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ASX ANNOUNCEMENT
15 May 2025

Aspen Group
Business Update and Equity Raising

Not for release to US wire services or distribution in the United States

Aspen Group (which comprises Aspen Group Limited and Aspen Property Trust) (ASX: APZ) (Aspen) is pleased to provide an update and announce an equity raising.

Update

Demand for Aspen's accommodation remains strong as there is a shortage of affordable housing Australia wide. There is minimal vacancy across our long stay offering (except CoVE Upper Mount Gravatt), and rents are increasing in our markets. Trading conditions for our short stay offering continues to be patchy with stronger corporate demand more than offsetting weaker tourist demand.

Development sales continue to grow strongly while we maintain attractive margins and return on capital. Aspen is on track to produce over 200 dwellings and sites and settle at least 110 sales in FY25. We are deliberately increasing completed Lifestyle house inventory this year to make it easier for customers to make buying decisions and for Aspen to manage sales rates in future. We continue to expect to grow sales towards 200 per annum across 10 active projects over the next 2-3 years.

Over the 5 years to FY24 Aspen delivered Underlying Operating EPS[1] growth of 22% per annum and Net Asset Value per security growth of 15% per annum. The strong momentum has continued over the first 10 months of FY25:

10 Months Ending 30 April 2025				
Net Rental Income	**Development Profit**	**EBITDA**	**Underlying Operating Earnings[1]**	**Underlying Operating EPS[1]**
$29.3m	$9.1m	$34.0m	$27.5m	13.7 cents
+13%	+42%	+28%	+31%	+17%

(% changes are compared to the previous corresponding period in FY24)

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FY25 Guidance is Unchanged

- Underlying Operating EPS 16.7 cents - up 21% on FY24
- DPS 10.0 cents – up 18% on FY24

Aspen continues to expect to grow Underlying EPS by at least 10% per annum over the medium term.

Debt Facility

Aspen has recently renegotiated its syndicated debt facility. The limit was increased $50m to $260m, the term was extended to September 2028, and the drawn margin reduced 15bps to 185bps.

Equity Raising

Aspen is raising additional equity today to strengthen its balance sheet and provide flexibility to pursue organic growth and new acquisition opportunities that are increasing in our opinion.

The equity raising consists of an Institutional Placement to raise $70 million and Securityholder Purchase Plan (SPP) to raise up to $4 million. Both tranches are priced at $2.90 per APZ security and neither will be underwritten.

Post the Institutional Placement, APZ's pro forma gearing is expected to be 17%.

The equity raising will not materially change Aspen's net asset value per security, Underlying EPS, or distributions per security initially, however we believe it will improve Aspen's growth prospects over the medium term and reduce risk.

New securities issued under the Institutional Placement and SPP will rank equally with existing securities.

Aspen anticipates that the securities to be issued under the Institutional Placement will represent 12% of Aspen's current securities on issue.

The Joint Lead Managers of the Institutional Placement are MST Financial Services and Aitken Mount Capital Partners.

Security Purchase Plan (SPP)

Following completion of the Institutional Placement, Aspen will offer eligible securityholders in Australia and New Zealand the opportunity to participate in the SPP. Eligible securityholders will be invited to subscribe for up to a maximum of $30,000 in additional securities, free of any brokerage or transaction costs. The issue price of securities issued under the SPP will be $2.90 per security and the amount raised will be capped at $4 million.

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Indicative Timetable

Key event	Date
Record date for SPP	Wednesday 14 May 2025
Trading halt and announcement of the Equity Raising	Thursday 15 May 2025
Institutional Placement bookbuild	Thursday 15 May 2025
Trading halt lifted	Friday 16 May 2025
Settlement of securities issued under the Institutional Placement	Friday 23 May 2025
Normal trading of securities issued under the Institutional Placement	Monday 26 May 2025
SPP opens	Tuesday 27 May
SPP closes	Tuesday 10 June 2025
Issue of securities under the SPP	Tuesday 17 June 2025

Further details on the business update and equity raising can be found in the investor presentation released on ASX today.

Announcement authorised by the Board of Aspen Group Limited.

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1. Underlying 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

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The information in this announcement is of a general nature and does not purport to be complete, nor does it contain all of the information that a potential investor may require in making an investment decision or would be required in a prospectus, product disclosure statement or other disclosure document prepared in accordance with the *Corporations Act 2001* (Cth) and will not be lodged with the Australian Securities and Investments Commission. This announcement should be read in conjunction with Aspen's other periodic and continuous disclosure announcements lodged with ASX, which are available at www.asx.com.au.

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All references to dollar amounts are in Australian currency.



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