Ingenia Lifestyle
Ingenia Garden Villages
Ingenia Holidays

ASX / Media Release

3 May 2017

Ingenia announces acquisition of five lifestyle communities to be funded by $74 million capital raising

Highlights

- Acquisition of four quality established communities, expanding presence in Brisbane and key coastal markets
- Expansion of development pipeline with acquisition of DA approved 196 home development site on the NSW Mid-North Coast
- Fully underwritten Institutional Placement and Accelerated Non-Renounceable Entitlement Offer to raise $74 million at $2.60 per new security to fund acquisitions and first stages of development
- Extends Ingenia's presence in attractive Brisbane market to four communities, complementing the Group's leading position in Sydney
- Enhances rental flows through the addition of 739 income generating sites and increases Ingenia's lifestyle portfolio to 36 communities
- On track to deliver on guidance of 190 new home sales and EBIT of $30 million in FY17

Ingenia Communities Group (ASX INA) today announced an Institutional Placement (the Placement) and a 1 for 11 Accelerated Non-Renounceable pro-rata Entitlement Offer (the Entitlement Offer) to existing eligible securityholders.

The Placement, which will raise $32 million and the Entitlement Offer (to raise $42 million) are fully underwritten. New securities will be issued at $2.60.

Funds raised will be allocated to the acquisition of four established communities and the acquisition and development of a DA approved greenfield site. The acquisitions will be accretive to earnings in FY18 and are forecast to settle between May and September this year (subject to the conclusion of standard due diligence enquiries). Each community is being acquired from a separate vendor.

The acquisitions enhance Ingenia's position on the East Coast of Australia, continuing growth in the Group's key coastal and metropolitan markets. On completion of the announced acquisitions, Ingenia's lifestyle portfolio will include over 5,600 income producing sites with over 90% of the portfolio (by value) in coastal and metro markets.

The lifestyle communities to be acquired include two established villages in Brisbane with significant upside through adding new homes and repositioning and reconfiguring a mixed use community with DA approved expansion land on Queensland's Capricorn Coast.

Ingenia's presence on the Mid-North Coast of NSW will also be enhanced through the addition of a premium beachfront tourist park and a fully approved development site for 196 new lifestyle homes. These assets expand Ingenia's exposure to this strongly performing market, joining the Group's Mid-North Coast cluster which includes South West Rocks, Ingenia Holidays White Albatross (both mixed use lifestyle communities) and some of the Group's best performing Garden Villages.

Combined, the acquisitions include 739 income producing sites and 313 potential development sites, building the Group's development pipeline to 2,669 homes (87% in coastal and metropolitan locations).

Ingenia CEO, Simon Owen, said the assets had been chosen from an extensive pipeline of acquisition opportunities which the Group has worked hard to establish over the last few years.

"Despite increasing competition as new participants seek to enter the lifestyle communities market, we have continued to see attractive opportunities to expand our business and secure longer term growth."

"Cognisant of the need to raise equity, we have carefully assessed our pipeline, proceeding only with the most compelling opportunities. The five assets which underpin this raising represent on-strategy acquisitions which will continue to build our presence in key markets and deliver earnings accretion as well as enhance longer term growth."

Mr Owen said the acquisitions were in line with Ingenia's focus on building asset clusters in key metro and coastal markets and would assist in increasing the Group's home settlements towards a medium term target of 350+ homes per annum from the 2019 financial year.

Ingenia confirmed that the Group was on track to deliver on guidance of 190 new home settlements and EBIT of $30 million for the 2017 financial year. The final distribution, which is expected to be 5.1 cents per security, will be declared in conjunction with the announcement of Ingenia's full year results on 22 August 2017.

Further details on the capital raising and acquisitions can be found in the Presentation lodged with the ASX today.

ENDS

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Ingenia

Presented by Simon Owen
3 MAY 2017

New streetscape at Ingenia Lifestyle, Bethania

INGENIA COMMUNITIES GROUP

Acquisitions and Capital Raising

Executive Summary

Ingenia has actively built a significant, high quality portfolio of lifestyle communities concentrated in key capital city and coastal locations

> Owns and operates 31 lifestyle and holiday communities – over 4,860 permanent, annual and short-term sites, with 2,350 development sites

> Eleven communities now in development mode with rapidly growing settlements and expanding margins

> On track to increase EBIT to $30 million (up 24% on FY16) for FY17

Five additional acquisitions under contract – purchase price $79.9 million

> Underpinned by two lifestyle communities in Brisbane, both offering development upside and significant value accretion

> Adds 739 permanent, annual and short-term sites – increases lifestyle income generating sites by over 15%

> Enhances development pipeline through addition of 349 development sites

> Earnings accretive in FY18 and beyond

> Demonstrates ability to originate quality transactions in tightening market

Fully underwritten Institutional Placement and Accelerated Non-Renounceable Entitlement Offer (of $74 million) to fund acquisitions and development capital

Transaction Highlights

Accretive to FY18 earnings – with significant development and repositioning upside

✓	Acquisition of four quality lifestyle communities offering attractive yields plus one DA approved development site in existing NSW coastal cluster
✓	Increases income producing sites by over 15% - adds 739 sites giving Ingenia 5,606 permanent, annual and short-term sites across 36 communities
✓	Increases development sites by 13% - adds 313 development sites to existing pipeline of 2,356 new homes
✓	Extends Ingenia's exposure to tightly held Brisbane lifestyle community market, complementing the Group's market leading position in Sydney
✓	Additional development sites enable Ingenia to target >350 new home settlements per annum from FY19 with expanding development margins (subject to market conditions)
✓	Leverages Ingenia's existing quality operating platform

Overview of the Capital Raising

Offer	> Institutional Placement and Entitlement Offer to raise $74 million > The Placement and Entitlement Offer will be undertaken at an Offer Price of $2.60 per new security
Use of Proceeds	> Funds raised by the Institutional Placement and Entitlement Offer will be fully allocated to the acquisition of four established communities and the acquisition and development of one greenfield site > Increases investment in Lifestyle and Holidays business by circa 20%[1]
Five Acquisitions	> Conditional contracts exchanged on five assets > Target completion and settlement for all acquisitions by end of Q1 FY18 > Earnings accretive in FY18
Issue price	> New securities will be issued at $2.60 and rank pari passu with existing securities > Expected FY17 final distribution of 5.1 cents per security (payable September 2017)

1. By value – post deployment of funds raised.

Impact of Acquisitions

- Increases scale in lifestyle portfolio – grows to 36 communities and increases number of income producing sites by 15%
- Increases scale in tightly held Brisbane market, complementing successful expansion of Bethania and Chambers Pines communities
- Continues growth in key coastal markets in NSW and Queensland
- Enhances development pipeline with addition of a 196 home approved development site on the NSW Mid-North Coast
- Significant opportunities to enhance returns through repositioning and active management

	Permanent sites	Annual sites	Short-term sites	Total sites	Development sites [2]
At 31 December 2016[1]	1,871	920	2,076	**4,867**	2,356
Announced acquisitions	501	2	236	**739**	313
Total	**2,372**	**922**	**2,312**	**5,606**	**2,669**

1. Proforma, including acquisitions settled post 31 December 2016 (Cairns Coconut and Palms Oasis).
2. Forecast new development sites includes two sites under option/contract. Announced acquisitions exclude 36 sites approved for tourism development.

Overview of Acquisitions

> Adds over 700 income generating sites in established clusters
> More than 500 additional sites in Brisbane

	Permanent sites	Annual sites	Short-term sites	Total sites	Development sites
Confidential Park A Permanent homes - Brisbane Metro	239	-	12	**251**	30[1]
Confidential Park B Permanent homes – Brisbane Metro	240	-	37	**277**	49[1]
Confidential Park C Mixed use – Qld Capricorn Coast	22	-	96	**118**	74[2]
Confidential Park D Tourism – NSW Mid-North Coast	-	2	91	**93**	-
Confidential Park E Development – NSW Mid-North Coast	-	-	-	**-**	196
Total	**501**	**2**	**236**	**739**	**349**

1. Includes sites subject to approvals.
2. Includes 36 tourism development sites.

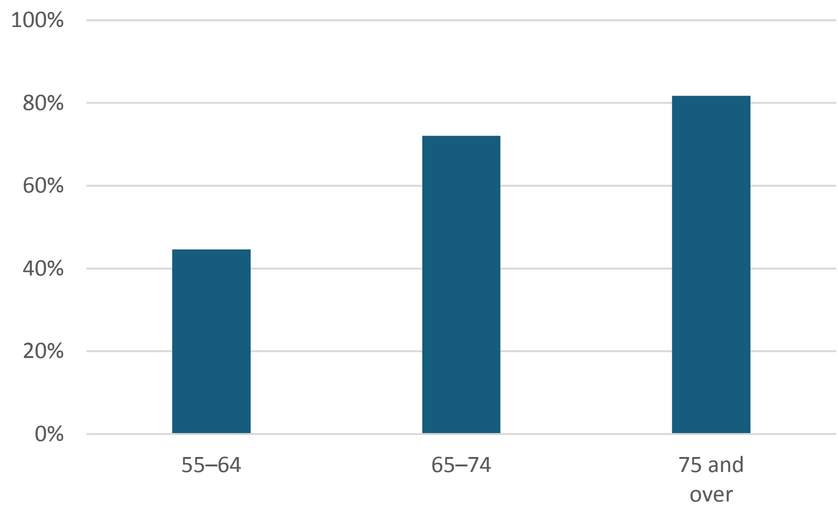
Acquisitions

Ingenia Lifestyle Bethania, QLD

Strategy

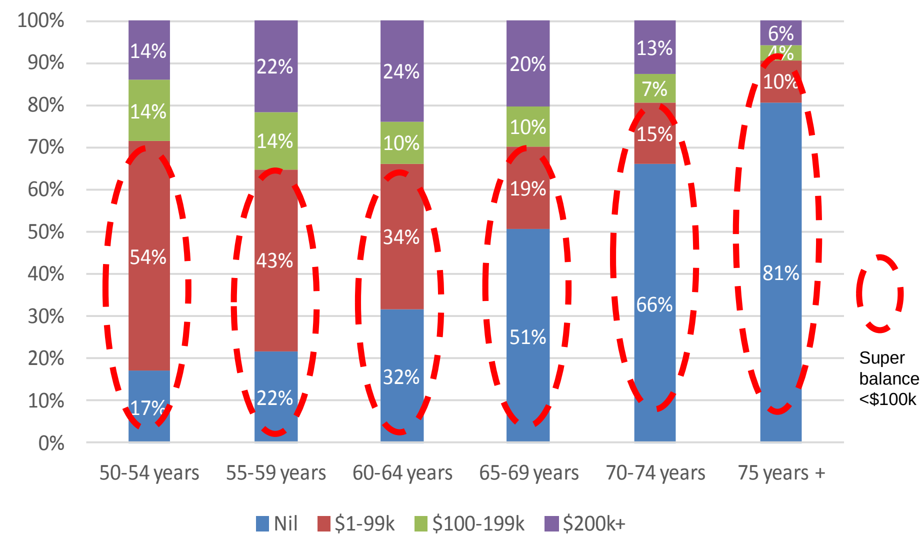
Acquisitions increase exposure to affordable seniors housing

Property ownership without a mortgage (by age group)



Source: ABS.

Superannuation account balances (by age group)



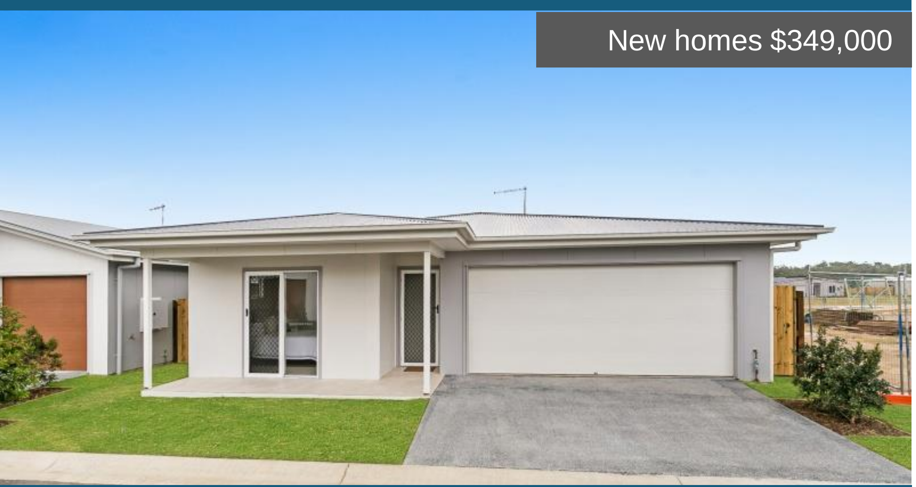
Source: ASFA Research and Resource Centre.

- The maximum pension for singles is $439 per week which is insufficient to fund a comfortable retirement
- Australia’s growing pool of retirees is living longer – for people aged 65–69 some 70% have <$100k in accumulated superannuation
- For many retirees, the sole source of accumulated wealth is ownership of the family home – releasing equity whilst retaining Government payments is increasingly attractive

Growing Established Brisbane and Northern NSW Clusters – Expanding into Central Queensland

Brisbane Lifestyle Community Market

Ingenia Lifestyle Chambers Pines, Brisbane

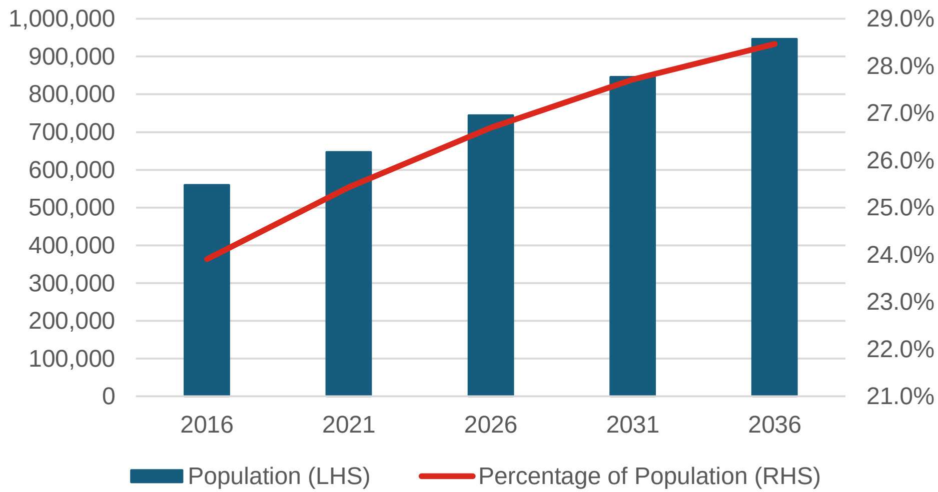


Ingenia Lifestyle Bethania, Brisbane

Market characteristics*

- ✓ Brisbane has a large and growing population – currently 2.3 million people
- ✓ Brisbane median house price c. $655,000
- ✓ Strengthens presence in the attractive South West Brisbane Corridor
- ✓ Existing knowledge of market through strongly performing projects at Bethania and Chambers Flat
- ✓ Potential to generate attractive development margins and rental returns

Greater Brisbane City Over 55s Population Growth*

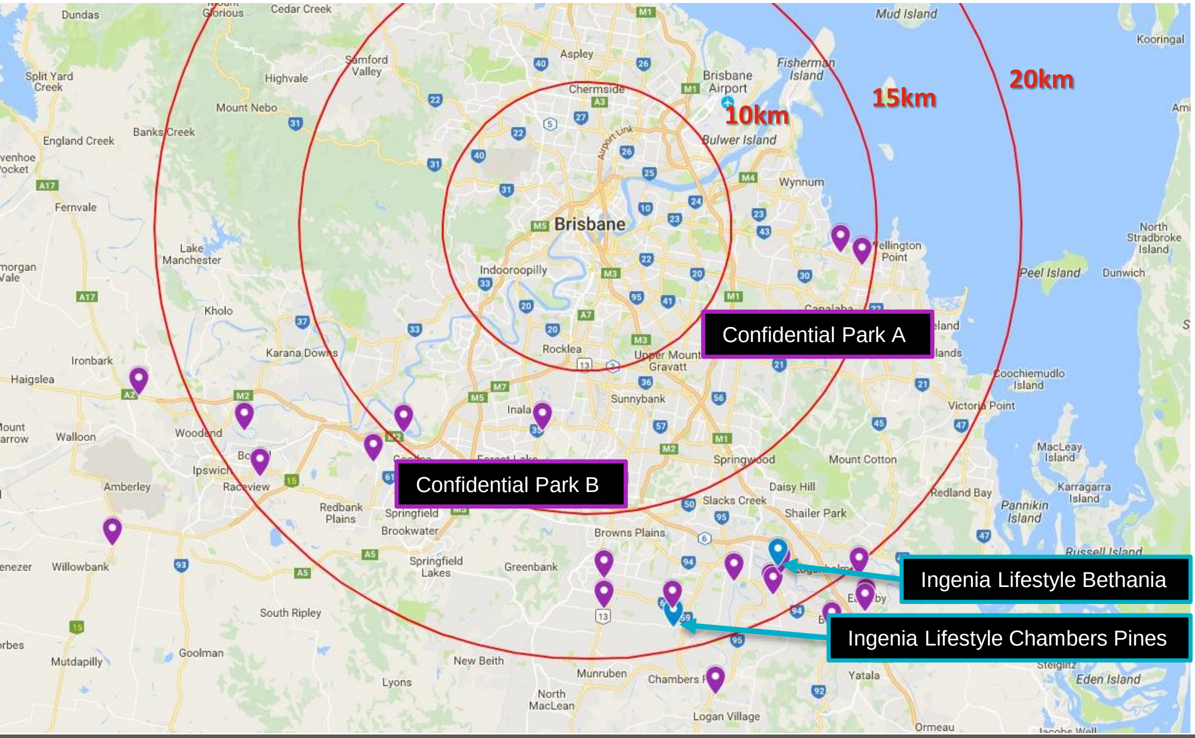


* Source: Queensland Government Statistician's Office.

Brisbane Lifestyle Community Market

Brisbane Market Characteristics

- ✓ Over 0.5 million people over 55 living in Greater Brisbane (24% of the population)[1]
- ✓ There are 164 DMF style villages operating in Greater Brisbane[2]
- ✓ But only 40 lifestyle communities operate in Greater Brisbane[2]
- ✓ Ingenia and competing operators have seen strong performance in the Brisbane market



Brisbane Metro Lifestyle Portfolio

Post deployment of raised funds, Ingenia will have established a strong lifestyle communities presence in the Brisbane Metro area

- ✓ Four communities
- ✓ 596 development sites (270 STCA)
- ✓ 751 permanent sites
- ✓ 49 short-term rental sites

1. Source: Queensland Government Statistician's Office.
2. Source: Department of Housing and Public Works (Jan 2017).

Use of Funds

Acquisition of Confidential Park A, Brisbane

Acquisition metrics	
Purchase price	$25m
Total sites	251
Development sites	30
Ingoing yield	>7%
Target IRR	>13.5%
Target stabilised yield	>10.5%

Ingenia South West Rocks, NSW

- Conditional contract exchanged for 9.5 hectare established lifestyle community located 20 kms from Brisbane CBD
- Adds to Ingenia's existing Brisbane metro cluster – Chambers Pines and Bethania
- Community delivers strong rental cashflows
  - 106 park owned rental homes – average rent $210 per week
  - 133 permanent homes – average rent $166 per week
  - 12 tourism sites
  - 30 development sites (STCA)
- Over 40% of existing permanent accommodation is park owned, providing significant flexibility for redevelopment and repositioning or potential selldown
- Development upside through building out vacant and low density land

Use of Funds
Acquisition of Confidential Park B, Brisbane

Ingenia Lifestyle Albury, NSW

- Conditional contract exchanged for the purchase of an established lifestyle community located 15 km south of Brisbane
- Located adjacent to one of the largest retail centres in Brisbane and in close proximity to major transport corridor
- Dominated by park owned permanent rentals (237 homes) with average weekly rent of $177
- Opportunity to enhance returns through the addition of new sites on under-utilised land and conversion of tourism sites
- Potential conversion to medium density residential use longer term

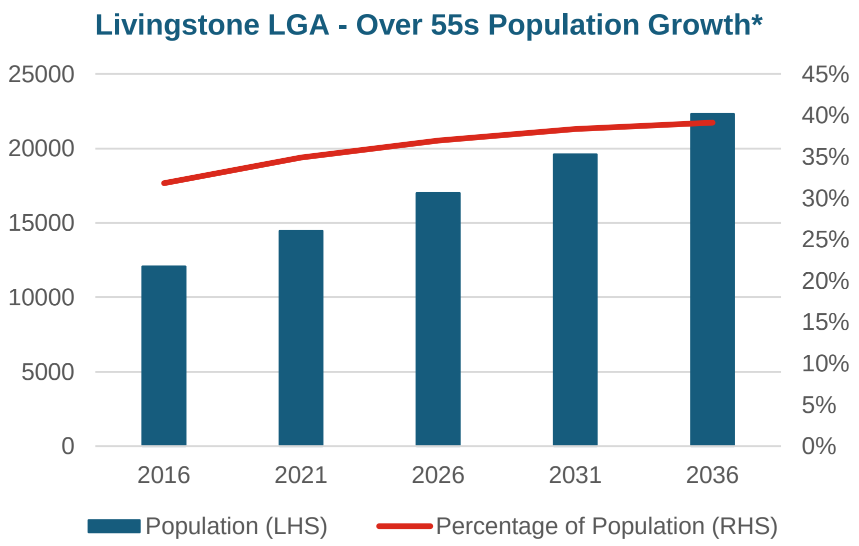
Acquisition metrics	
Purchase price	$25m
Total sites	277
Development sites[1]	49
Ingoing yield	6.8%
Target IRR	>13.5%
Target stabilised yield	>11.5%

1. Subject to approval.

Use of Funds

Acquisition of Confidential Park C, Capricorn Coast, QLD

Acquisition metrics	
Purchase price	$8.6m
Total sites	118
Approved development sites	74
Ingoing yield	>8%
Target IRR	>12%
Target stabilised yield	>9%

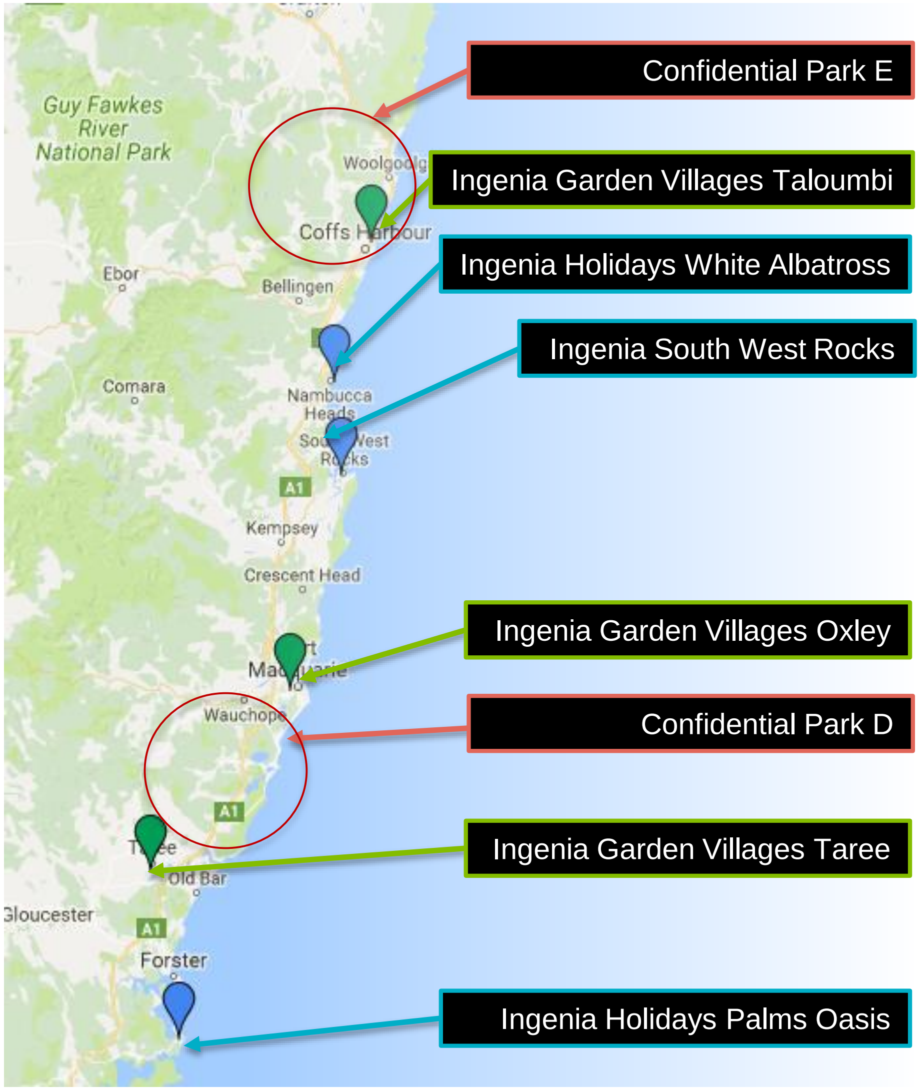


*Source: Queensland Government Statistician's Office.

- Conditional contract exchanged for established mixed use coastal community with significant development upside
- Located in an attractive retiree and holiday market
- Provides a mix of accommodation
  - 22 permanent sites with weekly rent of $148 per week
  - 96 tourism sites (including a 24 bed lodge)
- Immediate opportunity for growth with 74 DA approved sites[1]
- Offers potential for further yield improvement and development profits and rental income from approved sites

1. Includes sites for permanent home and tourism development.

Expanding Presence on NSW Mid-North Coast



Strong market with significant growth

- ✓ Ingenia has established a strong presence along the NSW Mid-North Coast
- ✓ Acquisitions expand presence in this key cluster through addition of a 196 site greenfield opportunity at Coffs Harbour and an established coastal tourism park
- ✓ Complements existing asset base and expands development pipeline in popular retiree and tourism market

Ingenia Holidays White Albatross, NSW

Use of Funds

Acquisition of Confidential Park D, NSW Mid-North Coast

Ingenia Holidays Ocean Lake, NSW

> Conditional contract exchanged for purchase of 3.4 hectare beachfront holiday park near Port Macquarie

> Premium coastal park with facilities including resort style pool, water play area, jumping pillow, camp kitchen and BBQ area

> Accommodation includes 50 cabins (including glamping tents), 2 annuals and 41 caravan/camp sites

> Opportunity to enhance returns through conversion of lower yielding camping and caravan sites into additional premium cabins

Acquisition metrics	
Purchase price	$13.5m
Total sites	93
Ingoing yield	>6.5%
Target IRR	>12%
Target stabilised yield	>9%

Use of Funds

Acquisition of Confidential Park E, NSW Mid-North Coast

Ingenia South West Rocks, NSW

Acquisition metrics	
Purchase price	$7.8m[1]
Total sites	196
Target IRR	>20%
Purchase price per site	~$40,000

- Conditional contract exchanged for acquisition of a 20 hectare greenfield site located in a popular coastal location near Coffs Harbour
- Site has development approval for 196 new homes and community facilities
- Taloumbi Gardens in Coffs Harbour is one of the Group's highest performing rental villages
- Extends development opportunity, building on strong sales at South West Rocks
- The site is located in an area with a strong retiree population with 44% of the population aged over 50 (ABS: 2011 Census) and forecast growth in demand as further population growth and aging occurs

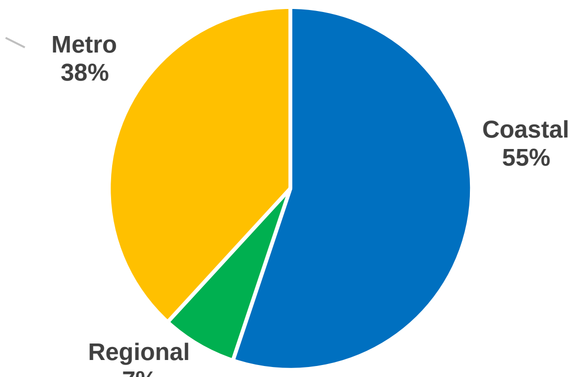
1. Includes $2.9 million deferred consideration.

Business Update

Rapid Growth in Lifestyle and Holiday Communities

- Ingenia has rapidly built a significant lifestyle parks business with a focus on key metropolitan and coastal locations
- Announced acquisitions and increased development capacity will drive ongoing growth through increased rent roll and growth in settlement volumes

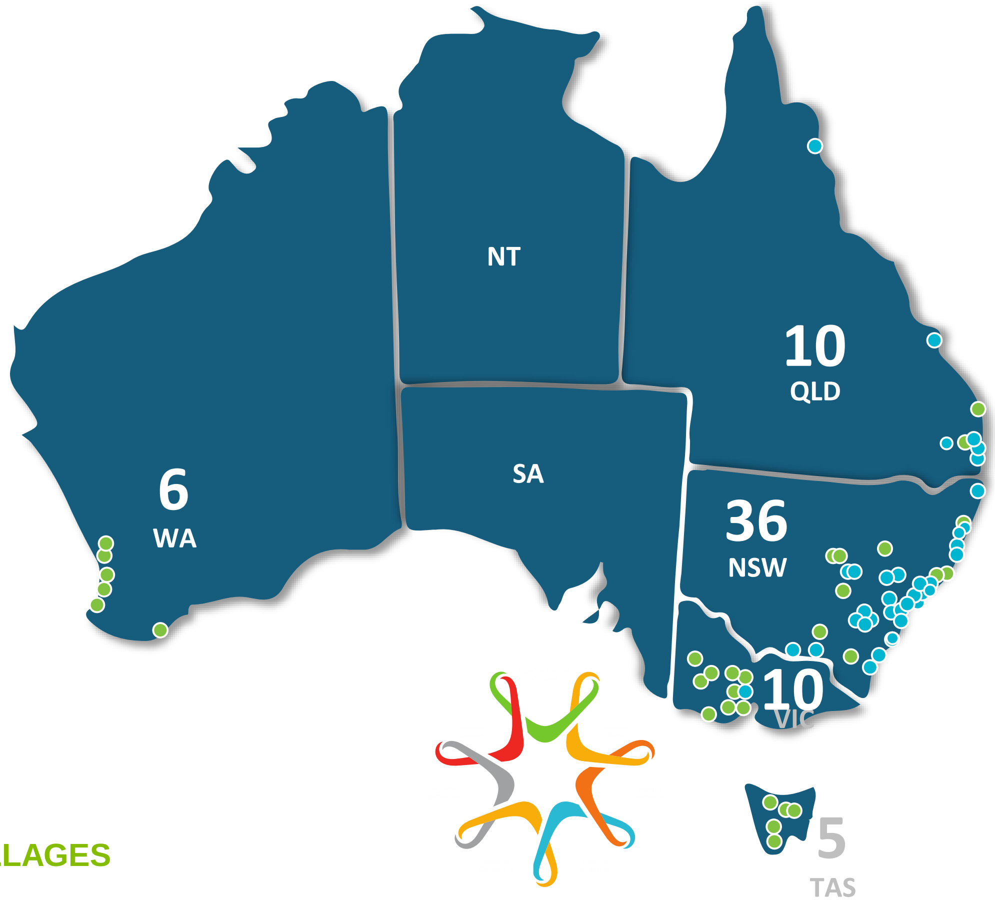
Lifestyle portfolio (By value)



36 LIFESTYLE AND HOLIDAY COMMUNITIES (POST ANNOUNCED ACQUISITIONS)

5,606 INCOME PRODUCING SITES
2,669 DEVELOPMENT SITES

36 LIFESTYLE AND HOLIDAY PARKS **31 RENTAL VILLAGES**



Note: Includes announced acquisitions.

Pipeline Generating Value

Delivering on-strategy acquisitions at attractive returns

Funds provided by June 2016 capital raising quickly deployed on accretive acquisitions

$60 million
Institutional Placement

AVINA	
Location	Western Sydney, NSW
Market Cluster	Sydney Metro
No. of Sites	
> Permanent	41
> Tourist	121
> Development	247 (STA)
Price	$33m
Ingoing yield	~8%
Settled	October 2016

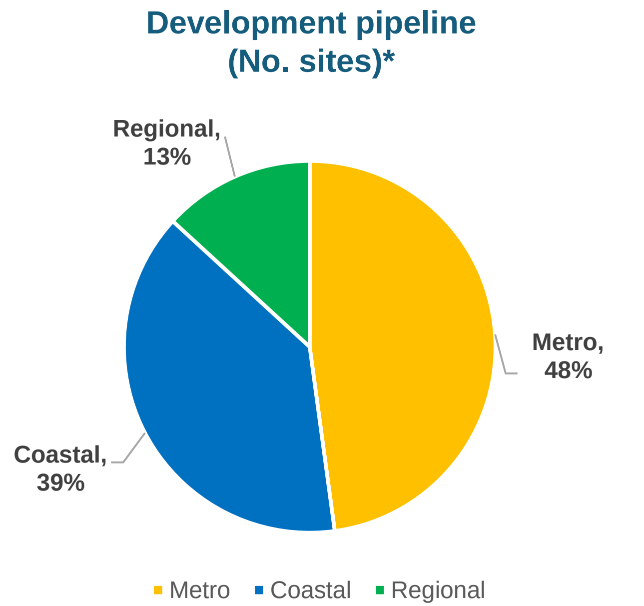
OCEAN LAKE	
Location	Wallaga Lake, NSW
Market Cluster	South Coast
No. of Sites	
> Permanent	44
> Tourist	82
> Annuals	124
Price	$9.2m
Target stabilised yield	~10%
Settled	August 2016

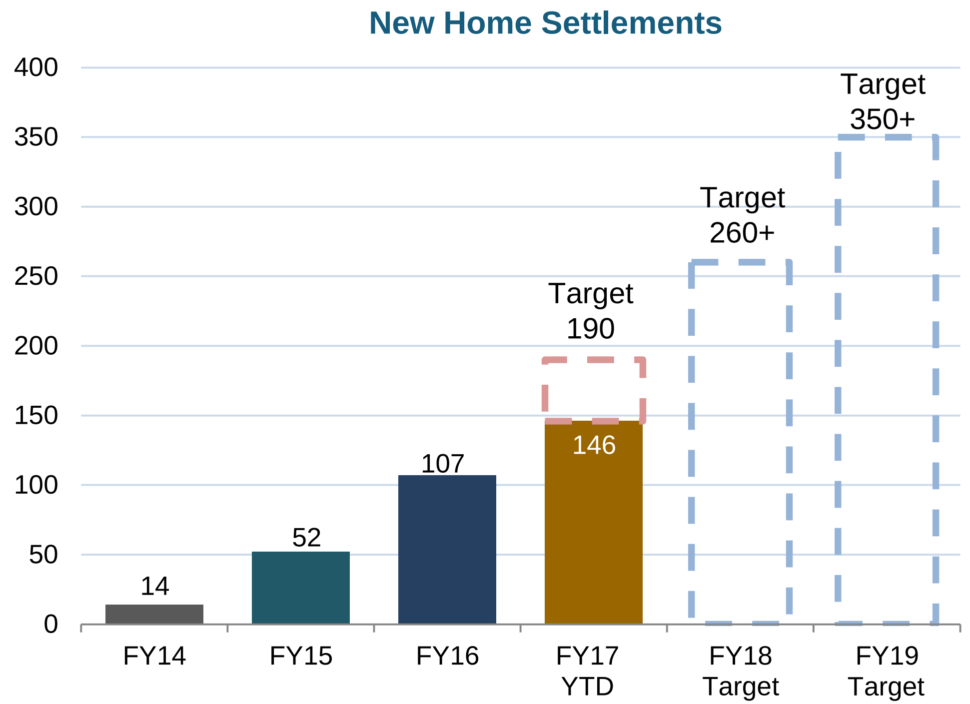
PALMS OASIS	
Location	Blueys Beach, NSW
Market Cluster	Mid-North Coast
No. of Sites	
> Permanent	29
> Annuals	157
> Development	50 (25 STA)
Price	$7.5m
Target stabilised yield	~8%
Settled	January 2017

HERVEY BAY	
Location	Hervey Bay, QLD
Market Cluster	Fraser Coast
No. of Sites	
> Permanent	19
> Tourist	136
Price	$9.5m
Target stabilised yield	~9%
Settled	October 2016

Development and Sales Update

- Continuing momentum in sales as key developments become established
- Development now underway across eleven communities
- 146 new home settlements at 26 April 2017 – average above the ground profit $102,000[1]
  - Further 101 homes contracted or deposited
- On track to deliver 190 settlements in FY17
- Announced acquisitions support ongoing growth in sales towards target of over 350 homes per annum





* Includes sites under option/ contract. Excludes sites for tourism development.

1. Excludes homes acquired as inventory and refurbishments.

Business Update

Garden Villages continues to improve

- Occupancy at near record – 91.4% at 21 April 2017
- Trial launch of new Ingenia CarePLUS at Devonport Gardens and Taree Gardens performing well with 12 clients – forecast to contribute to further occupancy and resident retention

Ingenia Lifestyle and Holidays performing well

- Stable (non development or repositioning) communities delivering >9.5% yield on purchase price
- Rapidly growing market awareness and acceptance of lifestyle communities – supporting sales, margin expansion and rent growth
- Holiday earnings in March impacted by weather and timing of Easter holidays but April performance strong
- Recently acquired iconic Cairns Coconut fully integrated - four new cabins installed ahead of peak winter period
- Trialing new premium annual concept at Ingenia Holidays Lake Conjola

Non-Core Assets

Continuing to refine portfolio in line with focus on metro and coastal assets in identified clusters

- Sale of majority of Deferred Management Fee portfolio to Forum Partners completed in October 2016
- Funds redeployed into acquisition of Cairns Coconut Holiday Park and Latitude One development site
- Focus on divesting remaining non-core and selected regional lifestyle communities
  - In discussion with qualified purchasers on several communities
  - Maximising asset performance in meantime
- Development application for Rouse Hill soon to be lodged – maximising value ahead of likely sale as medium density residential development site

Development Update

Avina – North West Sydney Growth Corridor

> DA lodged for 247 homes September 2016

> Currently under assessment by JRPP (Joint Regional Planning Panel)

Development Update

Ingenia Holidays Lake Conjola

- DA approved for 114 homes April 2017
- Expressions of interest already in place for new homes

New premium annuals at Lake Conjola, NSW

Outlook and Market Landscape

- Increased focus on buildout of development pipeline and organic growth over next 12 months
- Remain on track for 190 settlements in FY17 targeting to increase to over 260 in FY18 and over 350 in FY19 (subject to market conditions)
- Continue focus on metro and coastal locations and divestment of non-core and regional communities
- Full year distribution expected to be 10.2 cents per security, up 9.7% on FY16
- Further capitalisation rate compression anticipated (lifestyle communities), supporting asset value growth
- Retain EBIT guidance of $30 million for FY17 (subject to no material change in market conditions)

Capital Raising

Details of the Offer

Offer Details	> Capital raising of approximately 28.5 million securities to raise $74 million
Use of Proceeds	> Proceeds from the Capital Raising will be fully allocated to funding lifestyle and holiday community acquisitions and associated development (circa $90.4 million in acquisitions and development spend - under conditional contract)
Placement	> Placement to institutional and sophisticated investors of approximately 12.3 million securities at an Offer Price of $2.60 per new security to raise $32 million > New securities issued under the Placement will not be entitled to participate in the Entitlement Offer
Entitlement Offer	> A 1 for 11 accelerated non-renounceable Entitlement Offer of approximately 16.2 million securities at an Offer Price of $2.60 per new security to raise $42 million > Record Date of 7pm (AEST) on Friday, 5 May 2017 > 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 10 May 2017 and closes on Wednesday 24 May 2017 > 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 and underwriters

Pricing	> The Offer Price of $2.60 per new security represents:
	    > 5% discount to the closing price of $2.74 on Tuesday 2 May 2017
	    > 5% discount to the 5 day VWAP of $2.74
	    > 4% discount to the Theoretical Ex-Rights Price[1] of $2.72

Other	> 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, Moelis Australia Advisory Pty Ltd and Petra Capital Pty Ltd are acting as Joint Lead Managers and Joint Underwriters in relation to the Offer

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.

Key Financial Metrics

	Pro Forma (Dec 16)[1]	Capital Raising	Deployment of Funds[2]	Fully Deployed
Net investment property ($ million) [3]	607.3	-	95.7	703.0
Total assets ($ million)	696.4	-	95.7	792.1
Net debt ($ million) [4]	204.0	(71.7)	95.7	228.0
Net assets ($ million)	432.8	71.7	-	504.5
Securities on issue (millions)	177.9	28.5	-	206.4
NAV per security ($)	2.43	-	-	2.44
LVR (%) [5 6]	37.0	24.0	-	35.6
Debt headroom ($ million) [7]	87.0	71.7	(95.7)	63.0

1. Pro forma balance sheet based on 31 December 2016 statutory results adjusted for acquisitions of Palms Oasis, Radke Road and Cairns Coconut (including transaction costs) and debt drawn post 31 December 2016.
2. Including transaction costs.
3. Net of resident loans and lease liabilities.
4. Drawn funds including bank guarantees and finance leases, less cash.
5. LVR is Net Debt divided by secured assets under the debt facility.
6. Fully deployed LVR is calculated on a pro forma basis and does not take into account timing of deployment of proceeds (including $2.9 million of deferred consideration and timing of deployment of development capital).
7. Debt headroom based on $300 million multilateral debt facility.

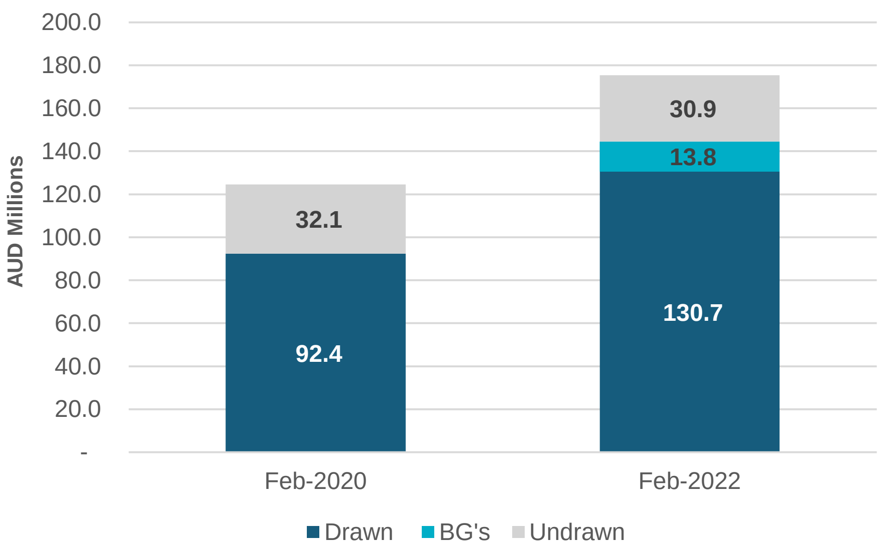
Capital Management

Pro Forma – fully deployed

- LVR of 24.0% - post acquisitions and deployment of capital on development increasing to 35.6%[1]
- Pro Forma weighted average term to maturity 4.0 years with no near term rollover risk

Facility Maturity Profile

Pro Forma - fully deployed



Pro Forma – fully deployed

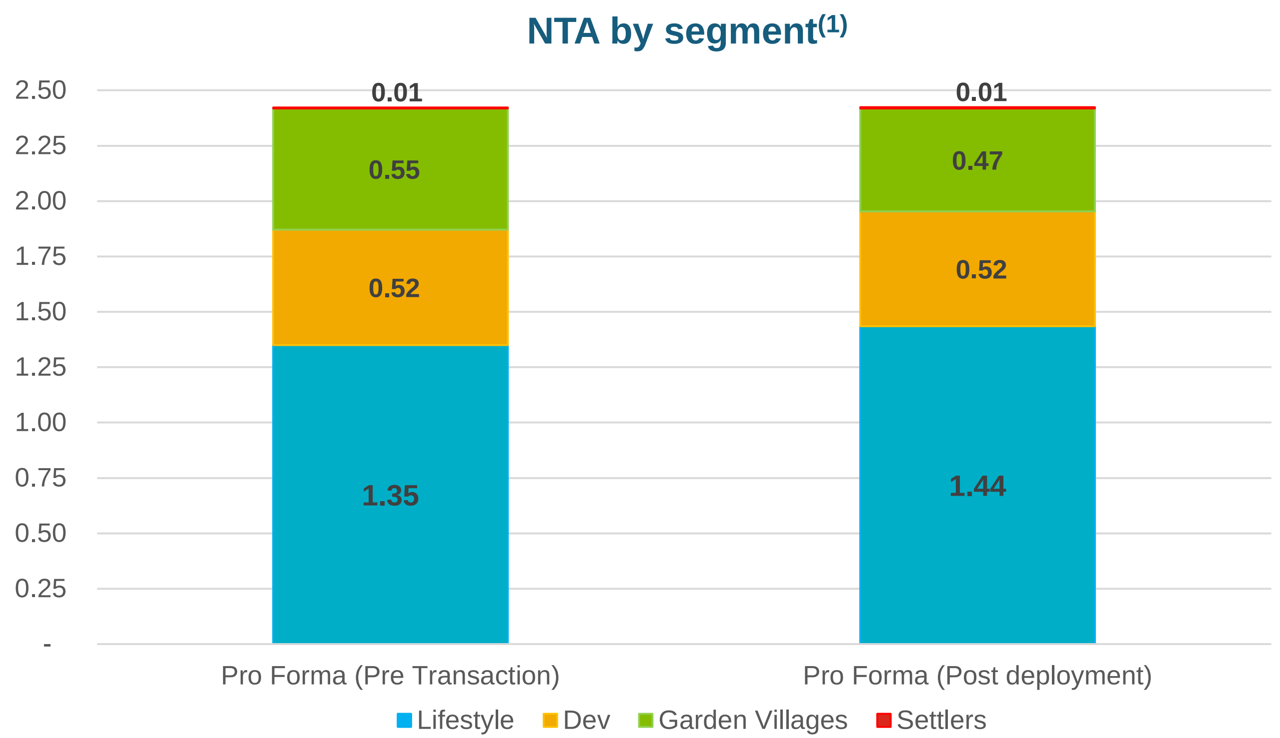
Australian debt	($m)[1]
Total facility	300.0
Total debt drawn	223.2
Bank guarantees	13.8
Available debt	**63.0**
Australian interest rates	
Current all in cost of funds	4.0%

Funding further growth

- Growing cash inflows from existing operations and accelerating sales
- DRP remains in place
- Recycling of capital from non core and regional Lifestyle and Holiday communities
- Future distribution growth will be assessed against operating performance and capital requirements of the business

1. Pro forma following deployment of capital raise proceeds.

Asset Values Firming in Lifestyle Communities



- Lifestyle and holiday capitalisation rates compressed from 8.91% to 8.45% between June 2016 and December 2016
- Further tightening expected at June 2017 based on recent transactions, including Hometown America entry into Australian market
- Limited transactions in seniors rental villages (Garden Villages) – expect stable yields

1. Debt has been allocated proportionately across segments based on Investment Property Value.

Indicative Timetable

Timetable	Date
Institutional Placement and Institutional Entitlement Offer	
Announcement of the Placement and Entitlement Offer	Wednesday 3 May 2017
Trading resumes on an ex-Entitlement Offer basis	Friday 5 May 2017
Record Date for determining entitlements for the Entitlement Offer (by 7pm AEST)	Friday 5 May 2017
Settlement of New Securities under the Placement and Institutional Entitlement Offer	Friday 12 May 2017
Placement, Institutional Entitlement Offer and Early Retail Entitlement securities issued and normal trading commences	Monday 15 May
Retail Entitlement Offer	
Retail Entitlement Offer document and acceptance forms despatched	Wednesday 10 May 2017
Retail Entitlement Offer opens	Wednesday 10 May 2017
Retail Entitlement Offer closes	Wednesday 24 May 2017
Settlement of Retail Entitlement Offer and Retail Entitlement shortfall	Wednesday 31 May 2017
Retail Entitlement Offer securities issued	Wednesday 31 May 2017
Normal trading commences	Thursday 1 June 2017
Despatch of holding statements	Friday 2 June 2017

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.

Important Information And Disclaimer

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Summary information

The information in this presentation is subject to change and does not purport to be complete. It should be read in conjunction with the Group's periodic and continuous disclosure requirements lodged with the Australian Securities Exchange, which are available at www.asx.com.au. Information in this presentation is subject to change from time to time.

No liability

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Forward looking statements

This presentation contains forward looking statements with regard to the financial condition, results of operations and business of the Group and certain plans, strategies and objectives of the management of the Group, including distribution guidance and the results and use of proceeds of the offer of securities described in this presentation. Forwards-looking statements can generally be identified by use of words such as "may", "should", "could", "foresee", "plan", "aim", "will", "expect", "intend", "project", "estimate", "anticipate", "believe", "forecast" or "continue" or similar expressions.

These forward looking statements included in this presentation involve subjective judgment and analysis and are subject to significant uncertainties, known and unknown risks, contingencies and changes without notice, many of which are outside the control of, and are unknown to, the Group as are statements about market and industry trends, which are based on interpretations of current market conditions. In particular, they speak only as of the date of these materials, they assume the success of the Group's business strategies, and they are subject to significant regulatory, business, competitive and economic uncertainties and risks, certain of which are summaries in Appendix 2: Risk factors. Actual future events may vary materially from forward looking statements and the assumptions on which those statements are based. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Should one or more of the risks or uncertainties materialise, or should underlying assumptions provide incorrect, there can be no assurance that actual outcomes will not differ materially from these statements. To the fullest extent permitted by law, Ingenia and its directors, officers, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions.

Past Performance

Past performance information given in this presentation is given for illustration purposes only and should not be relied upon as (and is not) an indication of future performance. Actual results could differ materially from those referred to in this presentation.

Foreign Jurisdictions

Please see Appendix 1: Foreign jurisdictions for information about specific foreign jurisdictions.

Appendices

Ingenia Holidays Avina, NSW

Appendix 1
Foreign Jurisdiction

International Offer Restrictions

This document does not constitute an offer of new stapled securities ("New Securities") of the Group in any jurisdiction in which it would be unlawful. New Securities may not be offered or sold in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Securities have not been and will not be offered or sold in Hong Kong other than to “professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under that ordinance.

The contents of this document 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 document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Securities are not being offered to the public within New Zealand other than to existing securityholders of the Group with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Entitlement Offer, the New Securities may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Appendix 1 (continued)
Foreign Jurisdiction (continued)

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore ("MAS") and, accordingly, statutory liability under the Securities and Futures Act, Chapter 289 (the "SFA") in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you. The Group is not a collective investment scheme authorised under Section 286 of the SFA or recognised by the MAS under Section 287 of the SFA and the New Securities are not allowed to be offered to the retail public.

This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Securities may not be circulated or distributed, nor may the New 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 except to "institutional investors" (as defined in the SFA), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an "institutional investor", please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Securities being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Securities have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

Appendix 2

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	There are risks associated with any stock market investment including: > 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	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.
Liquidity	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.
Legislative and Regulatory Risks	Changes in laws, regulation and government policy may affect Ingenia's business and therefore the returns Ingenia is able to generate.
Tax Implications	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.
Litigation	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 other legal claims). A material litigation may adversely affect the operational and financial results of Ingenia.

Appendix 2 (continued)

Risk Factors (continued)

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. A key element of the Group's strategy and earnings is attributable to development of new homes in lifestyle communities. 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 five target acquisitions that Ingenia expects to transact in coming months. On completion of due diligence the metrics may vary or issues may be identified that prevent acquisitions from proceeding. In the event that a sale does not proceed, there is a risk that Ingenia invests in alternate assets where the metrics do not match those assumed for the current acquisitions.
Acquisition Integration	As part of due diligence for the acquisition of assets, Ingenia assesses the possible returns achievable. This assessment takes into account the implementation of a number of initiatives to integrate the asset into the Group's operations and achieve the optimal, stabilised position and return. This may include redevelopment of existing sites, changing the mix of the assets between permanent occupancy and tourism, or changing the way the community is managed. The cost to reposition the asset and the mix between permanent and tourism at the time of implementation may vary from the assumptions at time of acquisition. It may take longer than expected for the asset to reach its optimal stabilised position.
Development Risk	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. 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.
Tourism	Ingenia derives income from tourism and tourism related services. The income derived from this business may be seasonal and vary due to weather conditions, changes in demand for current and new alternate tourism destinations, the international tourism market and general consumer discretionary spending.
Increased Competition	Ingenia operates in select markets and operating clusters in the Garden Villages and rental and tourism accommodation within lifestyle communities. While there are barriers to entry for new operators, future developments that directly or indirectly compete with Ingenia's existing portfolio could impact Ingenia's current business and financial performance.

Appendix 2 (continued)

Risk Factors (continued)

Specific Risks

Rental Assistance	The *Social Security Act 1991* (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.
Funding Risk	Ingenia currently has bank debt which contains certain financial and operational covenants. Any breach to these 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. Ingenia currently has debt maturities between 3 and 5 years. At the maturity of these loans, there is no certainty they will be refinanced on the same terms as are currently in place. Ingenia is exposed to fluctuating interest rates. While Ingenia hedges part of its variable rate interest expense, Ingenia does retain a portion of interest rate fluctuation exposure.
Sale of Non-core Assets	The Group has disclosed its intention to divest a number of non-core assets. There is no certainty as to the timing or amount of net consideration received on these asset sales and whether the assets will be sold at all.
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.
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.
Asset Impairment Risk	Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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.
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.
Accounting Standards	Changes to accounting standards may affect the reported earnings of Ingenia from time to time.