addressable market, optimise capital usage, and maximise profits.

Aspen's Rental Business

The value proposition of Aspen's rental portfolio has never been better. Over the past 5 years we extensively refurbished our dwellings and community facilities while keeping the portfolio's average weekly gross rent flat in real terms, benefitting customers.

We strive to offer rents below comparable competing product in the local market. We also limit the growth in our portfolio's average gross rent by recycling from high to low rent properties more suited to our core customer base. This helps to procure better quality tenants that pay the rent on time and look after the property, reduces tenant turnover, increases growth prospects, and reduces risk. Rental arrears are currently only 0.4% of total revenue and half is with corporate clients.

Aspen's net rental income margin increased by 10 percentage points to 52% over the past 5 years. This was achieved through improved operational management, targeted cost-saving capex, and skewing the portfolio away from mixed-use and tourism Parks towards higher margin Residential and Lifestyle properties. Average weekly net rent per dwelling/site increased 9% per annum - twice as fast as the average gross rent paid by customers.

Aspen's current book values and rents are typically well below the cost and economic rent of new development, leaving plenty of scope for real growth in the future. Our Upper Mount Gravatt, Koala Shores, and Tween Waters properties are expected to generate much higher net income post completion of substantial upgrades this financial year. We expect to drive additional growth through development of new dwellings and sites, and suitable acquisitions at attractive prices.

Aspen's Development Business

Aspen develops affordable accommodation for the primary purpose of growing its pool of recurring rental income streams. We are targeting net rental income yield of 5-6% on the cost of the dwellings and land that Aspen retains, and a Development Profit margin of 30% on the dwellings and land that Aspen sells.

In FY26 our development business is expected to realise Development Profit of at least \$19.5 million equating to a return on invested capital (ROIC⁶) of about 20%. This cash profit is included in our cash-based definition of Underlying Earnings⁷. Additional unrealised profit is being created on the dwellings and land retained by Aspen which adds to Net Asset Value. It is important to understand the combined total value creation which is recognised in audited statutory profits.

We expect realised Development Profits and Net Asset Value to increase materially over the medium term as we take full advantage of our low-cost pipeline of over 2,500 potential sites.

Our projects are in attractive locations, typically around an hour's drive of a city with easy access to family, major facilities and jobs. Examples include Alexandrina Cove at the marina adjoining the Coorong National Park SA, Ravenswood along the Murray River WA, Wallaroo fronting the foreshore reserve at SA's pristine Copper Coast, and Australind and Meadowbrooke near Bunbury, WA's second largest city and one of Australia's fastest growing regions.

About half of Aspen's pipeline is already approved for development and we are making good progress on gaining approvals for the remainder. Approvals have recently been gained to convert the 97 transportable dwellings at Australind WA into houses, and to develop Stage 1 at Ravenswood WA into 65 residential land lots.

Like our rental business, the profitability of our development business is more about creating desirable housing at an effective cost, than extracting the highest possible rent or price from customers. In FY25 we sold our Lifestyle houses for only \$464k on average and our Residential land lots for only \$226k on average, made profitable by our low cost land bank, efficient clubhouses and dwellings, low marketing costs, and low overheads. At our low price points, Lifestyle customers typically free up more than \$200k from selling their existing house, and Residential land customers can build new homes cheaper than buying existing homes in the local area.

Residential Living is the largest and most profitable part of Aspen's business because it is the most affordable and flexible accommodation for our target customer base. Over the past 5 years our build to rent (BTR) program focused on acquiring and refurbishing existing houses and apartments at well below new production cost. The value creation to date has been exceptional and there is more to come. We are just getting started on developing brand new BTR houses because, in some stronger performing markets, there is now the opportunity to create it cheaper than existing comparable house prices. Aspen will consider selling a portion of the houses in each community to retain management control, create a more diverse mix of owners and tenants, realise some of the value add as Development Profit, and increase return on the residual capital employed. This is similar to how we fund our highly profitable Lifestyle model, where realised Development Profit on house sales funds the entire retained interest in the leased land sites.

Aspen's new project at Australind in Bunbury WA illustrates the superior flexibility, optionality and profitability of our business model. The property comprises about 10 hectares of spare land, and 97 brand new transportable dwellings, each currently configured as 4x 15sqm motel rooms with ensuites. We have gained approval to convert the transportables into 60sqm fully self-contained 2-bedroom, 2-bathroom houses with a courtyard. The total cost per house is expected to be about \$270k including the land on which it sits. We could lease the houses for around \$400 per week, earning 5-6% net rental yield on cost – our Residential Living model, or sell the houses and lease the land sites for around \$200 per week – our Lifestyle land lease model. Either way, we would create new recurring rental streams and expect at least \$130k of value creation per house initially which would be reflected in an increase in Net Asset Value and/or Development Profits. We currently think value will be maximised by initially leasing the houses and retaining the option to sell them in future under a Lifestyle land lease model.

Based on our current proposed product mix, selling prices and margins, Aspen's low cost \$83 million land bank underpins the potential development of roughly \$1.2 billion worth of desirable, affordable product for customers and potential value creation of \$275 million for securityholders. Of course, actual results are subject to gaining additional development approvals, critical infrastructure delivery, conditions in the building industry, customer demand and many other variables, but we think Aspen is up to the challenge, and Australia is in dire need of more affordable housing.

Aspen's Strong Income Streams and Balance Sheet Supports Growth and Distributions

Aspen's property portfolio is strong and resilient with approximately 86% of the value in rental properties and 14% in development assets. The vast majority of the portfolio is in stable, non-seasonal, high margin Residential Living and Lifestyle properties located in or close to Australia's major metropolitan areas. Our development assets are highly diversified by projects, product type and location, and the land has alternative profitable uses.

Aspen raised \$74m of additional equity in late FY25 with the proceeds initially used to reduce debt. The raising was very well supported by existing securityholders and new investors. So far in FY26 Aspen has acquired the Adelaide Villa Portfolio and Wallaroo Shores in SA, and head office premises in Surry Hills NSW. These acquisitions have been or will be funded with debt which will increase net debt to about \$145 million. Undrawn debt capacity will be about \$113 million, LTV⁸ will be about 24%, and ICR⁹ will be running at over 5x.

Aspen's debt servicing, capex funding requirements, and distributions to securityholders are strongly underpinned by diverse net rental income streams and low corporate overheads. Aspen is in control of its business – it does not need to sell properties to realise Development Profits to remain in compliance with debt covenants. ICR excluding Development Profits is currently running at over 3x.

Aspen's Performance and Outlook

Aspen is well on track to achieve its recently upgraded FY26 Underlying pre-tax EPS⁷ guidance of 20.1 cents, up 20% on its strong FY25 result.

Our longer stay rentals are essentially full and rents continue to increase across our markets. We are seeking much higher rents this year for our short stay rentals that are aimed at corporates and discretionary tourism, after substantially upgrading the properties over the past few years. This is proving more profitable to date despite some softening in occupancy at some properties.

Development sales are accelerating quickly. Over the 12 months to October 2025, we generated 179 sales contracts¹⁰ of which 91 were in the last 4 months alone. The sales are skewing to Lifestyle houses which generate roughly twice the profit of our Residential land lots. FY26 YTD settlements and contracts on hand has increased to 137, representing 91% of our recently upgraded FY26 guidance of 150 settled sales. Today, we are pleased to announce an upgrade to FY27 guidance from 170 to 200 settled sales.

Aspen's opportunities to provide more affordable housing are massive and growing by the day, and we are very well positioned to create substantial value for customers and securityholders well into the future.

On behalf of Aspen, I thank all stakeholders for your support.

Patrick Maddern

Head of Asset Management & Development

Announcements authorised by the Board of Aspen Group Limited.

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1. Source: Cotality - October 2025
2. Aspen's estimates based on household incomes and 30% rent to household income ratio, and listings on Realestate.com.au on 16 November 2025
3. Australian Government Budget 2025-2026: National Population Projections
4. Rent includes a small amount of ancillary income at some of our properties. Average rent is FY25 result
5. ROE - return on equity is audited comprehensive income excluding provision for Deferred Tax Liability (DTL) divided by Net Asset Value (NAV) excluding DTL at the start of the period
6. ROIC - return on invested capital is total realised Development Profit divided by average total Development Assets in the period
7. Underlying 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 Aspen's financial reports for full definition
8. LTV - loan to value ratio as defined in Aspen's debt covenant - limit is 55% maximum
9. ICR - interest cover ratio as defined in Aspen's debt covenant - limit is 2x minimum
10. Contracts include expressions of interest (EOI) and are net of cancellations

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