

Ingenia Communities Group

Acquisitions and Capital Raising



24 September 2014



White Albatross Holiday Park, Nambucca Heads NSW

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Overview



White Albatross Holiday Park, Nambucca Heads NSW

Ingenia is the largest owner, operator and developer of Lifestyle and Tourist Parks in NSW

- > Owns and operates 15 Lifestyle Parks across NSW – over 2,000 permanent and short-term sites, with 917+ development sites (including conversion of existing sites)
- > Eight communities now in development mode – soon to be expanded to nine communities

Three additional parks under conditional contract – purchase price circa \$55 million

- > White Albatross Holiday Park (Mid-North Coast NSW), Canberra South Motor Park (ACT) and 'Confidential Park' (Brisbane)
- > Increases investment in Lifestyle Parks by over 40%
- > Immediately earnings accretive, cash yielding assets, with forecast unlevered IRRs of 12 -15%
- > Consolidates Ingenia's position in NSW and expands Lifestyle Parks to SE Queensland
- > Completion expected fourth quarter CY2014 (subject to final due diligence and Board approval)

Further 14 opportunities under exclusivity or active assessment

- > Accretive opportunities targeting trailing yields of 8% plus and forecast unlevered IRRs of 12-15%
- > Includes several DA approved sites
- > Actively reviewing 80 opportunities in both SE QLD and NSW

Acquisitions to be funded via an Institutional Placement and an Accelerated Non-Renounceable Entitlement Offer to raise up to \$89.1 million

Enhances capacity for growth and returns to securityholders



Acquisition of three quality, accretive and on-strategy Lifestyle Parks with substantial development and repositioning upside



Significantly increases development pipeline – adds over 380 development sites, securing low risk future organic growth



Capitalises on Ingenia’s proprietary research-led database and industry network, and secures ‘scale economies’ at attractive prices



LVR to remain within 30-35% target range (post deployment of capital), significantly improves interest cover



Provides funding capacity for further accretive acquisitions, with significant deal flow in place



Neutral to FY15 earnings as assets settle, accretive to earnings from FY16+



S&P/ASX 300 Index upweighting, moves Ingenia closer to S&P/ASX 200 Index inclusion

Overview of the capital raising

Offer

- > Institutional Placement to raise up to \$45.3 million and 1 for 7 Entitlement Offer to raise up to \$43.8 million – to raise a total of up to \$89.1 million
- > The Placement and Entitlement Offer will be undertaken at an Offer Price of \$0.45 per new security

Use of Proceeds

- > Funds raised will be allocated to the acquisition of three Lifestyle Parks under conditional contracts and a further pipeline of acquisitions under active assessment or due diligence
- > Full deployment from capital raising and committed debt will increase investment in Lifestyle Parks business by circa 100%

Acquisitions

- > Conditional contracts exchanged: White Albatross Holiday Park (North Coast NSW), Canberra South Motor Park (ACT), 'Confidential Park' (Brisbane)
- > Target unlevered IRRs of 12-15% and initial cash yields exceeding 8% with significant upside

Financial Impact

- > New securities rank pari passu and will be entitled to the FY15 interim distribution of 0.65 cents per security (payable March 2015)
- > Gearing to remain within the target LVR range of 30-35% (post deployment of capital)

Acquisitions



White Albatross Holiday Park, Nambucca Heads NSW

Use of funds – Acquisition of White Albatross Holiday Park



White Albatross Holiday Park, Nambucca Heads NSW



- > White Albatross is a 5.2 hectare lifestyle and tourist park located at Nambucca Heads, NSW
- > Situated within the Group's North Coast Cluster, which includes the Drifters Village in Kingscliff and rental villages in Coffs Harbour, Port Macquarie and Taree
- > Offers immediate earnings accretion at an attractive yield as well as the potential for development of vacant and short term sites into 30+ permanent sites
- > Park revenue is balanced between permanent and short term accommodation backed by strong occupancy levels and resort-style leisure facilities
- > \$13 million of the consideration will be payable on settlement, with the balance paid over four years

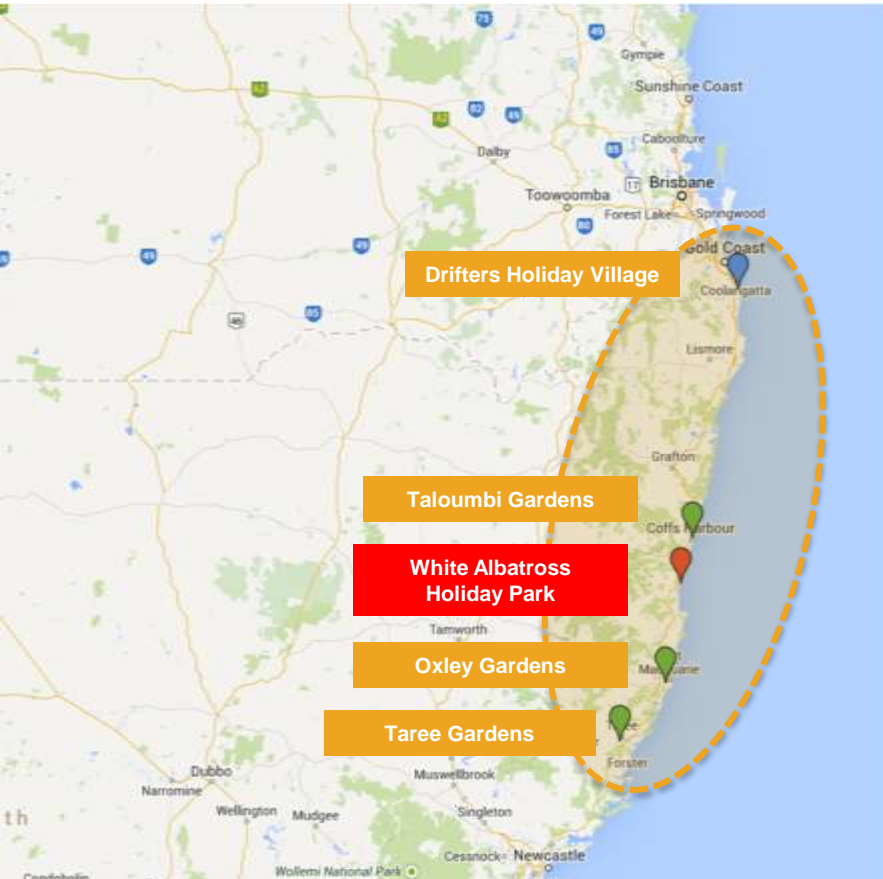
Acquisition metrics	
Purchase price	\$23.0m
Ingoing yield (on full purchase price)	>10%
Forecast unlevered IRR	14%
Development upside*	30+ sites

*Includes conversion of certain low-yield short term sites.

Number of existing sites	
Permanent sites	131
Tourist accommodation	60
Camp and powered sites	120
Total sites	311

Expanding in North Coast NSW cluster

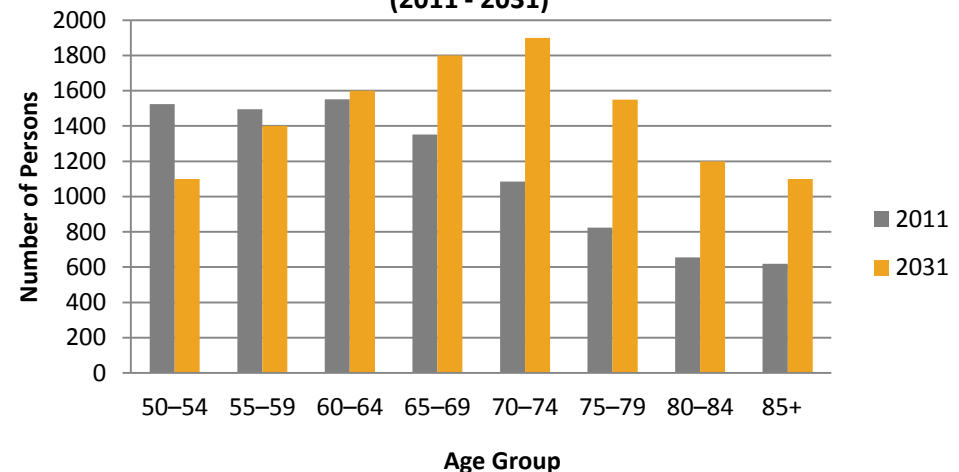
Market characteristics



Market characteristics*

- ✓ The estimated over 50s population for the Nambucca Shire by 2031 is 11,650 persons, representing 56.42% of the population
- ✓ Current median home price for Nambucca Shire is \$339,000
- ✓ Tourism Research Australia indicates that Nambucca averaged 467,000 visitor nights annually (four years to Sept 2013), with tourism expenditure of \$80 million per year
- ✓ Caravan park and commercial camping ground accommodation represented 26% of domestic visitor nights annually

Nambucca Shire LGA Forecast Over 50's Population Growth (2011 - 2031)*



One of NSW's best known tourist and lifestyle parks in an absolute waterfront location that cannot be replicated

* Source: NSW Planning and Environment Projections 2014; 2011 census population data; home price data from Pricerfinder (12 months to September 2014); Tourism Research Australia National Visitor Survey YE Sept 2010 to YE Sept 2013.

Use of funds – Acquisition of Canberra South Motor Park



- > Canberra South Motor Park is a tourist and lifestyle park located on the edge of Fyshwick in the southern Canberra suburb of Symonston, ACT
- > The park sits on a 10.3 hectare site with frontages to Canberra Avenue and the Monaro Highway, providing a significant land holding with potential for redevelopment
- > The acquisition offers immediate earnings accretion with significant potential through redevelopment of the majority of the park to focus on permanent homes complemented by a high yielding tourism precinct (pending approvals)
- > The park has a significant tourism component with over 200 established sites catering to the undersupplied affordable tourism market
- > One of four tourist and lifestyle parks in the ACT
- > Expands SW NSW/ACT cluster including Albury Citygate, Sun Country, Mardross Gardens, Wagga Gardens and Chatsbury Gardens

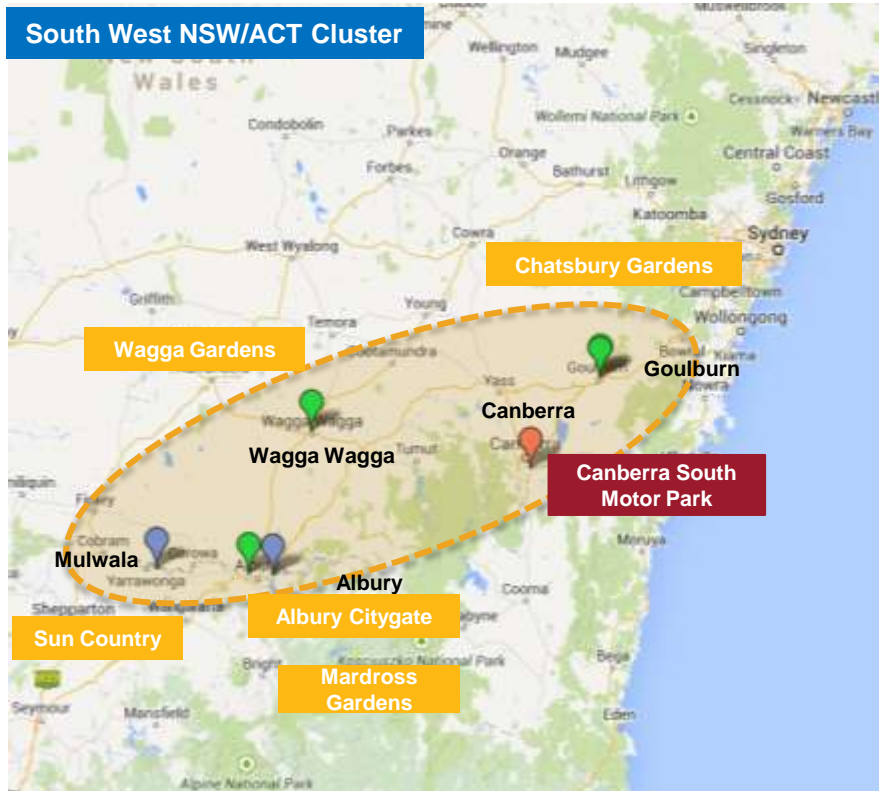
Acquisition metrics	
Purchase price	\$14.7m
Ingoing yield	>8%
Forecast unlevered IRR	15%
Development upside*	150+ sites

*Based on the redevelopment and reconfiguration of the majority of the park.

Number of existing sites	
Permanent sites	170
Tourist accommodation	110
Camp and powered sites	124
Total sites	404

Expanding in South West NSW/ACT cluster

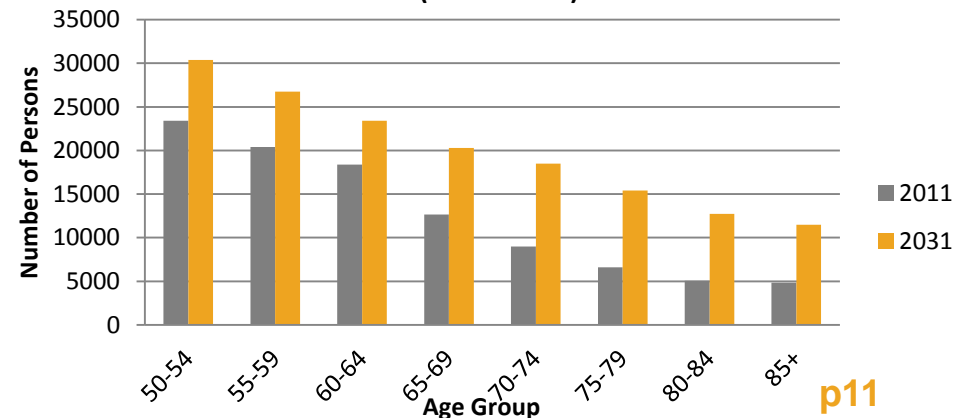
Market characteristics



Market characteristics*

- ✓ The ACT population is forecast to double by 2062
- ✓ By 2031, the estimated over 50s population is forecast to be 158,906 persons (32.2% of the total population), representing annual growth of 2.9% per annum from 2011
- ✓ Tightly held market with median house price in ACT at \$540,000 and limited low cost housing
- ✓ There is a strong tourism market, with demand for affordable tourism currently exceeding supply
- ✓ Domestic visitor nights exceeded 5.7 million in 2012/13 with annual compound growth expected to exceed 2% pa to 2021/22

Australian Capital Territory Forecast Over 50's Population Growth (2011 - 2031)*



A large and unique immediately accretive development site well located close to facilities and transport

*Source: ACT government population forecasts 2012 to 2062; 2011 census population data. All homes Property Report 2014 median house price. Tourism Research Australia, June 2013.

Use of funds – Acquisition of 'Confidential Park' (Brisbane)



Acquisition metrics	
Purchase price	\$17.0m
Ingoing yield	>8%
Forecast unlevered IRR	>15%
Development upside*	200+ sites

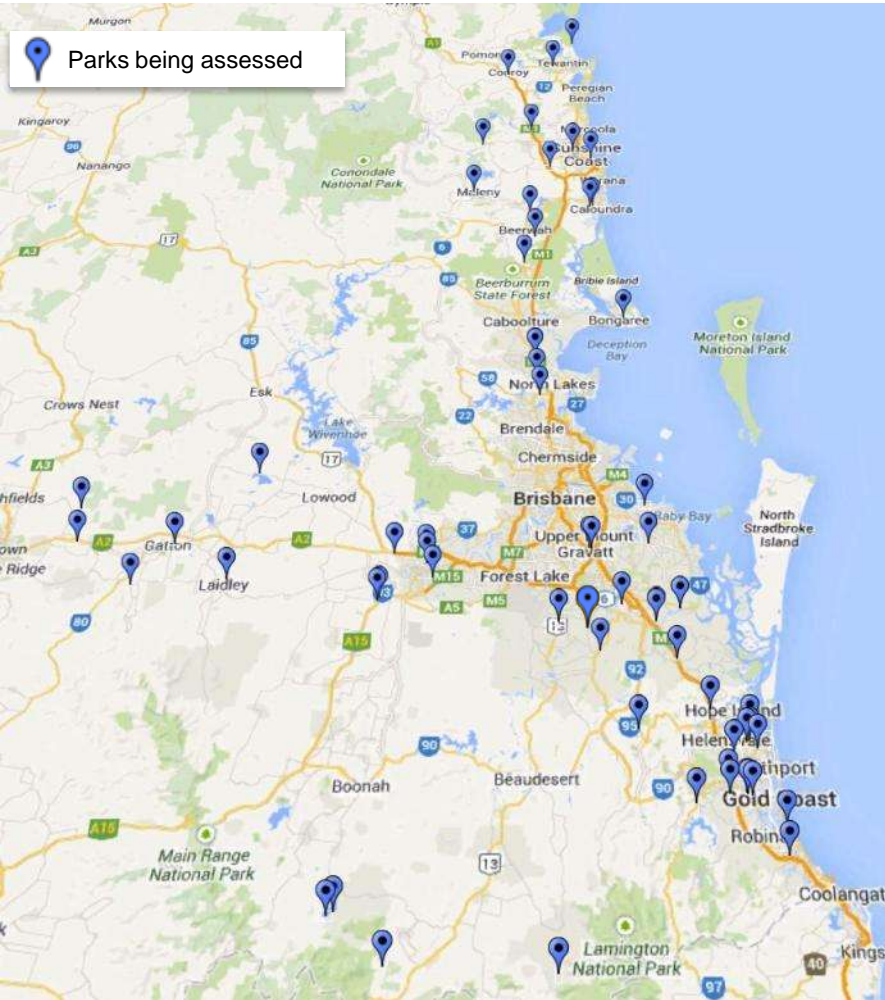
*Subject to development approval.

Number of existing sites	
Total sites	~200

- > 'Confidential Park' is a large partially developed community located ~30 km south of the Brisbane CBD
- > The Park is Ingenia's first Lifestyle Park in the tightly held SE QLD market cluster, situated close to the Group's Marsden Park rental village
- > The Park consists of approximately 200 existing permanent sites catering to the over 50s demographic and is well capitalised, with community facilities already in place
- > The Park is well located close to local shopping and medical centres
- > Acquisition is immediately earnings accretive from existing rental yields with significant development upside, subject to DA approvals
- > The development opportunity comprises 26 approved and serviced home sites plus the potential for approximately 200 new sites, subject to Council approval

Establishing Lifestyle Parks in SE QLD cluster

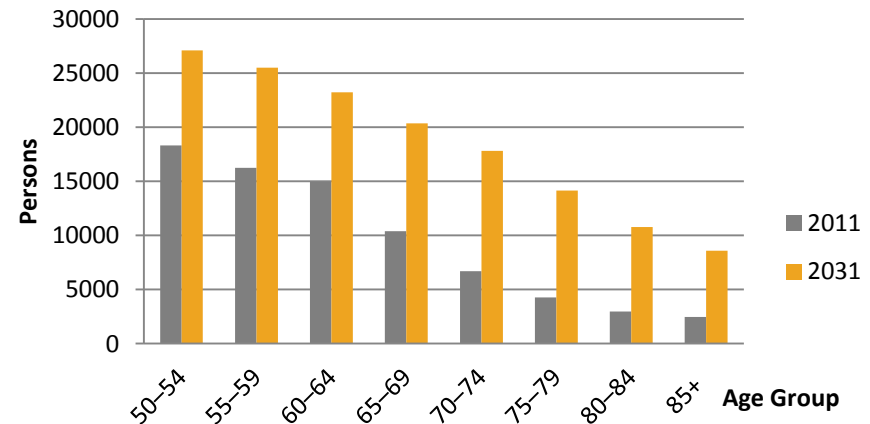
Market characteristics



Market characteristics*

- ✓ SE QLD projected to record most of QLD's growth, accounting for 67.5% of the State's total population increase over 25 years to 2031
- ✓ The over 50s population of the relevant LGA is forecast to grow to 147,546 persons (31.2% of the population) by 2031
- ✓ Increasing demand for over 55s accommodation
- ✓ Current median house price for the LGA is \$367,500
- ✓ Considerable barriers to entry similar to NSW (e.g. town planning constraints)
- ✓ Ingenia is actively assessing a range of strategic acquisitions in this cluster

Relevant LGA Forecast Population Growth (2011 - 2031)*



*Demographic statistics from The Office of Economic and Statistical Research – Queensland Treasury, Report “QLD Government population projections to 2056: QLD and Statistical divisions 2011 edition. Home price data from pricfinder.com.au - calculated from sales over the 12 months to 12/9/14.

Portfolio Update




Drifters Holiday Village, Kingscliff, NSW

Portfolio update

Diversified Australian portfolio dominated by cash yielding assets



Today, Ingenia has **60** Australian communities and growing



Largest owner and operator of seniors **rental** villages in Australia

Largest owner and operator of **Lifestyle Parks** in NSW

Note: Portfolio position as at 26 August 2014, adjusted for announced proposed acquisitions.



Rental ●

34 villages

- > 1,801 units
- > In all States except SA
- > Focus on occupancy growth and margin expansion



Deferred Management Fee ●

8 villages

- > 831 units
- > WA, QLD and NSW
- > Divested a QLD village in July 2014. Strategic review well advanced on remaining assets



Lifestyle Parks

15 villages ●

- > 1,093 permanent homes
- > 1,038 short term sites
- > 917+ development sites
- > Growing presence in NSW, ACT and SE QLD

Ingenia's growth focus

Announced Acquisitions

3 parks

- (1 NSW, 1 ACT, 1 SE QLD)
- > 915 permanent and short term sites
 - > 380+ development sites (STCA)

Active Lifestyle Estates (Lifestyle Parks)

Ingenia's growth focus - Lifestyle Parks



- > High yielding assets with low risk, capital light development
- > Finite pool of valuable land zoned for lifestyle and tourist parks in tightly held markets
- > Fragmented ownership offering considerable consolidation opportunities
- > Deliver quality seniors housing significantly more affordable than other models



- > One Mile Beach Holiday Village near Newcastle
- > Acquired for \$11m in December 2013 on an in-going cash yield of 10.6% with significant upside

Lifestyle Parks strategy

Abundance of opportunities for highly accretive growth



- > Over \$119 million invested in establishing the leading Lifestyle Parks position in NSW
- > Highly fragmented with key participants owning < 5% of the market – considerable opportunity for large scale roll-up
- > Tightly held assets with few on-market transactions
- > Use of proprietary research tools to identify and filter appropriate acquisition targets provides a significant competitive advantage, allowing Ingenia to focus on accretive off market transactions
- > Land scarcity in tightly held markets with considerable barriers to entry
- > Limited new supply and many existing assets significantly under-capitalised
- > Ingenia has significant deal flow in place supplemented by existing owners contacting the Group directly

● 18 announced Ingenia Lifestyle Parks acquisitions

Acquisition of 18 parks in 19 months - Retain room for growth



All acquisitions to date have met stringent investment threshold – forecast unlevered IRR 12-15%

Lifestyle Parks Property	Location	Acquired	Permanent Sites	Short Term Sites	Potential Development sites
North Coast, NSW					
1 Drifters	Kingscliff	Nov 2013	114	68	25+
2 White Albatross	Nambucca Heads		131	180	30+
Central West, NSW					
3 Mudgee Valley	Mudgee	Sep 2013	37	77	43+
4 Mudgee Tourist	Mudgee	Oct 2013	78	73	43+
Hunter/Newcastle, NSW					
5 The Grange	Morisset	Mar 2013	152	-	50+
6 Ettalong Beach	Ettalong Beach	Apr 2013	85	30	31
7 Lake Macquarie	Morisset	Nov 2013	41	25	47+
8 Macquarie Lakeside	Chain Valley Bay	Dec 2013	43	35	35+
9 Big 4 Valley Vineyard	Cessnock	Feb 2014	36	84	68+
10 Wine Country	Cessnock	Feb 2014	-	60	35+
11 One Mile	Anna Bay	Dec 2013	2	236	45+
Sydney Basin, NSW					
12 Nepean	Penrith	Aug 2013	101	65	10+
13 Town & Country	Marsden Park	May 2014	224	14	145+
14 Rouse Hill Lifestyle Park	Rouse Hill	Jun 2014	120	10	85+
South West NSW/ACT					
15 Albury Citygate	Albury	Aug 2013	26	38	120+
16 Sun Country	Mulwala	Apr 2014	34	223	135+
17 Canberra South	Fyshwick		170	234	150+
Total			1,394	1,452	1,097+
SE QLD					
18 'Confidential Park'			~ 200 existing sites		200+

Short term sites include annuals, self-contained accommodation, caravan and camping sites. Potential development sites include existing sites already approved, conversion of certain short term and permanent sites and optimisation of certain permanent sites.

Lifestyle Parks development cycle

Low-risk, capital light, accelerated development cycle compared to traditional retirement business models



**Order
Placed**

**Construction
at factory**

**Home
trucked to
Village**

**On-site
Installation**

**Home
ready for
sale**

6 - 8 weeks

3 - 4 weeks

9-12 weeks

Rolling out development

Driving value with buybacks of old homes to free up development sites

- > Approximately 35 buybacks across ten parks executed to date to free up valuable sites for development and create new precincts within existing parks
- > Buyback costs have generally ranged from approximately \$5,000 - \$40,000 per site
- > Existing DA approval for 435 home sites across eight parks
- > Civil works underway across six parks
- > Eight communities now in development mode



Buying back and removing old homes to free up development land. Installation of first new homes in Mudgee Tourist & Van Resort



Meeting the demand

Tailored marketing strategies in place to target permanent and tourism clientele

Marketing to Permanent Homebuyers

- > Display homes particularly in new markets is key to driving sales
- > Dedicated Project Sales Managers responsible for each market cluster
- > Cross-selling and complementary marketing to short-term stayers (e.g. Grey nomads often enquire about permanent offerings)
- > Demand remains strong with wait-lists building, and reservations often in place even before the homes arrive on-site

Marketing to Short term/Tourism customers

- > Utilising five primary channels
 - 3rd party online booking sites (eg wotif.com / booking.com.au)
 - Partnering with Marketing Industry Affiliations (turu.com.au / Big4 Holiday Parks)
 - Partnering with local tourism authorities (tourism offices and their websites)
 - Partnering with key local attractions
 - Individual Park websites – refreshed websites upgraded with online booking systems

NZ Students Portfolio, Wellington NZ



- > Sale announced 5 September 2014
- > Sale price NZ\$49.4 million (in line with book value)
- > Subject to tenant approvals, settlement anticipated to occur end 2014
- > Circa AU\$15 million in sale proceeds available for reinvestment (end of CY 2014)

Settlers Noyea Village – QLD AUS



- > Sale of Noyea Village (QLD) settled July 2014, net proceeds of \$5.4 million received
- > Ingenia intends to progressively reduce investment in the DMF sector

Capital Raising

New home being installed on site



Details of the Offer



Offer Details	<ul style="list-style-type: none"> > Capital raising of up to 198.0m securities to raise up to \$89.1m
Use of Proceeds	<ul style="list-style-type: none"> > Proceeds from the Capital Raising will be fully allocated to funding Lifestyle Park acquisitions (circa \$55m in acquisitions under conditional contract)
Placement	<ul style="list-style-type: none"> > Placement to institutional and sophisticated investors of up to 100.7m securities at an Offer Price of \$0.45 per new security to raise up to \$45.3m > New securities issued under the Placement will not be entitled to participate in the Entitlement Offer
Entitlement Offer	<ul style="list-style-type: none"> > A 1 for 7 Accelerated Non-Renounceable Entitlement Offer of up to 97.3m securities at an Offer Price of \$0.45 per new security to raise up to \$43.8m > Record Date of 7pm (AEST) on Monday, 29 September 2014 > Entitlement Offer will comprise an accelerated Institutional Entitlement Offer and a Retail Entitlement Offer > New securities in respect of institutional entitlements not subscribed for will be placed into an institutional bookbuild (concurrent with the Placement) > Retail Entitlement Offer opens on Wednesday 1 October 2014 and closes on Wednesday 15 October 2014 > Eligible Retail Securityholders will have the opportunity to apply for additional new securities that are not subscribed for under the Retail Entitlement Offer. Allocations will be at the discretion of the Board
Pricing	<ul style="list-style-type: none"> > The Offer Price of \$0.45 per new security represents: <ul style="list-style-type: none"> > 3.2% discount to the closing price of \$0.465 at Tuesday 23 September 2014 > 5.0% discount to the 5 day VWAP of \$0.474 > 2.5% discount to the Theoretical Ex-Rights Price¹ of \$0.462
Other	<ul style="list-style-type: none"> > New securities issued pursuant to the Entitlement Offer will be fully paid and rank equally with existing Ingenia securities > Directors intend to participate in the Entitlement Offer > Morgans Corporate Limited and Petra Pty Ltd are Joint Lead Managers to the Placement and Entitlement Offer. CLSA Limited is a Co-Lead Manager to the Placement > Moelis Australia Advisory Pty Limited is acting as Financial Adviser

1. The Theoretical Ex-Rights Price is the theoretical price at which Ingenia securities should trade after the Placement and ex-entitlement date for the Entitlement Offer.

Use of funds

Quality Lifestyle Park acquisitions



- > Three 'on strategy' Lifestyle Parks acquisitions under conditional contract
 - Combined purchase price circa \$55 million (915 permanent and short term sites) in identified NSW and SE QLD clusters
 - Acquisitions range from \$15 million to \$23 million
 - Minimum ingoing yields of 8%, with forecast unlevered IRRs of 12-15%
 - Subject to completing satisfactory due diligence and Board approval
 - Each asset has repositioning and/or development upside with staged construction and sell down of new homes internally funded
- > Acquisitions build presence in identified clusters and expand Lifestyle Parks portfolio to over 2,800 sites
- > The acquisitions will be funded via the capital raising and committed debt facilities
- > Further 14 acquisitions under exclusivity or active assessment across NSW and SE QLD
- > Build out of development pipeline to be funded internally through recurrent earnings and non core asset sales

Key financial metrics

Capacity remains for further growth



	Pro Forma (June 14) ¹	Capital Raising	Identified Acquisitions (3 assets)	NZ Sale	Remaining Acquisitions	Fully Deployed
Net Australian investment property (\$m) ¹	304.4	-	59.3	-	64.2	427.9
Total Australian assets (\$m)	515.1	4.3	59.3	-	64.2	642.9
Total Australian borrowings (\$m)	86.6	(81.2)	43.6	(15.0)	64.2	98.2
Deferred Land Payments Payable (\$m)	4.0	-	15.7	-	-	19.7
Net Australian assets (\$m)	222.5	85.5	-	15.0	-	323.0
Securities on issue (millions)	680.9	198.0	-	-	-	878.9
NAV per security (cents)	35.2	1.80	-	(0.3)	-	36.7
Australian LVR	34.1%					31.1%
Debt headroom (\$m) ²	78.3					51.0

1. Net of resident loans and lease liabilities.

2. Debt headroom based on \$175 million credit approved multilateral debt facility.

Use of funds

Further acquisitions well progressed



- > Significant pipeline of 'on-strategy' acquisitions under exclusivity, due diligence or actively being assessed

- > Acquisition of additional assets anticipated to be announced early calendar year 2015
 - Located in identified NSW and SE QLD clusters
 - Acquisitions ranging from \$2 million to \$30 million
 - Initial yield target 8%, with forecast unlevered IRRs of 12-15%
 - Each asset has repositioning and/or development upside with staged construction and sell down of new homes
 - Also assessing several DA approved greenfield sites to add significant scale to development pipeline

Indicative timetable



Timetable	Date
Institutional Placement and Institutional Entitlement Offer	
Announcement of the Placement and Entitlement Offer	Wednesday 24 September 2014
Trading resumes on an ex-Entitlement Offer basis	Friday 26 September 2014
Record Date for determining entitlements for the Entitlement Offer (by 7pm AEST)	Monday 29 September 2014
Settlement of New Securities under the Placement and Institutional Entitlement Offer	Wednesday 8 October 2014
Placement, Institutional Entitlement Offer and Early Retail Entitlement securities issued and normal trading commences	Thursday 9 October 2014
Retail Entitlement Offer	
Retail Entitlement Offer document and acceptance forms despatched	Wednesday 1 October 2014
Retail Entitlement Offer opens	Wednesday 1 October 2014
Retail Entitlement Offer closes	Wednesday 15 October 2014
Settlement of Retail Entitlement Offer and Retail Entitlement shortfall	Tuesday 21 October 2014
Retail Entitlement Offer securities issued	Wednesday 22 October 2014
Normal trading commences	Thursday 23 October 2014
Despatch of holding statements	Friday 24 October 2014

This timetable is indicative only and subject to change. The Directors may vary these dates, in consultation with the Joint Lead Managers, subject to the Listing Rules. An extension of the Closing Date will delay the anticipated date for issue of the New Securities. The Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer any time prior to issue of the New Securities. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants.

Investment Highlights



Investment highlights



Acquisition pipeline

- > Focusing on bolt-on acquisitions in existing markets with development upside
- > Looking to create asset clusters with buoyant housing and employment markets, compelling ageing demographics and limited competition
- > Stringently assessed acquisition thresholds with 12-15% unlevered IRRs
- > Success with off-market opportunities supplemented by direct approaches from existing park owners

Growth and yield

- > Valuable development pipeline within existing assets and significant accretive acquisition opportunities available in the market
- > Target to increase distribution over medium term

Defensive sector

- > Operations leveraged to the growing ageing population, with affordability focus
- > Lifestyle Parks sector is a large fragmented market with assets offering strong cash flows and development potential - provides an attractive opportunity for Ingenia
- > Land scarcity in tightly held markets with considerable barriers to entry

Attractive investment metrics

- > Offer price provides opportunity to invest on attractive metrics 5% discount to 5-day VWAP
- > Discount to Theoretical Ex-Rights Price (TERP) of 2.5%
- > Group remains conservatively geared
- > Immediately earnings accretive, cash yielding assets
- > Undrawn funding capacity of \$51 million (post deployment)













Ettalong Beach Holiday Village,
Ettalong Beach NSW

Appendix 1

Competitor landscape – Lifestyle Parks

Major operators represent <5% of market opportunity

Major Operators	No. of parks	Locations	Strategy
 Active Lifestyle Estates (Ingenia)	15	NSW	Acquire existing lifestyle and tourism parks with low risk capital light development upside.
Tourism and Mining Park Operators			
 Discovery Holiday Parks	32	Across Australia	Recently acquired from private equity by SunSuper. Exclusively tourist and mining accommodation.
 Aspen Parks Property Fund	21	Across Australia	Predominantly tourist and mining accommodation. Parent entity (ASX: APZ).
Mature Park Consolidator			
 Gateway Lifestyle Residential Parks	16	QLD, NSW and VIC	Operating platform for capital sourced from Alceon and Port Nordica.
 Tasman Capital Partners	7	NSW and QLD	Private equity roll-up strategy; with near term IPO mandate.
Greenfield Developers			
 Hampshire Villages	7	NSW and VIC	Privately owned portfolio of regional residential parks.
 Lifestyle Communities	10	VIC only	Developer and operator of greenfield residential parks (ASX: LIC).
 Living Gems	6	QLD only	Privately owned developer and operator of greenfield residential parks.
 National Lifestyle Villages	10	WA and VIC	Developer and operator of greenfield residential parks. Separate brands for premium and affordable. Majority owner Navas (Malaysia).
 Palm Lake Resorts (Walter Elliott)	20	VIC, NSW and QLD	Privately owned developer and operator of greenfield residential parks.

Source: Company information, Ingenia analysis.

Appendix 2: Foreign jurisdictions



Singapore

The offer or invitation which is the subject of this presentation is only allowed to be made to the persons set out herein.

This presentation has not been, and will not be, registered as a prospectus in Singapore with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, this presentation and any document or material in connection with the offer or sale, or invitation for subscription or purchase of the securities must not be issued, circulated or distributed nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than:

- (a) to an institutional investor under Section 274 and Section 304 of the SFA, and in accordance with any rules made under the SFA;
- (b) to a relevant person pursuant to Section 275(2) and Section 305(1) of the SFA, or any person pursuant to Section 275(1A) and Section 305(2) of the SFA, and in accordance with the conditions specified in Section 275 and Section 305 of the SFA and any rules made under the SFA; or
- (c) otherwise pursuant to, and in accordance with, the conditions of any other applicable provision of the SFA and any rules made under the SFA.

Where the securities are subscribed or purchased under Section 275 and Section 305 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of which is an individual is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the securities under Section 275 and Section 305 of the SFA except:

- (a) to an institutional investor or to a relevant person, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interests in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 and Section 305 of the SFA;
- (b) where no consideration is given for the transfer; or
- (c) where the transfer is by operation of law.

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Appendix 2: Foreign jurisdictions



Hong Kong

WARNING: This presentation has not been, and will not be, authorized by any regulatory authority in Hong Kong. No action has been taken in Hong Kong to authorize this presentation or to permit the distribution of this presentation or any presentations issued in connection with it. Accordingly, the securities have not been and will not be offered or sold in Hong Kong, by means of any document other than:

- (a) to "professional investor" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO") and any rules made under that ordinance; or
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The contents of this presentation have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this presentation, you should obtain independent professional advice.

Appendix 3: Risk factors



This section discusses some of the key risks associated with an investment in Ingenia. A number of risks and uncertainties may adversely affect the operating and financial performance or position of Ingenia and in turn affect the value of Ingenia securities. These include specific risks associated with an investment in Ingenia and general risks associated with any investment in listed securities. The risks and uncertainties described below are not an exhaustive list of the risks facing Ingenia. Potential investors should carefully consider whether the new securities offered in the Capital Raising are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risks set out below.

General Risks

General investment risks	<p>There are risks associated with any stock market investment including:</p> <ul style="list-style-type: none">> The demand for Ingenia securities may increase or decrease and Ingenia securities may trade above or below the Issue Price on the ASX;> If Ingenia issues new securities, an existing Securityholder's proportional interest in Ingenia may be reduced; and> The market price of the securities may be affected by factors unrelated to the operating performance of Ingenia such as stock market fluctuations and volatility and other factors that affect the market as a whole.
Macro-economic risks	<p>Changes to economic conditions in Australia and internationally, investor sentiment and international and local stock market conditions, changes in fiscal, monetary and regulatory policies such as interest rates and inflation may impact on the performance of Ingenia.</p>
Liquidity	<p>Turnover of Ingenia securities can be limited and it may be difficult for investors to buy or sell large lines of securities at market prices.</p>
Legislative and regulatory risks	<p>Changes in laws, regulation and government policy may affect Ingenia's business and therefore the returns Ingenia is able to generate.</p>
Tax implications	<p>Future changes to the Australian taxation law including changes in interpretation or application of the law by the courts or taxation authorities in Australia may impact future tax liabilities. This in turn could impact the value or trading price of Ingenia securities and the taxation treatment of an investment in Ingenia or the holding costs or disposal of its securities.</p>
Litigation	<p>Ingenia may, in the ordinary course of business, be involved in possible litigation disputes (such as environmental and workplace health and safety, industrial disputes and legal claims or third party claims). A material litigation may adversely affect the operational and financial results of Ingenia.</p>

Appendix 3: Risk factors



Specific Risks

Business strategy risk	Ingenia's business strategy is focused on growing the Group's cash yielding rental portfolio through acquisition, development and increasing occupancy. Ingenia's future growth is dependent on the successful execution of this strategy. Any change or impediment to implementing this strategy may adversely impact on Ingenia's operations and future financial performance.
Acquisition risks	Ingenia is undertaking due diligence on three target acquisitions that Ingenia expects to transact in coming months. Ingenia also has a significant potential acquisition pipeline that it is pursuing to drive future growth of the business. There is no guarantee that Ingenia will be able to execute all current or future acquisitions.
Funding risk	Ingenia's ability to successfully execute its current growth strategy is dependent on Ingenia's ability to secure funding at commercial rates, as required. There is no guarantee that Ingenia will be able to maintain debt or equity at rates that make this growth strategy attractive.
Development risk	<p>Ingenia has a large land and property development pipeline. Such projects have a number of risks including (but not limited to): delays or issues around planning, application and regulatory approvals; development cost overruns; environmental costs; project delays; issues with building and supply contracts; expected sales prices or timing of expected sales or settlements not achieved.</p> <p>A sustained downturn in the commercial, retail, industrial and/or residential property markets due to deterioration in the economic climate could result in reduced development profits through lower selling prices or delays in achieving sales.</p>
Personnel risk	The ability of Ingenia to successfully deliver on its business strategy is dependent on retaining key employees of Ingenia. The loss of senior management or other key personnel could adversely impact on Ingenia's business and financial performance.
Overseas portfolio	Ingenia has recently contracted the sale of its NZ Students business. On completion of the sale Ingenia intends to return the net capital to Australia. The quantum and timing of the net proceeds to be returned are subject to foreign currency exchange rate fluctuations and delays in settlement.
Property valuations	Factors affecting property valuations include capitalisation and discount rates, the economic growth outlook, land resumptions and releases and major infrastructure projects. Such impacts on property valuations may lead to variations in the valuation of Ingenia.

Appendix 3: Risk factors



Specific Risks

Homeowner turnover	The DMF model requires the new homeowners to purchase existing homes in Ingenia's portfolio on the exit of existing homeowners before Ingenia can realise its DMF receipts. This causes the cashflows of the DMF business to be lumpy and any reduction to homeowner turnover will delay the collection of cash by Ingenia and therefore adversely impact operating cashflow.
Inflation rates	Higher than expected inflation rates could lead to increased development and/or operating costs. If such increased costs cannot be offset by increased selling prices or rent, this could impact Ingenia's future financial performance.
Rental Assistance	The <i>Social Security Act 1991</i> (Cth) provides rental assistance for many properties which form part of Ingenia's asset portfolio. Any change to this legislation could result in a reduction in demand for these products and therefore impact Ingenia's business.
Asset impairment risk	Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Changes to the carrying amounts of assets could have an adverse impact on the reported financial performance of Ingenia.
Accounting standards	Changes to accounting standards may affect the reported earnings of Ingenia from time to time. Any changes to the valuation metrics used by property valuers may adversely impact Ingenia's reported earnings.
Financial leverage	Ingenia currently has bank debt which contains certain covenants in relation to the loan. Any breach to financial covenants could result in the early enforced repayment of debt. Such repayment could incur capital losses if assets need to be sold in a short period or securityholders may be diluted if equity needs to be raised at large discounts.
Increased competition	<p>Ingenia has done significant work in collating a comprehensive database of Lifestyle Parks and caravan parks used to identify potential acquisitions. This provides Ingenia with a competitive advantage however any competition for targeted acquisitions could impact on their ability to achieve the returns required to transact.</p> <p>Future developments that compete with Ingenia's existing portfolio could impact on Ingenia's current business and financial performance.</p>
Distributions	Future distributions and franking levels for Ingenia securities will be determined by the Directors having regard to the operating results, future capital requirements, bank debt covenants and the financial position of Ingenia. There can be no guarantee that Ingenia will continue to pay distributions or distributions at the current level.