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16 April 2024

Online lodgement
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ASX Limited
Exchange Centre
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SYDNEY NSW 2000

Partner
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Dear Sir / Madam

Takeover bid by Aspen Group Limited – Second Supplementary Bidder's Statement

We act for Aspen Group Limited ACN 004 160 927 (**Aspen**) in relation to its off-market takeover bid (**Offer**) under Chapter 6 of the *Corporations Act 2001* (Cth) (**Corporations Act**) for all of the current and to be issued fully paid ordinary shares in Eureka Group Holdings Limited ACN 097 241 159 (ASX: EGH) (**Eureka**).

We **enclose**, by way of service pursuant to sections 647(3)(a)(ii) and 650F of the Corporations Act (as inserted by *ASIC Corporations (Replacement Bidder's and Target's Statements) Instrument 2023/688*):

- a copy of Aspen's second supplementary bidder's statement dated 16 April 2024 (**Second Supplementary Bidder's Statement**) in relation to the Offer; and
- a formal notice freeing the Offer, and each contract resulting from acceptance of the Offer, from all Conditions.

The Second Supplementary Bidder's Statement has today been lodged with the Australian Securities and Investments Commission and served on Eureka.

Yours faithfully
Corrs Chambers Westgarth

Sandy Mak
Partner

Second Supplementary Bidder's Statement

in respect of the Offer by **Aspen Group Limited ACN 004 160 927**

to *acquire* all of Your Eureka Shares in

Eureka Group Holdings Limited (ASX:EGH) ACN 097 241 159

ACCEPT ASPEN'S OFFER

- ASPEN DECLARES ITS OFFER UNCONDITIONAL
- ASPEN HAS ALREADY RECEIVED ACCEPTANCES OF 22.09% UNDER THE OFFER, BRINGING ASPEN'S RELEVANT INTEREST IN EUREKA TO 35.73%
- ASPEN HAS ISSUED FY25 EPS GUIDANCE OF 14.50 – 15.00 CENTS AND FY25 DPS GUIDANCE OF AT LEAST 9.50 CENTS
- EUREKA'S TARGET STATEMENT CONTAINS A NUMBER OF DEFICIENCIES

THIS DOCUMENT CONTAINS IMPORTANT UPDATES IN RELATION TO THE OFFER

Offer Information Line:

Please call 1300 972 485 (within Australia) or +61 2 9068 1924 (outside Australia) between 8.30am and 7.00pm (Sydney time), if you have any questions or require assistance with your acceptance.

Legal Adviser

CORRS CHAMBERS WESTGARTH

Financial Advisor

MST Financial

Important notice

This document is a supplementary bidder's statement under section 643 of the *Corporations Act 2001* (Cth) (**Corporations Act**).

It is the second supplementary bidder's statement (**Second Supplementary Bidder's Statement**) issued by Aspen Group Limited ACN 004 160 927 (**Aspen**), in relation to the off-market takeover offer by Aspen for all issued fully paid ordinary shares in Eureka Group Holdings Limited ACN 097 241 159 (**Eureka**), pursuant to the bidder's statement dated 8 March 2024 (**Original Bidder's Statement**) and replaced by the replacement bidder's statement dated 15 March 2024 (**Replacement Bidder's Statement**) (the **Bidder's Statement**).

This Second Supplementary Bidder's Statement is given in compliance with the requirements of Chapter 6 of the *Corporations Act 2001* (Cth) (**Corporations Act**) and supplements, and must be read together with, the Bidder's Statement.

This Second Supplementary Bidder's Statement prevails to the extent of any inconsistency with the Bidder's Statement.

Unless the context requires otherwise, terms defined in the Bidder's Statement have the same meaning in this Second Supplementary Bidder's Statement.

A copy of this Second Supplementary Bidder's Statement was lodged with the Australian Securities and Investments Commission (**ASIC**) on 16 April 2024. Neither ASIC nor its officers take any responsibility for the content of this Second Supplementary Bidder's Statement.

Highlights

1 Aspen's Offer is **declared unconditional** with immediate effect.

2 Eureka Shareholders **will be paid 0.26 Aspen Securities per Eureka Share within 1 month**[1] of their acceptance being received by Automic.

3 Aspen Group has today announced its underlying operating earnings per security (**EPS**)[2] guidance for FY25 of **14.50 – 15.00 cents** which represents a:

(a) **11% increase on Aspen's FY24 EPS guidance of 13.00-13.50 cents based on the midpoint of Aspen's guidance**; and

(b) **28% increase per Eureka Share to Eureka's disclosed FY24 EPS guidance of 3.00 cents based on the midpoint of Aspen's guidance**.[3]

4 Aspen Group has today announced its FY25 distribution per share (**DPS**) guidance of at least 9.50 cents which represents a:

(c) **12% increase to Aspen's FY24 DPS guidance of 8.50 cents**; and

(d) **76% increase per Eureka Share to Eureka's current annualised DPS of 1.4 cents**.[4]

5 Eureka's target statement released to the ASX on 8 April 2024 (**Target Statement**) contains **a number of deficiencies** as set out in **Section 6** of this Second Supplementary Bidder's Statement.

[1] If you are an Ineligible Foreign Shareholder, you will not be entitled to receive Aspen Securities as the consideration for Your Eureka Shares as a result of accepting this Offer. Refer to section 15.9 of the Bidder's Statement for further details. As at the date of this Second Supplementary Bidder's Statement, as far as Aspen is aware there are no Ineligible Foreign Shareholders.

[2] Underlying operating earnings per security (**EPS**) is a non-IFRS measure that is determined to present, in the opinion of the directors, the operating activities of Aspen Group in a way that appropriately reflects Aspen Group's underlying operating performance. Refer to Aspen Group's financial reports for full definition of EPS; For further details of Aspen Group's FY25 EPS guidance see Aspen Group's announcement to the ASX dated 16 April 2024 titled "Aspen Group FY25 Guidance" a copy of which is attached to this Second Supplementary Bidder's Statement as **Annexure B**.

[3] Based on Aspen's Offer ratio of 0.26 Aspen Securities per Eureka Share and Eureka's FY24 EPS guidance of 3.00 cents; See Eureka's ASX announcement dated 8 April 2024 titled "*Eureka provides FY24 earnings guidance*".

[4] Based on Aspen's Offer ratio of 0.26 Aspen Securities per Eureka Share and a DPS of 1.40 cents per Eureka Share. This DPS of 1.40 per Eureka Share is based on Eureka's most recent half year DPS of 0.70 cents on an annualised basis.

1 Aspen's Offer is now UNCONDITIONAL

Aspen is pleased to announce that it waives all of the Conditions set out in the Bidder's Statement.

Aspen's Offer is now unconditional.

Eureka Shareholders who have already accepted Aspen's Offer will receive 0.26 Aspen Securities per Eureka Share within one month of this Second Supplementary Bidder's Statement.[5]

Eureka Shareholders who accept Aspen's Offer from today will be paid 0.26 Aspen Securities per Eureka Share within one month of Aspen's share registrar, Automic Pty Ltd (**Automic**) receiving their acceptance.[6]

Eureka Shareholders may ACCEPT the Offer as follows:

Option A: Online acceptance (recommended)

Visit https://investor.automic.com.au/#/signup on your browser and register.

Please follow these instructions:

1. Click "Register" then select "Eureka Takeover Offer" from the dropdown list in the Issuer Name Field
2. Enter your Holder Identification Number (HIN/SRN) as shown on the top of the access letter or your Eureka holding statement
3. Enter your postcode OR country of residence (only if outside Australia)
4. Tick the box "I'm not a robot" and then select "Next"
5. Complete the prompts to set up your username and password details
6. Once you are logged in, select "Offers" from the left-hand vertical menu and follow the prompts

Option B: Paper acceptance

To accept the Offer via paper acceptance, please post the Acceptance Forms and any associated documents in an envelope at your own risk, and send to Automic Group, GPO Box 5193, Sydney NSW 2000.

A copy of the formal notice under section 650F of the Corporations Act declaring Aspen's Offer unconditional is attached to this Second Supplementary Bidder's Statement as **Annexure A**.

2 22.09% of Eureka Shareholders have accepted Aspen's Offer and Aspen now controls 35.73% of Eureka

As at the date of this Second Supplementary Bidder's Statement, Eureka Shareholders (holding in aggregate 22.08% of Eureka's share capital) have accepted the Aspen Offer.[7] Accordingly, Aspen has a relevant interest in 35.73% of Eureka Shares.[8] As Aspen's Offer is now unconditional, if Aspen receives additional acceptances during the Offer Period to bring its relevant interest in Eureka to 50.1%, Aspen will control Eureka.

[5] If you are an Ineligible Foreign Shareholder, you will not be entitled to receive Aspen Securities as the consideration for Your Eureka Shares as a result of accepting this Offer. Refer to section 15.9 of the Bidder's Statement for further details. As at the date of this Second Supplementary Bidder's Statement, as far as Aspen is aware there are no Ineligible Foreign Shareholders.

[6] Ibid.

[7] Based on 301,747,603 Eureka shares on issue as at the date of this Second Supplementary Bidder's Statement.

[8] Ibid.

3 Eureka Shareholders who accept the Offer promptly will be able to receive the Aspen 2HY24 Distribution

As the Offer is now UNCONDITIONAL, Eureka Shareholders who ACCEPT the Offer before the end of the Offer Period, being 28 May 2024, will be entitled to receive the **Aspen 2HY24 Distribution**, provided you validly accept the Offer in accordance with the Bidder's Statement prior to the end of the Offer Period of 28 May 2024, so that Aspen Securities may be issued to you by the proposed record date of 28 June 2024 (**Aspen Record Date**).

Aspen notes if you held Your Eureka Shares as at the Eureka HY24 Distribution record date of 5 April 2024, and have accepted the Aspen Offer validly in accordance with the Bidder's Statement prior to the end of the Offer Period of 28 May 2024 and continue to hold your Aspen Securities at the Aspen Record Date, you will be entitled to receive both the Eureka HY24 Distribution and the Aspen 2HY24 Distribution.

Aspen urges all Eureka Shareholders to accept the Offer without delay to ensure you are able to receive the Aspen 2HY24 Distribution.

4 Aspen Group FY25 EPS guidance is 14.50 – 15.00 cents which represents an increase of 11% to Aspen Group's FY24 EPS guidance and an increase of 28% to Eureka's FY24 EPS guidance based on the midpoint of Aspen's guidance

Aspen Group has today announced its EPS guidance for FY25 on a standalone basis is 14.50 – 15.00 cents (**Aspen FY25 EPS Guidance**), which represents an 11% increase to Aspen Group's FY24 EPS guidance of 13.00 - 13.50 cents based on the midpoint of Aspen's guidance. For further details, see Aspen Group's announcement to the ASX today titled "Aspen Group – FY25 Guidance" a copy of which is attached to this Second Supplementary Bidder's Statement as **Annexure B**.

The Aspen FY25 EPS Guidance equates to 3.77 – 3.90 cents per Eureka Share, which represents a **26 – 30% increase on Eureka's FY24 EPS guidance** of 3.00 cents.[9]

Aspen's FY25 guidance assumes Aspen owns 35.73% of Eureka as the base case, being the minimum shareholding in Eureka that Aspen will own from the start of FY25, based on the Offer acceptances Aspen has received to date.[10] Aspen acknowledges that given Eureka's comparatively weaker earnings, in the absence of any synergies, the Offer will be marginally dilutive to EPS. However, it is Aspen's view that the Aspen FY25 EPS Guidance will remain above 14.50 cents even after completion of the Offer as set out below:

Aspen ownership %	Aspen Group pro-forma forecast FY25 EPS (midpoint)
100% ownership scenario	14.92 cents
50.1% ownership scenario	14.59 cents
35.73% ownership scenario	14.75 cents

[9] Based on Aspen's Offer ratio of 0.26 Aspen Securities per Eureka Share and Eureka's FY24 EPS guidance of 3.00 cents; See Eureka's ASX announcement dated 8 April 2024 titled "*Eureka provides FY24 earnings guidance*".

[10] Based on 301,747,603 Eureka shares on issue as at the date of this Second Supplementary Bidder's Statement.

Please refer to **Annexure C** of this Second Supplementary Bidder's Statement for further details and the pro-forma FY25 EPS forecast financial information for the year ending 30 June 2025 for the above ownership scenarios (**Pro-forma Forecast FY25 EPS**).

The Aspen FY25 EPS Guidance is subject to the following key assumptions:

- no material change in Aspen's operating environment;
- continued high occupancy and an increase in rents to current market levels across the Residential properties, full occupancy and 3-5% increase in site rents across the Lifestyle properties, and continued maximisation of net income from Parks properties through dynamic yield management (optimising the mix of rental rate, occupancy, and operating costs);
- stable volume of approximately 100 development sales compared to the expected FY24 result, but continuing to skew to a higher proportion of Lifestyle houses which typically generate higher Development Profit margin and ongoing annuity land rents;
- maintaining a measured balance of Property Net Operating Income and Development Profit at a roughly 80% / 20% split;
- base case assumes Aspen owns 35.7% of Eureka and that Aspen's underlying earnings includes Aspen's share of Eureka's underlying earnings of 3.00 cents per share;
- no material property acquisitions;
- continued recycling of capital from properties with relatively high rent and value (eg. sale of Burleigh Heads townhouses at an average price of about $1 million and net income yield of about 2.5%); and
- interest rates remain at current levels.

Aspen urges all Eureka Shareholders to accept the Offer without delay to realise material accretion to EPS and partake in future growth opportunities in the event Aspen Group continues to maintain its upward EPS growth trajectory.

5 Aspen Group's FY25 DPS guidance is at least 9.50 cents which represents a 12% increase on Aspen Group's FY24 DPS guidance and an increase of 76% to Eureka's annualised FY24 DPS

Aspen Group has today also announced that it expects to pay a minimum DPS of 9.50 cents for FY25 on all issued Aspen Securities (including Aspen Securities issued as part of the Offer) which represents a 12% increase to Aspen Group's FY24 DPS guidance. This equates to 2.47 cents per Eureka Share based on Aspen's Offer ratio, an **increase of 76%** on Eureka's annualised DPS for FY24.[11]

For further details see Aspen Group's announcement to the ASX today, titled "Aspen Group – FY25 Guidance", a copy of which is attached to this Second Supplementary Bidder's Statement as **Annexure B**.

[11] Based on an assumed FY25 DPS of at least 9.50 cents per Aspen Security being Aspen Group's disclosed DPS guidance as a minimum distribution for FY25, and a DPS of 1.40 cents per Eureka Share being Eureka's most recent half year DPS of 0.70 cents on an annualised basis.

6 Eureka's Target Statement contains a number of deficiencies

Target Statement and Independent Expert Report	Aspen's comment
Eureka has: • issued FY24 EPS guidance of 3.00 cents per Eureka Share; and • claimed that *"Eureka Shareholders will be denied future earnings upside and net asset value growth as a stand-alone entity if Eureka were to merge with Aspen."*	**Aspen's view is that Eureka has:** • **overstated its FY24 EPS; and** • **overlooked the significant accretion to EPS, DPS and NAV as a result of the Offer.** Aspen disagrees with Eureka's classification of certain marketing and information technology expenses as non-underlying, whereas Aspen treats these type of expenses as ongoing underlying expenses. Despite this, even if Eureka's FY24 EPS guidance of 3 cents is used, by Eureka's own admission in its Target Statement[12], **EPS accretion for Eureka Shareholders is still significant at 15%.** Moreover, in the Independent Expert Report prepared by Lonergan Edwards & Associates Limited (**IE**), the IE states in paragraph 257: *"If Aspen successfully acquires 50.1% or more of Eureka (and the other conditions of the Offer are either waived or met), then **Eureka shareholders that accept the Offer will likely experience an increase in earnings and dividends per share as well as an improvement in NAV and NTA per share**".* As noted in the Bidder's Statement, based on Aspen's FY24 EPS guidance, FY24 DPS guidance and actual 31 December 23 NAV, and Aspen's estimate of Eureka's FY24 EPS and FY24 DPS, and Eureka's actual 31 December 23 NAV, the Offer will result in: • **EPS accretion of between 21-25%** for Eureka Shareholders regardless of the amount of Eureka Shares owned by Aspen;[13] • **DPS accretion of 58%** for Eureka Shareholders;[14] and • **NAV per security accretion of 10%** for Eureka Shareholders.[15]
Eureka claims that *"Eureka's return on equity is 1.0% higher than Aspen's based on underlying earnings"*	**In Aspen's view Eureka has overstated its returns on equity by conveniently measuring returns based on stated underlying earnings as a percentage of net asset value and overstating underlying earnings.** Eureka's approach ignores the relative growth in NAV of each group which, for Aspen, is a very important and significant element in

[12] See section 8.3 of Eureka's Target Statement.

[13] Based on FY24 EPS of 13.00 – 13.50 cents for Aspen Group being Aspen Group's disclosed EPS guidance range for FY24, and 3 cents for Eureka being Eureka's disclosed EPS guidance for FY24, notwithstanding Aspen disagrees with the omission of certain expenses by Eureka in its FY24 EPS calculations.

[14] Based on an assumed FY24 DPS of 8.50 cents per Aspen Security being Aspen Group's disclosed DPS guidance as a minimum distribution for FY24, and a DPS of 1.40 cents per Eureka Share being Eureka's most recent half year DPS of 0.70 cents on an annualised basis.

[15] Based on Aspen Group's NAV of $2.10 per Aspen Security and Eureka's NAV of $0.49 per Eureka Share as at 31 December 2023.

Target Statement and Independent Expert Report	Aspen's comment
	determining total returns for shareholders. This growth is captured in statutory earnings which are audited. Underlying earnings reported by the groups are not audited. In Aspen's opinion, Eureka overstates its underlying earnings by excluding some operating expenses that are business-as-usual and ongoing, and by omitting interest expense in its Tasmania joint venture.
Eureka claims that Aspen's shorter stay accommodation has a *"higher level of leasing and occupancy risk than Eureka's senior's living villages."*	**<u>In Aspen's opinion, Eureka will find it more difficult to maintain rents, net income, and occupancy at current levels as competition increases.</u>** Further, the IE states in paragraph 136 of the Independent Expert's Report that Eureka has recently increased rental rates as at late March 2024. Whilst these rental escalations will increase revenues in the short term, it may also increase the risk of occupancy attrition. On a standalone basis and without diversification across other asset classes, this may adversely impact Eureka's profitability.
Eureka has not disclosed any proposed changes to its current approach in managing its property portfolio	**<u>Aspen believes it may extract superior returns from Eureka's portfolio.</u>** A core aspect of Aspen's proposed strategy will be to broaden the target customer base by providing self-contained units where possible. In its Target Statement, Eureka has implied that it does not intend to change the way it manages its property portfolio and that it intends to continue to own units that are not fully self-contained. In Aspen's opinion this is a higher risk strategy that severely limits Eureka's target customer base and growth prospects.
Eureka has disputed Aspen's claim that the Eureka Share price will fall in the absence of the Offer	**<u>Eureka's assertion is expressly contradicted by the Independent Expert Report.</u>** The IE in paragraph 243 of the Independent Expert Report states: *"In our opinion, if the Offer lapses and no higher offer or alternative proposal emerges, it is likely (at least in the short term) that Eureka shares will trade at a discount to our valuation (consistent with the difference between the value of Eureka on a minority or portfolio interest basis and the value on a 100% controlling interest basis)."* The IE similarly notes in paragraph 244 of the Independent Expert Report *"In this regard, we note that Eureka shares last traded at $0.45 per share (being the closing price on the last trading day prior to the announcement of Aspen's intention to make a takeover offer on 23 January 2024)."* The IE has assumed $0.44 per share as the undisturbed share price.

Target Statement and Independent Expert Report	Aspen's comment
Eureka has repeatedly asserted throughout its Target Statement that: *"Aspen will not be able to achieve the 90% threshold necessary to compulsorily acquire all Eureka Shares"* on account of the shareholders intention statement given by Filetron Pty Ltd (**Filetron**)	**<u>As Aspen has now waived all Conditions, it is Aspen's view that the Offer as stated in the Bidder's Statement is now varied and it is open for Filetron to depart from its shareholder's intention statement.</u>** **<u>Consequently, the assertions that Aspen will not be able to achieve the 90% threshold necessary to compulsorily acquire all Eureka Shares and the assumptions underpinning this statement are now fundamentally untrue.</u>** In light of this, it is Aspen's view that the full merger benefits stated in its Bidder's Statement are potentially attainable including (but not limited to): • the estimated cost synergies of $2.2 million per annum (and associated EPS accretion); and • the availability of scrip roll-over relief (in the event Aspen becomes the owner of 80% or more of the Eureka Shares). Aspen also notes that the IE in its assessment of the "reasonableness" of Aspen's Offer has placed undue weight on Filetron's shareholder's intention statement as definitive indicia that Aspen will be unable to achieve the 90% threshold needed to move to compulsory acquisition and obtain 100% control of Eureka. Consequently, the IE has discounted and not adequately considered the merger benefits if Aspen were to acquire 100% of Eureka including any applicable cost savings / synergies, potential scale benefits including improved share trading liquidity, improved access to debt and equity markets (and possibly on more attractive terms) to fund growth opportunities and the availability of scrip-for-scrip rollover relief for accepting Eureka Shareholders.
Eureka has noted that: *"Aspen has a pipeline of 1,188 undeveloped sites across its portfolio as at 31 December 2023…..Aspen has made no commentary on how it plans to fund this development pipeline."*	**<u>Lifestyle development activity undertaken by Aspen Group is self-funding.</u>** The average profit of $100,000 per completed house sold comfortably covers the typical land and community development costs of $40,000 to $60,000 per site. Additionally, Aspen can borrow against the additional annuity land rent created when houses are sold. As stated in the Bidder's Statement, Aspen Group targets an average net operating income and development profit mix of 80%/20% to optimize returns for securityholders while maintaining a manageable level of development volatility and risk, notwithstanding the surplus development capacity (as Eureka has pointed out in its Target Statement).
Eureka has stated *"if you accept the Offer, you will lose your*	**<u>Aspen rejects the implication that a superior proposal may emerge, and the Independent Expert has concluded that a superior proposal is highly uncertain.</u>**

Target Statement and Independent Expert Report	Aspen's comment
ability to accept a superior proposal, if one emerges, even if you consider the superior proposal to be more attractive"	Aspen notes the following: • Aspen announced the acquisition of 13.7% of Eureka Shares on 14 December 2022; • Aspen's initial approach to Eureka was disclosed to the market on 29 March 2023; • the intention to make an off-market takeover offer was announced to the ASX on 23 January 2024; • the Original Bidder's Statement was lodged with ASIC on 8 March 2024; and • Aspen currently has a relevant interest in 35.73%[16] of Eureka which provides a more than sufficient stake to block any alternative bidder from reaching the requisite thresholds to acquire 100% of Eureka whether by way of off-market takeover or scheme of arrangement. In the significant period between the date Aspen first acquired its stake in Eureka and the date of this Second Supplementary Bidder's Statement, Eureka has not disclosed any alternative offer. Similarly, the IE has disclosed in Sections 253 and 255 of the Independent's Expert Report that the directors of Eureka have advised that no formal alternative offers have been received subsequent to the announcement of Aspen's intention to make a takeover offer and that it is highly uncertain as to whether any superior offer / proposal is likely to be made for Eureka prior to the close of the Offer. Aspen is disappointed that Eureka has stated on a number of occasions in the Target Statement that accepting the Aspen Offer will preclude a Eureka Shareholder from accepting a superior proposal without acknowledging or directing the attention of Eureka Shareholders to the very low likelihood of any such proposal arising or succeeding, which in Aspen's view is a material omission.

7 Why you should **ACCEPT** the Aspen Offer

As outlined in the Bidder's Statement the Aspen Offer provides significant benefits to you as a Eureka Shareholder. The key reasons why you should accept the Aspen Offer are as follows:

(a) The Aspen Offer is attractive and results in significant accretion to estimated FY24 and FY25 DPS, EPS and NAV for Eureka shareholders

The Aspen Offer is attractive and is expected to result in significant accretion for Eureka shareholders to estimated FY24:

[16] Based on 301,747,603 Eureka shares on issue as at the date of this Second Supplementary Bidder's Statement.

- **DPS accretion of 58%**; [17]
- **EPS accretion of 15% or 23%** at the midpoint of Aspen's guidance if certain of Eureka's marketing and information technology expenses are included which in Aspen's view (as outlined in **Section 6** of this Second Supplementary Bidder's Statement) should be treated as underlying expenses; and
- **NAV per security accretion of 10%** based on the NAV of each group at 31 December 2023.[18]

(b) Aspen Group has a proven track record of adding value through its fully integrated platform with strong ownership, operating, development, and capital management skills[19]

(c) The Combined Group would be larger and more diversified than the individual entities alone which improves economies of scale and reduces risk

Aspen's view is that moving forward Eureka will find it more difficult to maintain rents, net income, and occupancy at current levels as competition increases, particularly if its units are not improved and made self-contained to improve appeal and expand the target customer base.

Aspen fundamentally disagrees with the assertion in the Target Statement that from a portfolio perspective Aspen is exposed to a higher level of leasing and occupancy risk than Eureka's pure-play exposure to rental retirement accommodation.

(d) Aspen believes it can extract superior returns from Eureka's portfolio

Aspen has outlined in Section 1.4 of the Bidder's Statement its proposed strategy to extract superior returns from Eureka's portfolio. Eureka has not proposed in its Target Statement any strategies or proposed amendments to the way it manages its property portfolio. Further, Eureka has implied in the Target Statement that it intends to continue to own units that are not fully self-contained which in Aspen's opinion is a higher risk strategy that severely limits Eureka's target customer base and growth prospects.

(e) The Combined Group would have greater opportunities for growth

Aspen Group has a broader investment mandate and significantly larger total addressable market than Eureka, and therefore greater opportunities to acquire properties at an attractive price and create value for securityholders.

In its Target Statement, Eureka has implied that it will remain a "*pureplay provider of affordable seniors' rental accommodation in Australia.*"[20] This is a small subset of Aspen's target market and opportunity set which limits Eureka's growth prospects in Aspen's opinion.

(f) The Combined Group would have a stronger and more robust balance sheet than if Eureka continues to operate on a standalone basis

Based on its half year financial reports, Eureka had only $0.99 million of undrawn debt capacity at 31 December 2023 and its current liabilities were greater than current assets.

Eureka has not disclosed any improvement in its liquidity position in its Target Statement nor has it announced an increase in its debt facility or disclosed its current cash position.

The IE states in paragraph 257 of the Independent Expert Report *"post-transaction, Aspen is also expected to have **lower gearing than Eureka** on an equivalent standalone basis."*

Based on the above, it is Aspen's opinion that Eureka has very limited capacity to fund its current operations and growth. Accordingly, Aspen estimates that the Combined Group

[17] Based on an assumed FY25 DPS of at least 9.50 cents per Aspen Security being Aspen Group's disclosed DPS guidance as a minimum distribution for FY25, and a DPS of 1.40 cents per Eureka Share being Eureka's most recent half year DPS of 0.70 cents on an annualised basis.

[18] Based on Aspen Group's NAV of $2.10 per Aspen Security and Eureka's NAV of $0.49 per Eureka Share as at 31 December 2023.

[19] Past performance is not a reliable indicator of future performance.

[20] See section 1.5 of the Target Statement

would have lower pro forma gearing, higher pro forma interest cover ratio, and more capacity to debt fund capital expenditure and acquisitions, than Eureka on a standalone basis.

(g) The Combined Group would have increased scale and relevance on the ASX and the Independent Expert is also of the view that larger listed companies tend to trade on higher multiples

Aspen believes a larger Combined Group would be more relevant on the ASX, especially to large institutional investors including index funds, potentially improving stock liquidity, stock price and cost of capital.

The Independent Expert in paragraph 216 of the Independent Expert Report acknowledges as such and has noted *"…all else being equal, **larger listed companies tend to trade on higher multiples**".*

(h) Aspen Securities are attractively priced at $1.73 per Security[21]

The IE illustrates in paragraph 217 of the Independent Expert's Report that Aspen Securities are trading at a PE ratio (market capitalisation / underlying earnings) at around 12.0x. This is well below the IE's "assessed realisable value" of Aspen Securities post transaction, being within a range of around 12.8-14.1x, which implies that the price of Aspen Securities should be 9-20% higher.

Similarly, the IE also illustrates in paragraph 217 of the Independent Experts Report that Aspen Securities are trading at a distribution yield of around 5.6%. This is also well above the IE's "assessed realisable value" of Aspen Securities post transaction, being within a range of 4.6-4.8% which, implies that Aspen's Security price should be 14-19% higher.

Moreover, as noted in **Sections 4** and **0** of this Supplementary Bidder's Statement, Aspen has today provided the following initial guidance for FY25:

- EPS of 14.50-15.00 cents regardless of the level of Aspen's stake in Eureka; and
- minimum DPS of 9.50 cents regardless of the level of Aspen's ownership of Eureka.

Based on Aspen's FY25 guidance and the current price of Aspen Securities of $1.73[22]:

- Price / Earnings ratio is 11.7x based on the midpoint of guidance;
- Distribution yield is 5.5%; and
- Price to NAV is 0.82x based on NAV at 31 December 2023.

(i) You will not incur brokerage in accepting the Offer except in very limited circumstances

(j) No Australian stamp duty should be payable by you on acceptance of the Offer

(k) Eureka's Share price may fall if Aspen's Offer lapses

As noted in **Section 6** of this Supplementary Bidder's Statement, Eureka's assertion that it is unlikely that the Eureka Share price will fall in the absence of the Offer is expressly contradicted by the IE which expects that "*if the Offer lapses and no higher offer or alternative proposal emerges, it is likely (at least in the short term) that Eureka shares will trade at a discount to our valuation".*

(l) No competing offer has emerged for your Eureka Shares

The Aspen Offer is the only proposal for Eureka that has been publicly announced at the date of this Bidder's Statement that provides you with an opportunity to sell your Eureka Shares.

As at the date of this Second Supplementary Bidder's Statement Aspen holds a relevant interest in 35.73% of Eureka Shares and Aspen's Offer has now been declared unconditional.[23] Aspen's stake is likely to deter any competing proposal from emerging as it is

[21] Based on the closing price of Aspen Securities on the ASX on 15 April 2024.
[22] Based on the closing price of Aspen Securities on the ASX on 15 April 2024.

[23] Based on 301,747,603 Eureka shares on issue as at the date of this Second Supplementary Bidder's Statement.

more than sufficient to block any prospective competing bidder from acquiring 100% whether by way of scheme of arrangement or by way of off-market takeover.

Aspen also notes, in the significant period between the date Aspen first acquired its stake in Eureka and the date of this Second Supplementary Bidder's Statement, Eureka has not disclosed any alternative offer. Similarly, the IE has disclosed in Sections 253 and 255 of the Independent's Expert Report that the directors of Eureka have advised that no formal alternative offers have been received subsequent to the announcement of Aspen's intention to make a takeover offer and that it is highly uncertain as to whether any superior offer / proposal is likely to be made for Eureka prior to the close of the Offer.

Consequently, Aspen is of the view that the likelihood of a competing offer emerging is very low.

8 Approval

This Second Supplementary Bidder's Statement has been approved by a unanimous resolution passed by the directors of Aspen Group Limited.

Date: 16 April 2024

Signed for and on behalf of Aspen Group Limited

Clive Appleton
Chairman

Annexure A

Notice under section 650F of the Corporations Act

Notice under section 650F of the *Corporations Act 2001* (Cth) – Freeing Offer from Conditions

To: **ASX Limited**

Eureka Group Holdings Limited

This notice is given by Aspen Group Limited ACN 004 160 927 (**Aspen**) for the purpose of section 650F of the *Corporations Act 2001* (Cth) (**Corporations Act**) in relation to its takeover bid (**Offer**) for all of the fully paid ordinary shares in Eureka Group Holdings Limited ACN 097 241 159 (ASX: EGH) (**Eureka**) contained in its bidder's statement dated 8 March 2024 and replaced by the replacement bidder's statement dated 15 March 2024 and further supplemented by the second supplementary bidder's statement dated 16 April 2024 (**Bidder's Statement**).

Capitalised terms in this notice have the same meaning given in the Bidder's Statement, unless the context requires otherwise.

In accordance with section 650F of the Corporations Act, Aspen gives notice that:

(a) the Offer, and each contract resulting from acceptance of the Offer, is declared freed from all Conditions in Annexure A of the Bidder's Statement; and

(b) as at the date of this notice, the aggregate of Aspen's voting power in Eureka is 35.73%.

Accordingly, the Offer is now **unconditional**.

Date: 16 April 2024

Signed for and on behalf of Aspen Group Limited by:

David Dixon, Director

Annexure B

Aspen Group FY25 Guidance

Aspen Group Limited
ABN 50 004 160 927

Aspen Property Trust
ARSN 104 807 767

Suite 21, 285A Crown Street
Surry Hills NSW 2010

Telephone: 02 9151 7500

Email: homemail@aspengroup.com.au

ASX ANNOUNCEMENT
16 April 2024

Aspen Group Guidance FY25

Strong Growth Expected to Continue

Aspen Group (ASX: APZ) (**Aspen** or **APZ**) is pleased to announce continued strong momentum across the group, and positive initial earnings and distribution guidance for FY25.

Aspen intends to declare its takeover offer for Eureka Group Holdings Limited (**Eureka**) (the **Offer**) unconditional today.

Earnings and Distributions Guidance:

Aspen	FY23 Actual	FY24 Guidance	% Change (midpoint)	FY25 Guidance	% Change (midpoint)
Underlying EBITDA ($m)	24.60	30.50-31.50	26%	**38.25-39.25**	**25%**
Underlying EPS (cents)	12.00	13.00-13.50	10%	**14.50-15.00**	**11%**
Minimum DPS (cents)	7.75	8.50	10%	**9.50**	**12%**

FY24 guidance assumptions were provided with Aspen's HY24 financial results.

Aspen's FY25 guidance assumes:

- No material changes in Aspen's operating environment
- Continued high occupancy and increase in rents to current market levels as leases roll across Aspen's Residential properties, full occupancy and 3-5% increase in site rents across Aspen's Lifestyle properties, and continued maximisation of net income from Aspen's Park properties through dynamic yield management - optimising the mix of lease duration, occupancy, rental rate, and operating costs
- Aspen owns 35.7% of Eureka, being the minimum shareholding in Eureka, based on the 301,747,603 Eureka shares on issue as at the date of this announcement, that Aspen will own after declaring its Offer unconditional, based on the Offer acceptances Aspen has received to date. Aspen will issue 17.3 million new Aspen Securities in accordance with the terms of its replacement bidder's statement dated 15 March 2024 to Eureka shareholders that have accepted the Aspen Offer as at the date of this announcement based on the Offer consideration of 0.26 Aspen Securities per Eureka Share. The number of new Aspen Securities issued as consideration under the Offer is subject to change should

further Eureka shareholders accept the Offer. Aspen's underlying earnings include its share of Eureka's underlying earnings which Aspen estimates at 3.00 cents per Eureka share in FY25 in the absence of any specific guidance from Eureka

- Stable volume of 100 development sales compared to the expected FY24 result, but continuing to skew more to Lifestyle houses which generate development profits on the sale of houses plus ongoing annuity land rents
- Maintaining a measured balance of Property Net Operating Income and Development Profit of roughly 80% and 20% respectively
- No material property acquisitions
- Continued recycling of capital from properties with relatively high rent and value (eg. sale of Burleigh Heads townhouses at an average price of about $1 million and net income yield of about 2.5%)
- Interest rates and hedging remain at current levels.

Aspen will own a minimum stake of 35.7% in Eureka, based on the 301,747,603 Eureka shares on issue as at the date of this announcement, which is valued at approximately $53 million based on Eureka's Net Asset Value of $0.49 per share, representing only approximately 8% of Aspen's total asset value.

Aspen acknowledges that given Eureka's comparatively weaker earnings, in the absence of any synergies, the Offer will be marginally dilutive to Underlying EPS. However, it is Aspen's view that Aspen's FY25 Guidance for Underlying EPS will remain above 14.50 cents even after completion of the Offer as set out below:

Aspen ownership % of Eureka	Estimated FY25 Underlying EPS (midpoint)
100% ownership scenario	**14.92 cents**
50.1% ownership scenario	**14.59 cents**
35.73% ownership scenario	**14.75 cents**

Guidance for Eureka Shareholders who accept Aspen's Offer at the Bid Ratio of 0.26x

Eureka shareholders who accept Aspen's Offer will enjoy a **10% increase in NAV**[2] and material increases in expected EPS and DPS in FY25:

	Aspen's Estimates		
	Eureka Standalone FY24	Aspen's EPS and DPS per EGH Share FY25	% Change (midpoint)
Underlying EPS (cents)	3.00[3]	**3.77-3.90**	**28%**
Minimum DPS (cents)	1.40[4]	**2.47**	**76%**

Aspen's securities are very attractively priced at $1.73[5] per security in Aspen's opinion

Price / 31 December 2023 NAV Ratio	**0.82x**
Price / FY25 Earnings Ratio	**11.7x**
FY25 Distribution Yield	**5.5%**

Aspen intends to announce today that it declares the Offer unconditional. The second supplementary bidder's statement accompanying that announcement (**Second Supplementary Bidder's Statement**) will contain further details of Aspen's FY25 Guidance and the pro-forma FY25 Underlying EPS forecast financial information for the year ending 30 June 2025 in the event Aspen acquires 50.1% of Eureka or 100% of Eureka. Please refer to Aspen's Second Supplementary Bidder's Statement released on ASX today for further information.

Announcement authorised by the Board of Aspen Group Limited.

END

For further information, please contact: David Dixon Joint Chief Executive Officer Phone: (+61) 2 9151 7584 Email: davidd@aspengroup.com.au	John Carter Joint Chief Executive Officer Phone: (+61) 2 9151 7586 Email: johnc@aspengroup.com.au

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 underlying operating performance – refer to financial reports for full definition
2. NAV – Net Asset Value per security as at 31 December 2023
3. Eureka has provided FY24 EPS guidance of 3.00 cents per share. This excludes some marketing and information technology expenses that Aspen regards as normal underlying expense for its business. Aspen estimates these expenses at about 0.2 cents per Eureka Share and they have been treated as underlying expenses in Aspen's FY25 EPS guidance. Eureka has not provided earnings guidance for FY25
4. Based on Eureka's HY24 distribution of 0.70 cents per share annualised. Eureka has not provided distribution guidance for FY24 or FY25
5. Closing price of APZ securities on ASX on 15 April 2024

Disclaimer

This announcement has been prepared by Aspen Group Limited on behalf of Aspen Group Limited and Aspen Property Trust ("Aspen") and should not be considered in any way to be an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any security, and neither this document nor anything in it shall form the basis of any contract or commitment. Prospective investors should make their own independent evaluation of an investment in Aspen. Nothing in this announcement constitutes investment, legal, tax or other advice. The information in this announcement does not take into account your investment objectives, financial situation or particular needs. The information does not purport to constitute all of the information that a potential investor may require in making an investment decision.

Aspen has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Aspen, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it.

This announcement contains forward looking information. Indications of, and guidance on, future earnings, distributions and financial position and performance are forward looking statements. Forward looking statements are based on Aspen's current intentions, plans, expectations, assumptions, and beliefs about future events and are subject to risks, uncertainties and other factors which could cause actual results to differ materially. Aspen and its related bodies corporate and their respective directors, officers, employees, agents, and advisers do not give any assurance or guarantee that the occurrence of any forward-looking information, view or intention referred to in this announcement will actually occur as contemplated. All references to dollar amounts are in Australian currency.

This announcement has been prepared for publication in Australia and may not be released to the US wire services or distributed in the United States. This announcement does not constitute an offer of securities for sale in the United States or any other jurisdiction. Any securities described in this address may not be offered or sold in the United States absent registration under the US Securities Act of 1933 or an exemption from registration.

aspen

Annexure C

Pro-forma Forecast FY25 EPS

The directors of the Bidder are responsible for the preparation and presentation of the Pro-forma Forecast FY25 EPS. EPS for the purposes of the Pro-forma Forecast FY25 EPS is a non-IFRS measure that is determined to present, in the opinion of the Aspen Board the operating activities of Aspen Group in a way that appropriately reflects Aspen Group's underlying operating performance. Refer to Aspen Group's latest financial reports released to the ASX for the full definition of EPS.

In preparing the Pro-forma Forecast FY25 EPS, Aspen has been subject to certain limitations. In particular, Eureka has not provided access to non-public information and therefore Aspen has needed to rely on publicly available financial information. The Pro-forma Forecast FY25 EPS should be read in conjunction with the assumptions and pro forma adjustments underlying their preparation.

The Pro-forma Forecast FY25 EPS presented in this Second Supplementary Bidder's Statement is provided for illustrative purposes and may not reflect the financial performance or position of the Combined Group that would have resulted had the acquisition of Eureka actually been completed on the dates indicated. Importantly, the Pro-forma Forecast FY25 EPS and other forward looking statements involve known and unknown risks, uncertainties and other important factors which may materially impact on actual outcomes, many of which are outside the control of Aspen Group. Such risks, uncertainties and other important factors include, among other things, those matters set out in Section 11 of the Bidder's Statement. Accordingly, you are cautioned not to place undue reliance on such financial information.

The Pro Forma Forecast Financial Information and other forward looking statements do not constitute an express or implied representation that future financial performance or distributions (or any other matter) will be achieved in the amounts or by the dates indicated and are presented merely as a guide to assist Eureka Shareholders in assessing the Offer.

Pro-forma Forecast FY25 EPS

(i) Forecast EPS for year ending 30 June 2025 assuming 100% ownership

	Aspen Group Estimates				
	Aspen	Eureka	Aspen - 100% Scenario Pro Forma		
Underlying Operating Earnings - $'000	**FY25 (E) (Midpoint Guidance)**	**FY25 (E)**	**FY25 (E) (Midpoint Guidance)**	**100% Merger Adjustments**	**Notes**
Rental & Ancillary Revenues	65,000	37,000	102,000	0	
Direct Property Expenses	(32,000)	(16,800)	(48,800)	0	
Property Net Operating Income (NOI)	**33,000**	**20,200**	**53,200**	**0**	
Property NOI Margin	**51%**	**55%**	**52%**		
Rental & Ancillary Revenues - 50% Joint Venture	0	2,800	2,800	0	
Direct Property Expenses - 50% Joint Venture	0	(1,375)	(1,375)	0	
Property Net Operating Income (NOI) - 50% JV	**0**	**1,425**	**1,425**	**0**	
Property NOI Margin - 50% Joint Venture	**0%**	**51%**	**51%**		
Earnings from Aspen's stake in Eureka	**3,234**	**0**	**0**	**(3,234)**	a
Earnings from Eureka Villages WA Fund	**0**	**800**	**800**	**0**	
Development Revenues	33,000	0	33,000	0	
Direct Development Expenses	(23,000)	0	(23,000)	0	
Development Profit	**10,000**	**0**	**10,000**	**0**	
Development Profit Margin	**30%**	**0%**	**30%**		
Management Revenues	0	6,200	6,200	0	
Direct Management Expenses	0	(3,600)	(3,600)	0	
Management Gross Profit	**0**	**2,600**	**2,600**	**0**	
Corporate Overheads (unallocated)	**(7,500)**	**(9,160)**	**(14,783)**	**1,878**	b
Underlying EBITDA	**38,734**	**15,865**	**53,243**	**1,357**	
Net Finance Expense	(9,475)	(5,375)	(15,045)	(195)	c
Net Finance Expense - 50% Joint Venture[2]	0	(575)	(575)	0	
Total Net Finance Expense	**(9,475)**	**(5,950)**	**(15,620)**	**(195)**	
Amortisation of Intangible Management Rights[3]	0	(508)	(508)	0	
Interest - Lease Liabilities[4]	0	(27)	$0	27	b
Depreciation of right of use assets[4]	0	(296)	$0	296	b
Tax Paid	0	0	$0	0	d
Underlying Operating Earnings	**29,259**	**9,085**	**37,115**	**(1,229)**	
Total Securities on Issue (weighted)	198,312	302,760	248,740	50,428	e
Underlying EPS - cents	**14.75**	**3.00**	**14.92**	**0.17**	

Notes:

1. Based on Aspen's treatment of expenses as underlying or non-underlying in its definition of Underlying Operating Earnings

2. Aspen can only reconcile Eureka's Underlying EBITDA and Underlying profit before tax as reported in its financial results presentations by omitting Eureka's share of Joint Venture interest expense
3. Aspen has not formed an opinion on the value of Eureka's intangible management contracts under Aspen's ownership and therefore the amount of amortisation that would be applicable for Aspen's underlying earnings
4. Aspen includes gross rent payable as an underlying expense in corporate overheads and therefore treats accounting interest and depreciation for right of use assets (leased premises) as non-underlying to avoid double-counting

Adjustments to Pro-forma Forecast FY25 EPS assuming 100% ownership

a. Aspen's 35.7% stake in Eureka consolidated
b. Aspen's estimate of overhead cost synergies of $2.20m and reclassification of Eureka's premises lease interest and deprecation to corporate overheads
c. Additional transaction costs of the merger of $3.0m funded with debt at an interest cost of 6.5%
d. Assumes Aspen's historic tax losses are sufficient to shelter the Combined Group's pro forma taxable income
e. Issue of 0.26 Aspen Securities per Eureka Share acquired by Aspen for the additional 64.3% of Eureka

(ii) Forecast EPS for year ending 30 June 2025 assuming 50.1% ownership

	Aspen Group Estimates				
	Aspen	Eureka	Aspen – 50.1% Scenario Pro Forma		
Underlying Operating Earnings - $'000	**FY25 (E) (Midpoint Guidance)**	**FY25 (E)**	**FY25 (E) (Midpoint Guidance)**	**100% Merger Adjustments**	**Notes**
Rental & Ancillary Revenues	65,000	37,000	102,000	0	
Direct Property Expenses	(32,000)	(16,800)	(48,800)	0	
Property Net Operating Income (NOI)	**33,000**	**20,200**	**53,200**	**0**	
Property NOI Margin	**51%**	**55%**	**52%**		
Rental & Ancillary Revenues - 50% Joint Venture	0	2,800	2,800	0	
Direct Property Expenses - 50% Joint Venture	0	(1,375)	(1,375)	0	
Property Net Operating Income (NOI) - 50% JV	**0**	**1,425**	**1,425**	**0**	
Property NOI Margin - 50% Joint Venture	**0%**	**51%**	**51%**		
Earnings from Aspen's stake in Eureka	**3,234**	**0**	**0**	**(3,234)**	a
Earnings from Eureka Villages WA Fund	**0**	**800**	**800**	**0**	
Development Revenues	33,000	0	33,000	0	
Direct Development Expenses	(23,000)	0	(23,000)	0	
Development Profit	**10,000**	**0**	**10,000**	**0**	
Development Profit Margin	**30%**	**0%**	**30%**		
Management Revenues	0	6,200	6,200	0	
Direct Management Expenses	0	(3,600)	(3,600)	0	
Management Gross Profit	**0**	**2,600**	**2,600**	**0**	
Corporate Overheads (unallocated)	**(7,500)**	**(9,160)**	**(16,983)**	**(323)**	b
Underlying EBITDA	**38,734**	**15,865**	**51,043**	**(3,557)**	
Net Finance Expense	(9,475)	(5,375)	(14,850)	0	c
Net Finance Expense - 50% Joint Venture[2]	0	(575)	(575)	0	
Total Net Finance Expense	**(9,475)**	**(5,950)**	**(15,425)**	**0**	
Amortisation of Intangible Management Rights[3]	0	(508)	(508)	0	
Interest - Lease Liabilities[4]	0	(27)	$0	27	b
Depreciation of right of use assets[4]	0	(296)	$0	296	b
Tax Paid	0	0	$0	0	d
Underlying Operating Earnings before minority interests	**29,259**	**9,085**	**35,110**	**(3,234)**	
Non-controlling interests	**0**	**0**	**(4,533)**	**(4,533)**	**e**
Underlying Operating Earnings	**29,259**	**9,085**	**30,576**	**(7,767)**	
Total Securities on Issue (weighted)	198,312	302,760	209,592	11,280	e
Underlying EPS - cents	**14.75**	**3.00**	**14.59**	**(0.17)**	

Notes:

1. Based on Aspen's treatment of expenses as underlying or non-underlying in its definition of Underlying Operating Earnings

2. Aspen can only reconcile Eureka's Underlying EBITDA and Underlying profit before tax as reported in its financial results presentations by omitting Eureka's share of Joint Venture interest expense
3. Aspen has not formed an opinion on the value of Eureka's intangible management contracts under Aspen's ownership and therefore the amount of amortisation that would be applicable for Aspen's underlying earnings
4. Aspen includes gross rent payable as an underlying expense in corporate overheads and therefore treats accounting interest and depreciation for right of use assets (leased premises) as non-underlying to avoid double-counting

Adjustments to Pro-forma Forecast FY25 EPS assuming 50.1% ownership

a. Aspen's 35.7% stake in Eureka consolidated
b. Aspen's estimate of overhead cost synergies of $nil and reclassification of Eureka's premises lease interest and deprecation to corporate overheads
c. Additional transaction costs of the merger of $nil as Aspen's FY25 earnings estimates assume that transaction costs are incurred in FY24 and funded with debt
d. Assumes Aspen's historic tax losses are sufficient to shelter the Combined Group's pro forma taxable income
e. Issue of 0.26 Aspen Securities per Eureka Share acquired by Aspen Group for the additional 14.4% of Eureka

Notice under section 650F of the *Corporations Act 2001* (Cth) – Freeing Offer from Conditions

To: **ASX Limited**

Eureka Group Holdings Limited

This notice is given by Aspen Group Limited ACN 004 160 927 (**Aspen**) for the purpose of section 650F of the *Corporations Act 2001* (Cth) (**Corporations Act**) in relation to its takeover bid (**Offer**) for all of the fully paid ordinary shares in Eureka Group Holdings Limited ACN 097 241 159 (ASX: EGH) (**Eureka**) contained in its bidder's statement dated 8 March 2024 and replaced by the replacement bidder's statement dated 15 March 2024 and further supplemented by the second supplementary bidder's statement dated 16 April 2024 (**Bidder's Statement**).

Capitalised terms in this notice have the same meaning given in the Bidder's Statement, unless the context requires otherwise.

In accordance with section 650F of the Corporations Act, Aspen gives notice that:

(a) the Offer, and each contract resulting from acceptance of the Offer, is declared freed from all Conditions in Annexure A of the Bidder's Statement; and

(b) as at the date of this notice, the aggregate of Aspen's voting power in Eureka is 35.73%.

Accordingly, the Offer is now **unconditional**.

Date: 16 April 2024

Signed for and on behalf of Aspen Group Limited by:

David Dixon, Director