26 August 2025

STRATEGY DELIVERING – UNDERLYING EPS GUIDANCE EXCEEDED

Overview

- Revenue[1] of $512 million, up 8% on FY24
- EBIT[2] of $164.1 million, up 22% on FY24
- Underlying EPS[2] of 30.9 cents exceeded guidance – up 33% on FY24
- Statutory Profit of $128.4 million, up 816% on FY24
- Distribution per security of 9.6 cps, reflecting trust taxable income
- Development activity accelerating, 520 new homes settled, up 13%[3] on FY24
- Extensive pipeline of 5,024 development sites

Ingenia Communities Group (ASX: INA) today announced underlying profit of $126.1 million, up 33% on the prior year, with development activity accelerating in line with growth targets. Statutory profit of $128.4 million for the year ending 30 June 2025 was up 816% on the prior year (FY24 impacted by the write-down of goodwill).

Group revenue[1] was up 8% to $512 million, and EBIT[2] was up 22% to $164.1 million (towards the top of the guidance range of $162 - $165 million).

Operating cash flow of $145.2 million was up over 75% on FY24, with key contributions including an increase in the proceeds from the sale of land lease homes, $5.7 million in performance and disposal fees in relation to the exit of the Funds business and a reduction in inventory spend.

The Group achieved 520 new home settlements across Ingenia and the Joint Venture in FY25, up 13% on FY24[3]. Ingenia's average home sales price of $671,000 (inclusive of GST), was up 11% on FY24 together with improved gross margin. Ingenia's Lifestyle Rental portfolio benefitted from CPI linked rental increases, market rent reviews and growth in the rent base, delivering full year EBIT of $46.2 million. The Group's Holidays EBIT was up 2% on the prior year to $57.8 million.

Underlying EPS[2] of 30.9 cents exceeded upgraded guidance (of 29.0 cents to 30.0 cents).

A final distribution of 4.4 cents per stapled security has been declared and is expected to be paid on 18 September 2025. The full year distribution of 9.6 cps was down 15% (FY24: 11.3 cps), in line with trust taxable income. The prior year distribution included a capital gain associated with the sale of seven assets in 1H24.

[1] Excludes Fund performance and disposal fees and FY25 DMF revenue.
[2] EBIT, underlying profit and underlying EPS are non-IFRS measures which exclude non-operating items such as unrealised fair value gains/(losses). EBIT includes share of Joint Venture operating profit. FY25 EBIT and underlying profit excludes performance and disposal fees on sale of fund assets.
[3] Includes Ingenia and Joint Venture. FY24 includes four Fund settlements.

Ingenia CEO and Managing Director, John Carfi, said the result reflected the benefit of a focus on performance and financial outcomes and a commitment to execution at all levels.

"Our FY25 result delivers on our Year 1 milestones as we make consistent progress on the 1-, 3- and 5-Year Plan. The strength of today's result lies in successful business simplification, financially driven execution and enhanced development returns.

"This result was underpinned by an increase in both development and recurring revenue streams (8% increase in total revenue) and a reduction in corporate and support costs. Most pleasingly we have seen development activity accelerate with productivity gains emerging.

"The business is in a strong position with diverse assets, resilient revenue streams and a clear focus – this supports returns as we invest in development to further drive scale and value creation.

"The strength of the Group's recurring rental business has again been demonstrated, and we have seen continued rental growth.

"A lack of affordable rental accommodation is supporting high demand and consequently high occupancy across Ingenia Gardens and Ingenia Rental. We see this trend continuing as migration continues at elevated levels, the population ages and housing affordability remains a challenge.

"Holidays delivered a solid result with tourism revenue up 6% with an increase in both rate and occupancy. Strong forward bookings (up 14%), demand for affordable and safe domestic travel in light of cost-of-living pressures and ongoing opportunities represented by recent acquisitions and densification support our ability to continue to grow returns.

"Overall, the strength of the result is reflected in our upgraded guidance announced in January having been met or exceeded, with EBIT growing 22% (towards the upper end of the guidance range) and underlying EPS up 33% on prior year."

Residential communities

The Group's residential communities continue to meet the growing demand for affordable housing with Ingenia Lifestyle (land lease) targeting the growing ageing population and Ingenia Rental providing affordable all-age rental accommodation, with future expansion opportunities within existing communities.

Ingenia Lifestyle, Ingenia Rental and Ingenia Gardens are all delivering strong recurring cashflows, largely supported by government payments and CPI linked rents.

Gardens EBIT was $10.7 million, down on prior year as a result of the sale of six assets in 1H24.

The Lifestyle Rental segment delivered full year EBIT of $46.2 million, up 2%. Following a recent decision by the Victorian Civil and Administrative Tribunal (VCAT), the Group did not recognise FY25 Deferred Management Fees (DMF) received of $2.2 million and has written off the carrying value of DMF at 30 June ($25.4 million). While DMF revenue is not material to the Group and does not form part of the growing Ingenia Lifestyle model, a revised DMF will be included on resales across the Group's 500-home Federation portfolio to preserve affordability in these communities.

Land lease (Lifestyle) development continues to provide a significant growth opportunity that drives both profit from the sale of homes and an increase in annuity-style rents from the Lifestyle Rental segment, adding 369 new homes[4] to Ingenia's communities ($4.2 million in rent per annum). Lifestyle Development EBIT grew 25% to $73.9 million.

The Group closed the year with 520 settlements (146 in the Joint Venture), 16 active projects and 396 deposits and contracts to support future settlements. As at 30 June 2025 only 47 homes were complete and unsold across development projects (Ingenia and the Joint Venture). This momentum has continued into FY26, with 461 homes settled, deposited or contracted at 21 August 2025.

Ingenia continued to match home production to consumer demand as development activity scaled up, completing 511 homes. Build times remained stable, allowing controlled management of both capital and inventory.

The average home sale price for Ingenia projects increased to $671,000, reflecting the quality of the final built product across Ingenia's communities. Ingenia's projects achieved an attractive average above ground gross home sale margin, of 47%.

Across development, further integration of functions is supporting greater alignment, productivity and improved customer experience.

The business completed the sell down of a number of mature projects: Chambers Pines, Seachange Coomera, Seachange Toowoomba, Sunnylake Shores and Bevington Shores, and Nature's Edge will be finalised in the first half of FY26.

Five new greenfield projects will commence in FY26. New projects, including the Latitude One and Plantations expansions, both in NSW, will support the positive trajectory in development returns in line with Year 3 targets, and are consistent with building development scale towards Year 5 strategic goals. Significant investment in FY26 to establish and launch new projects will drive acceleration towards medium-term goals.

Ingenia's developments remain attractive for downsizers seeking to release equity and maintain an affordable lifestyle, offering a simple financial proposition (home ownership, a weekly rent and no exit or deferred management fees) and engaged community living.

John Carfi said: "Importantly as we see the development business scale-up we are well positioned from a capital perspective with growing cash flows, debt capacity, and the potential to release capital via asset sales or partnering."

Ingenia Holidays

The Holidays business delivered ongoing rate and occupancy growth, with tourism rental income up 6% to $111.5 million.

Ingenia Holidays EBIT of $57.8 million, represented a 2% increase on FY24 with a reduction in the EBIT margin to 40.3% which was impacted by one-off repairs and maintenance costs, and additional marketing expenditure.

An additional 50 cabins were installed across the network, all of which are generating income in line with expectations and are aligned with the densification strategy for this portfolio.

[4] Excludes five homes in mixed-use communities.

Forward bookings remain strong and are supported by continued demand for affordable domestic travel and the introduction of a new website which has increased booking conversions.

Ingenia Holidays Tomakin (settled February 2025) and Ingenia Holidays Kinka Beach (settled July 2025) were acquired with identified upside, extending the opportunity for densification across the portfolio and contributing to future value and revenue growth.

John Carfi said: “Our focus is continuing to refine our holidays portfolio to enhance value and successfully leverage Ingenia’s platform. We will look to selectively invest in densification opportunities across the portfolio and well-located parks with diversification opportunities to create value and fill strategic gaps in our valuable network of holiday parks.”

Capital Management

The Group has maintained its prudent balance sheet settings with gearing below 30% and an LVR of 35.2%, within the Group’s target range of 30% to 40%. Interest cover ratio of 4.15x remains strong and the balance sheet continues to support funding needs.

The Group has $198 million in cash and available undrawn debt, and no debt expiry until January 2027. Funding will be supported by asset recycling opportunities as needed. An additional $125 million in debt was secured and a new lender introduced to the Group’s facility, demonstrating ongoing support for the business. The Group continues to prudently manage inflation and interest rate risk, with approximately 52% of interest rate exposure hedged at 30 June.

Capitalisation rates in the Holidays and Gardens portfolios remained relatively stable with a slight increase in capitalisation rates across the lifestyle and rental portfolios. Overall portfolio value was supported by increased underlying performance across the business, resulting in net revaluation gains in Holidays and Gardens ($38.8 million and $4.3 million respectively), with a net valuation decrease of $2.0 million in the Lifestyle Rental segment (inclusive of the write-down of $25.4 million in DMF value).

The Group’s overall portfolio value closed at $2.7 billion at 30 June.

Strategy & Outlook

John Carfi said: “Ingenia is well placed to deliver the strategy outlined in August 2024 with the achievement of Year 1 goals demonstrating our ability to deliver enhanced financial returns.

“We have transitioned to a focus on efficient development and operations and are building momentum via a leaner business with a refined structure and clear focus.

“The progress and execution on strategy has been rapid, building further confidence in the 3- and 5-Year Plan and the ability to scale the business.

“We are well positioned having simplified and restructured the organisation with a stronger emphasis on productivity, efficiency and financial targets now embedded across the Group.

“FY26 will see an ongoing focus on execution and improving financial outcomes in line with our medium-term goals.

“I am confident of continuing to accelerate construction activity, with five projects commencing this year – a step change that will enhance medium-term returns but elevate capital investment and upfront marketing costs, impacting EBIT margin in FY26.

“The established land lease, rental and holidays businesses continue to perform well from a larger base and will underpin stable revenue as development scales to support longer term recurring earnings growth.”

Guidance

Subject to no material change in the operating environment, the Group is targeting EPS of 32.5 cents to 34.0 cents for FY26 and EBIT of $180.5 million to $188.7 million (10% to 15% growth on FY25)[5].

FY26 guidance reflects increasing cost pressures, the impact of regulatory changes on rent growth, material increases in project sales and marketing costs and ongoing benefits from structural changes and productivity gains.

Further detail regarding the Group’s result is contained in the FY25 Results Presentation, Property Portfolio and Financial Statements lodged with ASX today.

A webcast has been arranged on 26 August at 11.30am (AEST). Webcast details can be found below.

Webcast: Can be accessed here

Authorised for lodgement by the Board.

ENDS

For further information please contact:

Donna Byrne

General Manager Investor Relations & Sustainability

P 02 8263 0507

M 0401 711 542

About Ingenia Communities Group

Ingenia Communities Group (ASX: INA) is a leading operator, owner and developer of communities offering quality affordable rental and holiday accommodation focussed on the growing seniors’ market in Australia. Listed on the Australian Securities Exchange, the Group is included in the S&P/ASX 200 and has a market capitalisation of over $2 billion.

Across Ingenia Lifestyle, Ingenia Gardens, Ingenia Holidays and Ingenia Rental, the Group has 100 communities and development sites and is continuing to grow through acquisition and development.

Ingenia Communities Holdings Limited (ACN 154 444 925), Ingenia Communities Fund (ASRN 107 459 576) and Ingenia Communities Management Trust (ARSN 122 928 410). The Responsible Entity for each scheme is Ingenia Communities RE Limited (ACN 154 464 990) (AFSL415862).

[5] Guidance is subject to no material change in market conditions and no other unforeseen circumstances adversely affecting financial performance. EBIT inclusive of Ingenia share of Joint Venture operating profit.