IRONGATE

# Investor presentation

## Acquisitions and equity raising

**Irongate Group**

Sydney Level 13, 95 Pitt Street NSW 2000
+61 2 7906 2000 info@irongategroup.com.au

Melbourne Brisbane
irongategroup.com.au

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# Agenda

— Transaction overview and strategic rationale
— Acquisitions overview
— Funds management business
— Equity raising overview
— Appendices

# Presenting today

**Graeme Katz**
Chief Executive Officer

**Zach McHerron**
Fund Manager

**Kristie Lenton**
Chief Financial Officer

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# 1 —

## Transaction overview and strategic rationale

# Transaction overview

| | |
|---|---|
| **Acquisitions** | – Agreements have been entered into to enable Irongate Group (“**Irongate**” or “**IAP**”) to acquire two properties for A$156 million (the “**Acquisitions**”). The Acquisitions comprise:<br>  – 50% interest in 510 Church Street, Cremorne VIC (“**Cremorne Property**”) for A$130 million, a newly constructed A-grade office building spanning 19,798 sqm of lettable area (remaining 50% will be owned by the developer Alfasi Group)<br>    – Acquired on a 4.7% passing yield and is scheduled to settle on 15 December 2021<br>  – 100% interest in 16 Aspiration Circuit, Bibra Lake WA (“**Bibra Lake Property**”) for A$26 million, a fully leased modern industrial business park spanning 16,861 sqm of lettable area<br>    – Acquired on a 5.8% passing yield and scheduled to settle on 1 February 2022, subject to satisfaction of certain conditions precedent |
| **Equity raising** | – The acquisition of the Cremorne Property will be partially funded with a fully underwritten institutional placement of A$50 million (“**Placement**”) at an issue price of A$1.55 per security (“**Issue Price**”)<br>– The remaining funding requirement for the Cremorne Property and the funding requirement for the Bibra Lake Property will be financed by a new A$110m tranche of the syndicated debt facility provided by Westpac and ANZ |
| **Financial impact** | – The Acquisitions and the Placement are expected to be accretive to FY22 DPS and FFO per Stapled Security, on an FY22 annualised basis<br>– Including the impact of the Acquisitions and Placement, and subject to current market conditions and no unforeseen events, IAP provides the following guidance[1]:<br>  – FY22 FFO per Stapled Security growth is expected to be 6.0% to 7.0%, in line with consensus<br>  – FY22 DPS growth is increased to 2.5% to 3.0%, reflecting the top end of previously communicated guidance<br>– IAP’s pro forma gearing is expected to be approximately 34.3% following the Acquisitions and Placement, which is in line with its target gearing range of 30% to 40%, providing further debt capacity for committed development expenditure and further growth opportunities[2] |

Notes: 1. The higher end of the range dependent on securing additional commitments and deployment for the ITAP Fund. IAP's policy is to pay out between 80% and 100% of FFO, with an expectation for FY22 to be in the middle of the target range. This forecast is based on the assumptions that the macro-economic environment will not deteriorate markedly, no tenant failures will occur, and budgeted leases will be concluded. Budgeted rental income is based on in force leases, contractual escalations and market-related renewals. 2.Pro forma based on the balance sheet as at 30 September 2021, refer to Appendix A for a detailed breakdown.

# Strategic rationale

## The acquisition of an A-grade office building in one of Melbourne's premier fringe office markets and a modern industrial business park asset located in one of Perth's strongest industrial markets will enhance portfolio quality, scale and diversification, strengthening IAP's income profile

| | |
|---|---|
| **Strategically located properties benefitting from wider macro-economic tail winds** | − Properties are strategically located in identified growth areas and are within close proximity of public transport and major road transport links, as well as attractive amenities<br>− The Cremorne Property is strategically located on Melbourne's fringe, enjoying excellent connectivity and strong tenant demand supported by a low volume of quality supply<br>    − Acquired on a 4.7% passing yield, representing good value for a newly constructed A-grade office building in an outstanding location<br>− The Bibra Lake Property is located 16kms south of Perth's CBD and is within close proximity of major arterial roads and key transport infrastructure including Jandakot Airport and Freemantle Port<br>    − Acquired on a 5.8% passing yield, representing an attractive spread to comparable east coast industrial assets and providing a compelling upside opportunity as yields continue to tighten in the Perth industrial market |
| **Benefit of geographic and tenant diversification** | − Portfolio exposure to VIC and WA increases from 14% to 19% and 5% to 6%, respectively further improving IAP's broader portfolio diversification<br>− Properties are currently occupied by a diversified group of defensive tenants including government agencies, international consulting firms, healthcare providers and industrial firms |
| **Attractive income profile** | − The Cremorne Property is acquired with occupancy of 76%[1] and 7.5 year WALE[2], with the vacant space subject to a 12-month gross rental guarantee by the vendor[3]<br>− The Bibra Lake Property is acquired with occupancy of 100% and 3.4 year WALE[4], with significant fit outs undertaken by tenants providing long-term income and tenancy security<br>− The properties have an average rental review of 3.0% per annum |

Notes: 1. Weighted by gross property income. 2. Weighted by gross property income. Includes 12 month gross rental guarantee provided by the vendor of the Cremorne Property. 3. The majority of the rental guarantee becomes non-refundable if tenants have not been secured and rent payments have not commenced by 1 March 2022. 4. Weighted by gross property income.

# Key Acquisition metrics

## Acquisitions – key metrics

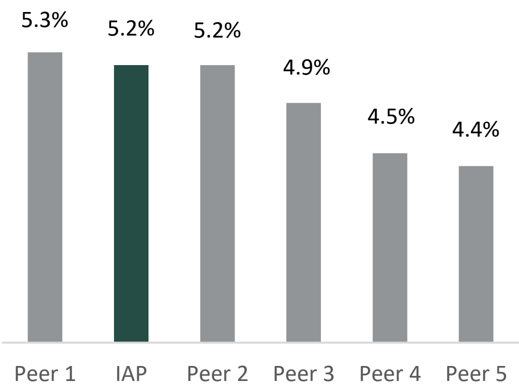
| | | |
|---|---|---|
| A$156 million | 36,659 sqm | 81.0%[1,2] |
| Acquisition portfolio value | Lettable area | Occupancy % |
| 2 | 6.6 years[3] | 4.85%[4] |
| Properties | WALE | WACR |

Notes: 1. Weighted by gross property income. 2. The vacant space at the Cremorne Property is subject to a 12-month gross rent guarantee provided by the vendor of the Cremorne Property, the majority of which becomes non-refundable if tenants have not been secured and rent payments have not commenced by 1 March 2022. 3. Weighted by gross property income. Includes 12-month gross rental guarantee provided by the vendor of the Cremorne Property. 4. Weighted by value.

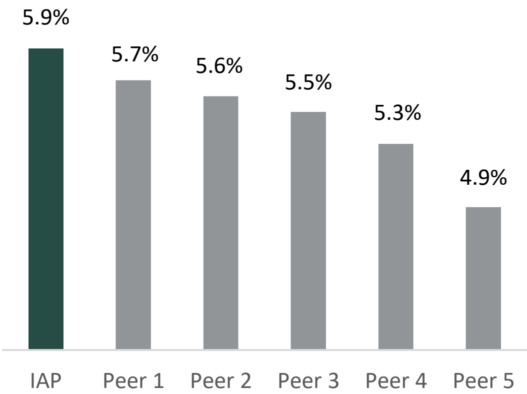
# Positioned for continued outperformance

- Valuation multiples below ASX peers despite consistent growth in earnings
- Valuations appear to be lagging transactional evidence
- Premiums paid for portfolio transactions
- Earnings growth prospects underpinned by strong fundamentals in metropolitan office and industrial sectors

**Industrial WACR** vs selected peers[1]

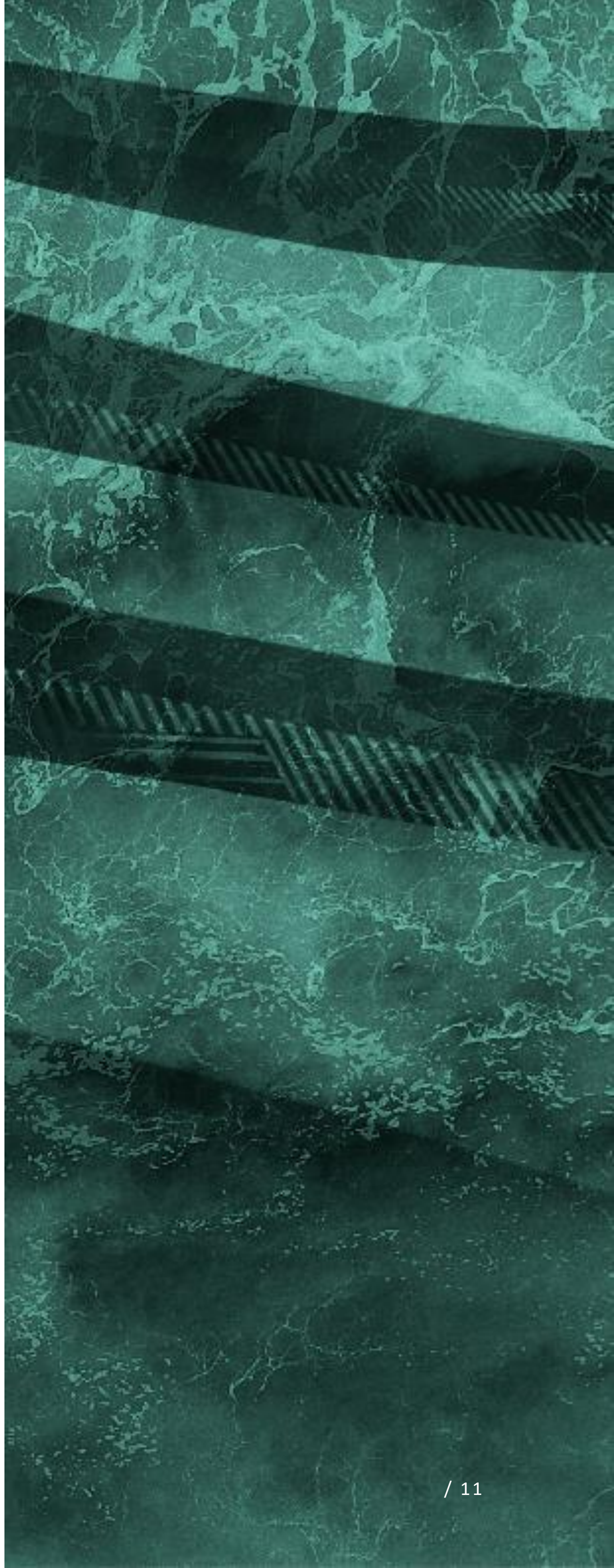



**Office WACR** vs selected peers[1]




Recent listed REIT industrial portfolio transactions[2]

| Listed REIT | Announcement date | Portfolio value (A$m) | Passing yield (%) |
|---|---|---|---|
| GPT | 18 Oct 2021 | 681.7 | 4.3% |
| Centuria Industrial REIT | 23 Sep 2021 | 351.3 | 4.1% |
| Dexus Industria REIT | 23 Sep 2021 | 368.2 | 5.0% |



1. Per latest company filings. 2. JLL.

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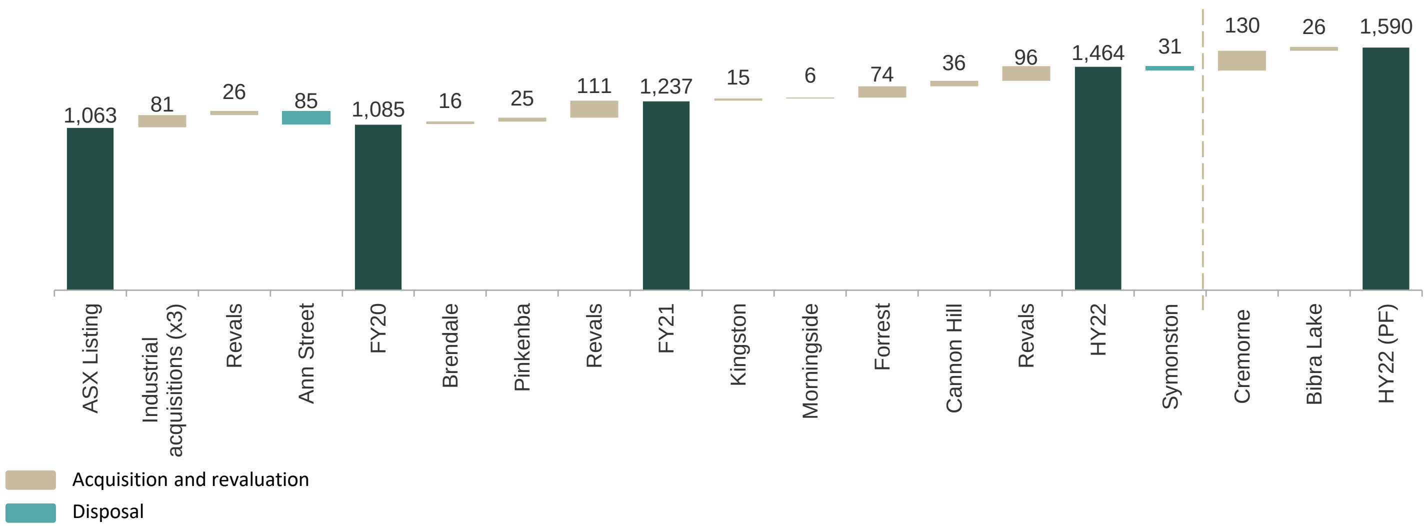
# 2 —

# Acquisitions overview

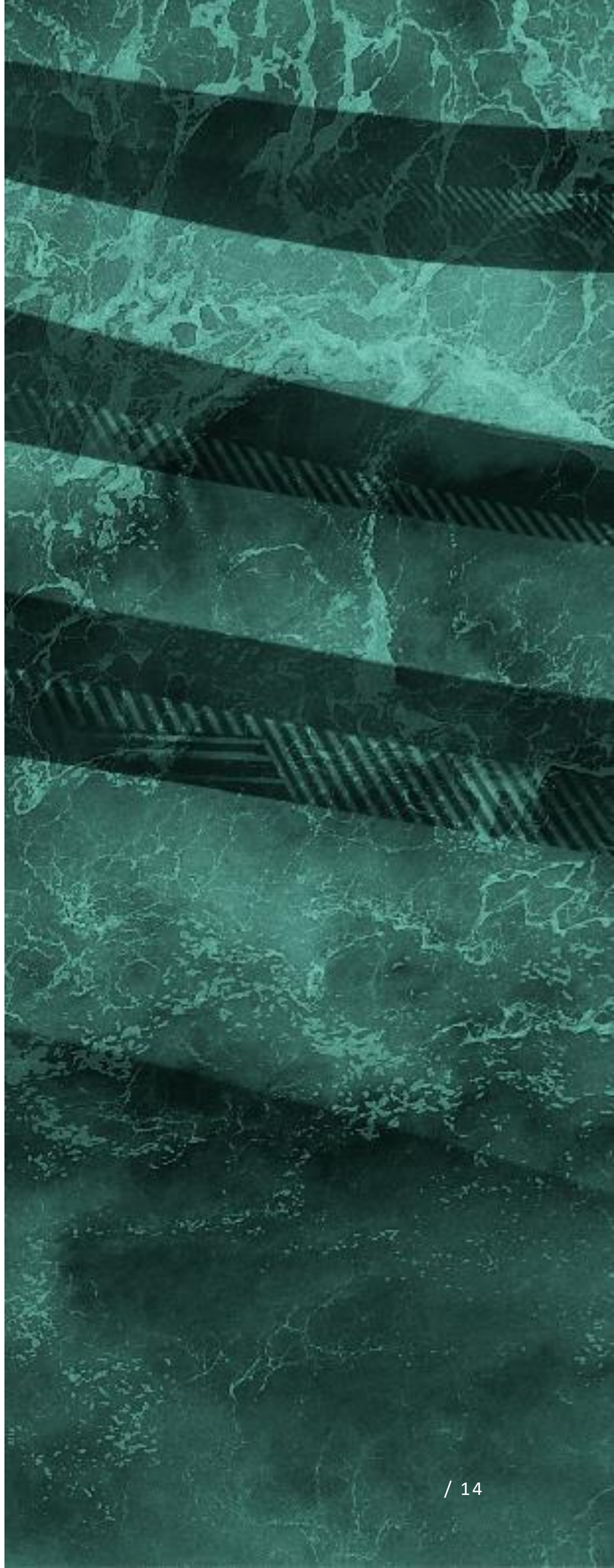
# Overview of Acquisitions

| | Number of properties (#) | Ownership interest (%) | Purchase price (A$m) | Initial yield[1] (%) | WACR[1] (%) | Lettable area (sqm) | Occupancy[2] (%) | WALE[3] (years) |
|---|---|---|---|---|---|---|---|---|
| 510 Church Street, Cremorne | 1 | 50 | 130[4] | 4.66 | 4.63 | 19,798 | 76.0[5] | 7.5 |
| 16 Aspiration Court, Bibra Lake | 1 | 100 | 26 | 5.80 | 6.00 | 16,861 | 100.0 | 3.4 |
| **Total** | 2 | | 156 | 4.85 | 4.85 | 36,659 | 81.0 | 6.6 |

## Continuing growth of the Irongate portfolio[6]




Notes: 1. Weighted by value. 2. Weighted by gross property income. 3. Weighted by gross property income. Includes 12-month gross rental guarantee provided by the vendor of the Cremorne Property. 4. Represents 50% IAP share. 5. The vacant space at the Cremorne Property is subject to a 12-month gross rent guarantee provided by the vendor, the majority of which becomes non-refundable if tenants have not been secured and rent payments have not commenced by 1 March 2022. 6. Kingston, Morningside and Cannon Hill reflects “as if complete” value.

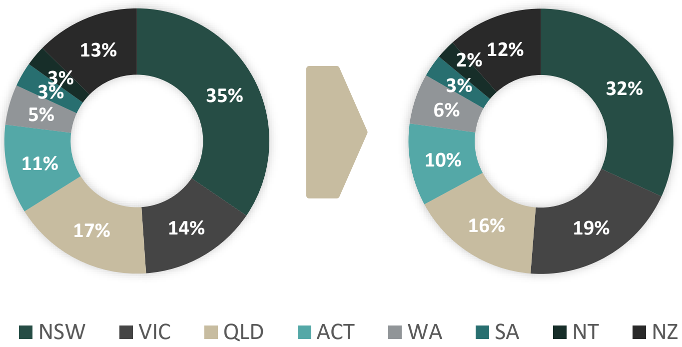


# Portfolio impact

| | 30 Sept 2021 | PF pre-Acquisitions | Acquisitions | PF post-Acquisitions |
|---|---|---|---|---|
| Number of properties (#) | 36 | 35 | 2 | 37 |
| Property valuation (A$m)[1] | 1,464 | 1,434 | 156 | 1,590 |
| Lettable area (sqm) | 364,626 | 359,906 | 36,659 | 396,565 |
| WACR (%)[2] | 5.66 | 5.65 | 4.85 | 5.57 |
| Occupancy (%)[3,4] | 96.9 | 95.9 | 81.0 | 94.7 |
| WALE (years)[5] | 5.2 | 5.1 | 6.6 | 5.2 |

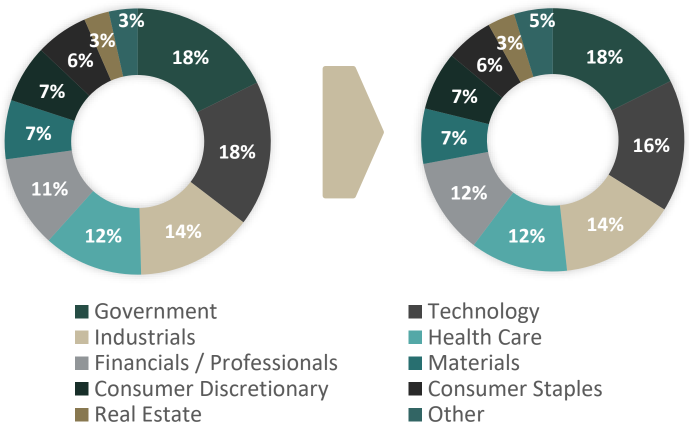
## Geographic split (pre and post-Acquisitions)

*Acquisition of the Cremorne Property increases IAP's exposure to the attractive Melbourne market and enhances portfolio diversification*




## Tenant split (pre and post-Acquisitions)

*Balanced tenant composition benefitting from strong covenants with 59% exposure to government and large / listed corporates*



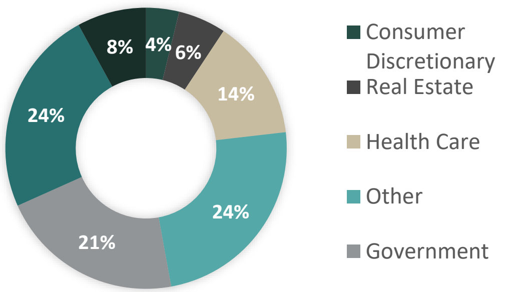

Notes: 1. Kingston, Morningside and Cannon Hill reflects "as if complete" value. 2. Weighted by value. 3. Weighted by gross property income. 4. The vacant space at the Cremorne Property is subject to a 12-month gross rent guarantee provided by the vendor of the Cremorne Property, the majority of which becomes non-refundable if tenants have not been secured and rent payments have not commenced by 1 March 2022. 5. Weighted by gross property income. Includes 12-month gross rental guarantee provided by the vendor of the Cremorne Property.

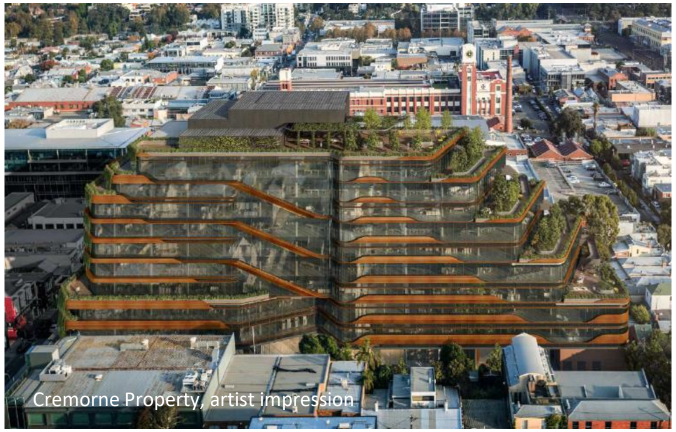
# Cremorne Property

- Acquisition reflects a 50% share of a brand new, modern A-grade office building with a lettable area of 19,798 sqm, located in Melbourne's tightly held premier fringe office market
- Strong A-grade tenant covenants reflected by 7.5 year WALE[1] and anchor tenants comprising Dentsu Inc., Monash IVF and NDIS comprising 59% of the passing income
- Opportunity to drive strong leasing outcome of vacant space in a desirable location with low levels of modern office supply
- Excellent public transport, arterial road connectivity and amenity offering
    - Located 2kms south-east of Melbourne CBD and within 200m of East Richmond train station and trams
    - Close to major road networks including the Citylink Freeway only 1km away
    - Well positioned to capture evolving tenant and employee location preferences and the "flight to quality" given the close proximity to Melbourne's key sport precincts and entertainment precincts

| Key metrics | |
|---|---|
| Purchase price (A$m)[2] | 130.0 |
| Settlement date | 15 December 2021 |
| Purchase yield (%) | 4.7 |
| Capitalisation rate (%) | 4.6 |
| Lettable area (sqm) | 19,798 |
| Occupancy (%)[3,4] | 76 |
| WALE (years)[1] | 7.5 |
| Average rent reviews (%) | 3.0 |
| Key tenants | Dentsu, Monash IVF, NDIS |

## Tenant sector diversity (by income)





Cremorne Property, artist impression

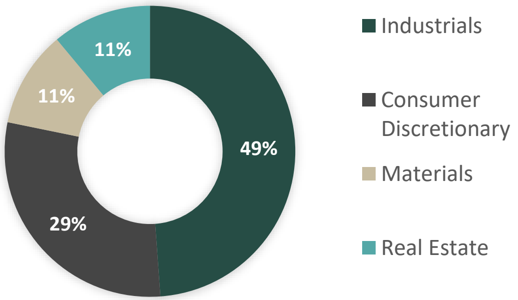
Notes: 1. Weighted by gross property income. Includes 12-month gross rental guarantee provided by the vendor of the Cremorne Property. 2. Represents 50% IAP share. 3. Weighted by gross property income. 4. The vacant space at the Cremorne Property is subject to a 12-month gross rent guarantee provided by the vendor, the majority of which becomes non-refundable if tenants have not been secured and rent payments have not commenced by 1 March 2022.

# Bibra Lake Property

- Off-market acquisition of a modern, 16,861 sqm industrial business park constructed in 2015 and located in a well-established industrial estate within Perth's south metropolitan corridor
- Shorter leases and current under renting offers short term positive rental reversion benefits which is expected to improve the running yield of the asset. Low vacancy rates provide opportunity to capture rental reversion on lease expiries
- Attractive to a wide range of tenants given warehouse and adjoining office facilities
- Outstanding location, 16kms south of the Perth CBD with excellent connectivity to several of Perth's key transport hubs, including Fremantle Port, Kewdale Freight Terminal and Jandakot and Perth Airports
- Close proximity to the Roe Highway and Kwinana Freeway, two of Perth's key carriageways that will benefit from the state government's $11.7 billion road upgrade package

| Key metrics | |
|---|---|
| Purchase price (A$m) | 26.0 |
| Completion date | 1 February 2022 |
| Passing yield (%) | 5.8 |
| Capitalisation rate (%) | 6.0 |
| Lettable area (sqm) | 16,861 |
| Occupancy (%)[1] | 100 |
| WALE (years)[1] | 3.4 |
| Key tenants | Firesafe Group, Wheel Pros Australia, Sparrows Services |

**Tenant sector diversity (by income)**





Note: 1. Weighted by gross property income.

# 3 —

## Funds management business

# Funds management business overview

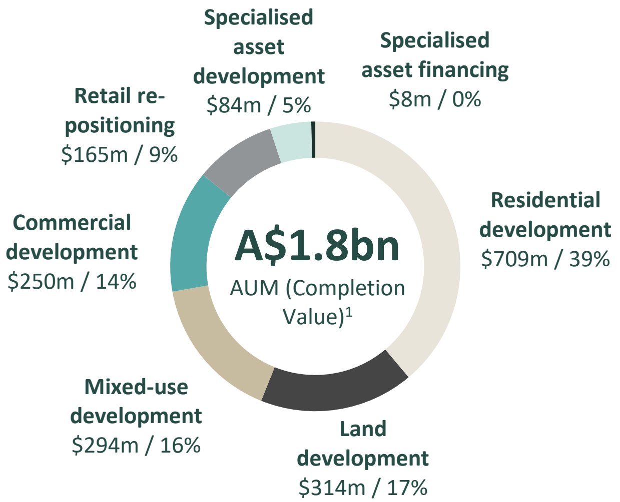
**A$1,823m** Third party AUM (Completion Value)[1]

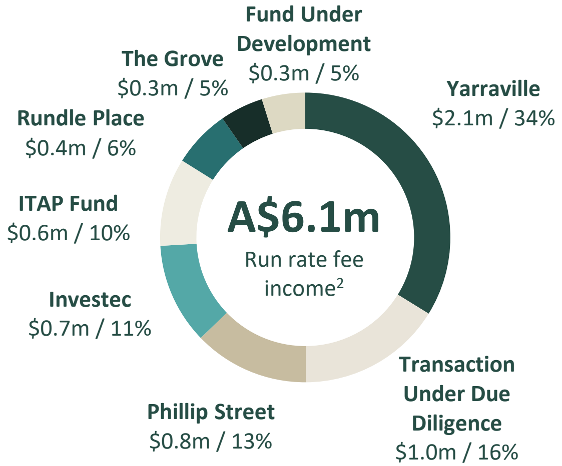
A$1,170m Mandates[1]

A$626m ITAP Fund[1]

A$28m Investec[1]

| A$695m | A$300m | A$294m | A$250m | A$165m | A$84m |
|---|---|---|---|---|---|
| **YARRA-VILLE** | **THE GROVE** | **PHILLIP STREET** | **TRANSACTION UNDER DUE DILIGENCE[3]** | **RUNDLE PLACE** | **FUND UNDER DEVELOPMENT[3]** |
| Residential development (JV with Frasers) | Land development (JV with Frasers) | Mixed-use development (JV with Built) | Commercial development (JV with Developer) | Retail re-positioning (JV with Fortius) | Specialised asset development (JV with Developer) |




Notes: 1. Share of assets managed by IAP based on estimated completion value; including Transaction Under Due Diligence and Fund Under Development. 2. Share of fee income expected to be earned by IAP on an indicative three year average / run rate basis. This is based on contracted or approved income in relation to all opportunities other than the Transaction under Due Diligence and Fund under Development, in respect of which the fee income is IAP's current expectation based on negotiations with the relevant third parties. There can be no guarantee that the income for these two opportunities will be equal to this amount or that the opportunities will proceed. IAP expects to earn run rate fee income equating to approximately 30bps – 40bps of AUM (Completion Value). 3. Both the Transaction Under Due Diligence and Fund Under Development are opportunities which are currently being negotiated with third parties and are subject to diligence and finalising documentation. There can be no guarantee that either opportunity will eventuate.

## Management capabilities

- ✓ Large third party investor network built on successful track record of managing third party capital prior to internalisation (since 2006)
- ✓ Capabilities across a range of asset classes, including office, industrial, residential, retail, hotel and storage
- ✓ Experience across a range of fund strategies including core, value-add, opportunistic, development and debt
- ✓ Positioned for growth across ANZ with offices in Australia's three largest cities and exploring further opportunities in New Zealand
- ✓ Scalable funds platform with in-house capabilities in property, asset, project and development management and legal, tax and execution skills

# Select funds management initiatives

| | YARRAVILLE, VIC | THE GROVE, VIC | PHILLIP STREET, NSW | RUNDLE PLACE, SA |
|---|---|---|---|---|
| Asset |  Yarraville, artist impression |  |  |  |
| **Asset type** | Residential development | Land development | Mixed-use development | Retail re-positioning |
| **Overview** | • Joint venture with Frasers for development of one of Melbourne's last major infill sites into a master planned residential community<br>• Development will deliver 1,084 dwellings and a neighbourhood retail centre with excellent amenity | • Joint venture with Frasers for the development of a multi-stage residential community comprising over 2,000 lots<br>• Located in Australia's strongest land corridor and well established with around half of the 233ha site developed to date | • Existing B-grade office building in a prime location of the Sydney CBD<br>• Multiple development opportunities including commercial, hotel and residential<br>• Joint venture partner, Built, has a successful record of delivering large-scale and high-end projects | • Multiple options to reconfigure vacancies and introduce leading international retailers and/or destination entertainment operators<br>• Joint venture partner, Fortius, is a market-leading fund manager specialising in value-add projects |
| **JV Partner** | Frasers | Frasers | Built | Fortius |
| **Completion value** | A$1,390m | A$600m | A$588m | A$260m |
| **Completion value (IAP share)[1]** | A$695m<br>(50%) | A$300m<br>(50%) | A$294m<br>(50%) | A$165m<br>(63.5%) |
| **Investors** | Mandate (41%), ITAP Fund (9%) | Mandate (44%), ITAP Fund (6%) | ITAP Fund (50%) | ITAP Fund (63.5%) |

1. Share of assets managed by IAP based on estimated completion value.

IRONGATE

# 4 —

## Equity raising overview

# Equity raising details

| | |
|---|---|
| **Structure** | - Fully underwritten Placement to raise A$50 million |
| **Pricing** | - Issue Price under the Placement of A$1.55 per New Security, represents:<br>  - 6.3% discount to the last closing price on ASX of A$1.655 on 8 December 2021<br>  - 5.9% forecast FY22 DPS yield[1] (on Issue Price) |
| **Ranking** | - New Securities will rank equally with existing Stapled Securities from the date of issue |
| **Underwriting** | - The Placement is fully underwritten by Macquarie Capital (Australia) Limited and J.P. Morgan Securities Australia Limited |

Notes: 1. Based on the midpoint of the revised FY22 DPS guidance range of 2.5% to 3.0% growth on FY21 DPS (barring any unforeseen events and no material change in current market conditions).

# Sources and uses of funds

- Irongate will undertake a fully underwritten institutional placement to raise A$50 million to partially fund the acquisition of the Cremorne Property
- The remaining funding requirement for the Cremorne Property and the funding requirement for the Bibra Lake Property will be financed by a new A$110m tranche of the syndicated debt facility provided by Westpac and ANZ
- Settlement of the Acquisitions is expected to occur on 15 December 2021 for the Cremorne Property and 1 February 2022 for the Bibra Lake Property[1]

| Sources of funds | A$ million |
|---|---|
| Proceeds from Placement[2] | 50.0 |
| New and existing debt facilities | 117.5 |
| **Total sources** | 167.5 |

| Uses of funds | A$ million |
|---|---|
| Acquisition | 156.0 |
| Transaction costs[3] | 11.5 |
| **Total uses** | 167.5 |

| Key metrics | |
|---|---|
| Issue Price | A$1.55 per New Security |
| Discount to last close on the ASX | 6.3% |
| FY22 DPS yield (at Issue Price)[4] | 5.9% |
| Pro forma gearing[5] | 34.3% |

Notes: 1. Subject to satisfaction of certain conditions precedent. 2. The Proceeds from the Placement are being utilized solely for the acquisition of the Cremorne Property. 3. Includes costs associated with the Acquisitions and Placement. 4. Based on the midpoint of the revised FY22 DPS guidance range of 2.5% to 3.0% growth on FY21 DPS (barring any unforeseen events and no material change in current market conditions). 5. Pro forma based on the balance sheet as at 30 September 2021, refer to Appendix A for detailed breakdown.

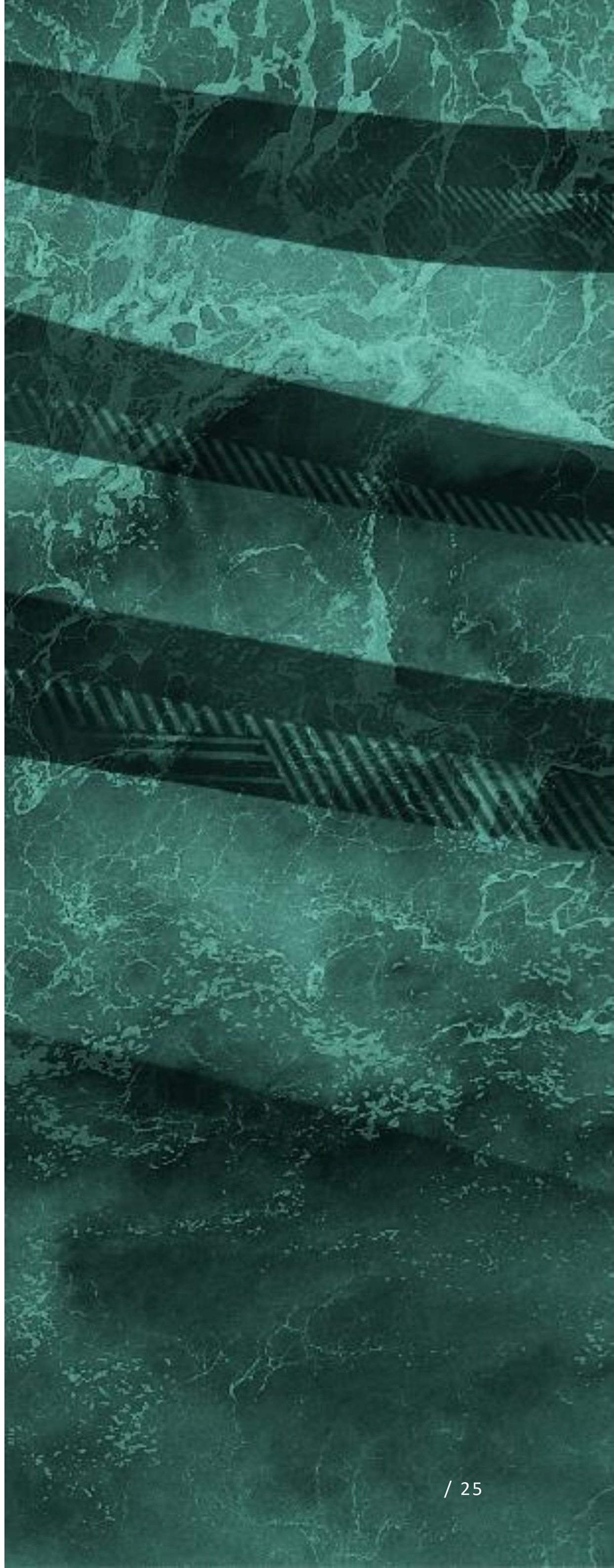
# Timetable

| | Australian Eastern Daylight Time | South African time |
|---|---|---|
| ASX trading halt and announcement of the Placement and Acquisitions | By 10:00am Thursday, 9 December 2021 | By 1:00am Thursday, 9 December 2021 |
| Placement bookbuild closes for ASX investors | By 4:30pm Thursday, 9 December 2021 | By 7:30am Thursday, 9 December 2021 |
| JSE trading halt and SENS (JSE) announcements of the Placement and Acquisitions | By 5:45pm Thursday, 9 December 2021 | By 8:45am Thursday, 9 December 2021 |
| Placement bookbuild closes for JSE investors | By 9:00pm Thursday, 9 December 2021 | By 12:00pm Thursday, 9 December 2021 |
| Announcement of Placement completion on SENS (JSE) | By 11:00pm Thursday, 9 December 2021 | By 2:00pm Thursday, 9 December 2021 |
| Placement completion announcement released on ASX<br>Trading halt lifted on ASX and JSE | By 10:00am Friday, 10 December 2021 | By 1:00am Friday, 10 December 2021 |
| Settlement of New Securities on ASX | Tuesday, 14 December 2021 | Tuesday, 14 December 2021 |
| Settlement of New Securities on JSE | Wednesday, 15 December 2021 | Wednesday, 15 December 2021 |
| Allotment and normal trading of New Securities on ASX | Wednesday, 15 December 2021 | Wednesday, 15 December 2021 |
| Allotment and normal trading of New Securities on JSE | Wednesday, 15 December 2021 | Wednesday, 15 December 2021 |

# Conclusion

- Irongate will continue to execute on its strategy of prudent capital deployment into well located assets with high occupancy backed by strong covenants, long term leases and selective value add opportunities
    - Irongate's existing portfolio has performed strongly with 7.7% recent valuation uplifts and benefitting from further tailwinds in the industrial and metropolitan office markets
    - The existing portfolio is currently held at conservative WACRs of 5.2% for the industrial assets and 5.9% for the office assets, which compares favourably to Irongate's listed peers, as well as recent portfolio transaction precedents
- Since listing on the ASX in May 2019, Irongate has delivered 34.9% growth in portfolio value with A$253 million of capital deployed into new acquisitions[1]
- Irongate has continued to expand its external funds management platform, continuing to increase external funds under management, with a clear path for further growth leveraging Irongate's existing platform and in place team to drive earnings growth, with a strong pipeline of attractive opportunities currently under review
- The Acquisitions and the Placement are expected to be accretive to FY22 DPS and FFO per Stapled Security, on an FY22 annualised basis
- Including the impact of the Acquisitions and Placement, and subject to current market conditions and no unforeseen events, IAP provides the following guidance[2]:
    - FY22 FFO per Stapled Security growth is expected to be 6.0% to 7.0%, in line with consensus
    - FY22 DPS growth is increased to 2.5% to 3.0%, reflecting the top end of previously communicated guidance
- Post the Acquisitions and Placement, gearing will be near the midpoint of IAP's target gearing range at 34.3%

Notes: 1. Excludes Acquisitions and includes the cost to complete on fund-through transactions (A$38.9m). 2. IAP's policy is to pay out between 80% and 100% of FFO, with an expectation for FY22 to be in the middle of the target range. This forecast is based on the assumptions that the macro-economic environment will not deteriorate markedly, no tenant failures will occur, and budgeted leases will be concluded. Budgeted rental income is based on in force leases, contractual escalations and market-related renewals.

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IRONGATE

# A —

## Financial information

# Pro forma balance sheet

| A'$000 | 30 Sept-21 | Other post balance sheet adjustments[1] | Pro forma (pre Acquisitions and Placement) | Acquisitions and Placement | Pro forma (post Acquisitions and Placement) |
|---|---|---|---|---|---|
| Cash and cash equivalents | 6,861 | - | 6,861 | - | 6,861 |
| Investment properties | 1,407,199 | (30,500) | 1,376,699 | 156,000 | 1,532,699 |
| Investment properties under development | 18,122 | 38,884 | 57,006 | - | 57,006 |
| Equity accounted investments | 15,593 | 3,762 | 19,355 | - | 19,355 |
| Intangible assets | 39,528 | - | 39,528 | - | 39,528 |
| Other assets | 18,339 | (9,000) | 9,339 | - | 9,339 |
| **Total assets** | **1,505,642** | **3,146** | **1,508,788** | **156,000** | **1,664,788** |
| Borrowings | 410,919 | 27,369 | 438,288 | 117,549 | 555,837 |
| Distribution payable | 29,223 | (29,223) | - | - | - |
| Other liabilities | 23,598 | - | 23,598 | - | 23,598 |
| **Total liabilities** | **463,740** | **(1,854)** | **461,886** | **117,549** | **579,435** |
| **Net assets** | **1,041,902** | **5,000** | **1,046,902** | **38,451** | **1,085,353** |
| Securities on issue (m) | 645,312 | - | 645,312 | 32,258 | 677,570 |
| **NAV per Stapled Security (A$)** | **1.61** | | **1.62** | | **1.60** |
| **NTA per Stapled Security (A$)** | **1.55** | | **1.56** | | **1.54** |
| Gearing (%) | **28.3** | | **29.9** | | **34.3** |

Notes: 1. Selldown of Symonston, ACT (A$30.5m), fund through cost to complete (A$38.9m), ITAP Fund capital call (A$3.8m), September quarter distribution paid (A$29.2m) and a refundable deposit (A$9.0m).

IRONGATE

# B —

## Key risks

# Key risks

A number of risks and uncertainties, which are both specific to IAP and of a more general nature, may affect the future operating and financial performance of IAP and the value of its Stapled Securities. This section identifies the key risks associated with an investment in Stapled Securities. These risks are not exhaustive of the risks faced by potential investors in the IAP. You should consider carefully the risks described in this section, as well as other information in this Presentation and the announcement to which it is attached, and consult your financial or other professional adviser before making an investment decision. If any of the following risks materialise, IAP's business, financial condition and operational results are likely to suffer.

## Risks specific to an investment property

| | |
|---|---|
| IMPACT OF THE COVID-19 PANDEMIC | • The performance of IAP depends heavily on property investment activity in Australia and New Zealand. This sector is cyclical and influenced by changes in prevailing economic conditions. Market and economic disruptions may affect government, consumer and business spending, consumer and investment confidence levels, interest rates and other relevant factors in the economies in which IAP operates.<br>• In light of recent global macroeconomic events, including the impact of the COVID-19 pandemic, any of Australia, New Zealand or South Africa may experience an economic recession or downturn of uncertain severity and duration which could cause a material contraction in the real estate sector. These economic disruptions could have a material adverse impact on IAP's operating and financial position and performance, as well as the price of the Stapled Securities.<br>• Many of the risks set out below are likely to be heightened due to the impacts of this situation, and there is no certainty as to when a return to pre-COVID-19 pandemic conditions is likely. There is continued uncertainty as to the further impact, including in relation to governmental action, potential taxation changes, work stoppages, lockdowns, quarantines, travel restrictions and the impact on the global economy and securities markets. Among the potential effects of these actions on IAP are interruption to supply chains, solvency of counterparties, impact on rental revenue in relation to IAP's property portfolio and impact on property valuations. |
| GROSS PROPERTY INCOME | • Distributions made by IAP will continue to be largely dependent upon rental income, occupancy levels and the level of non-recoverable outgoings.<br>• Gross property income may be adversely affected by a number of factors within and beyond IAP's control, including overall macro-economic conditions, changes in market rental rates, competition from other property owners and rental arrears and vacancy periods. The COVID-19 pandemic created considerable uncertainty and volatility surrounding these factors.<br>• Any negative impact on gross property income has the potential to decrease the value of IAP's properties.<br>• A decrease in gross property income may affect the FFO of IAP and in turn impact distributions and the market price of Stapled Securities. |
| RE-LEASING AND VACANCY | • IAP may not be able to negotiate suitable lease extensions with existing tenants or replace outgoing tenants with new tenants on the same terms (if at all) or be able to find new tenants to take over space that is currently unoccupied which could affect FFO of IAP and in turn impact distributions. This risk increased as a result of the COVID-19 pandemic and any economic recessions that may arise as a result of it. In addition, with respect to office properties within IAP's portfolio, it is possible that existing and prospective tenants may seek to promote and utilise working from home options which could result in decreased demand for commercial office space.<br>• Gross property income might also be negatively impacted by any increases in amounts not recoverable from tenants that might be incurred by IAP which could affect FFO of IAP and distributions. |

# Key risks (cont.)

| | |
|---|---|
| CAPITAL EXPENDITURE REQUIREMENTS | • Required capital expenditure may exceed forecast spend, requiring additional funding or property sales, affecting FFO and distributions.<br>• Some examples of circumstances that may require capital expenditure in excess of the forecast amount include damage caused by fire, flood or other disaster, changes to law or council requirements such as environmental, building or safety regulations or unforeseen property defects or environmental issues that need to be addressed (to the extent not covered by insurance). |
| PROPERTY VALUATION | • The value of, and returns from, IAP's properties may fluctuate depending on property market conditions, general economic conditions, and/or property specific factors.<br>• Demand for property may change as investor preferences for particular sectors, asset classes and geographies change over time and can be influenced by general economic factors. The COVID-19 pandemic created considerable uncertainty and volatility surrounding these factors, and assessing fair value involves uncertainties around the underlying assumptions.<br>• A change in valuations of the properties will not directly impact FFO of IAP and distributions but will impact gearing which could have a bearing on compliance with debt covenants. |
| PROPERTY LIQUIDITY | • IAP may not be able to realise the properties within a short period of time or may not be able to realise properties at valuation. This may affect the NTA or the price of Stapled Securities. |
| SECTOR CONCENTRATION | • IAP's performance depends on, in part, the performance of the office and industrial property sectors in Australia and New Zealand.<br>• A downturn in these sectors might reduce gross property income and impact FFO of IAP and distributions. |
| CLIMATE CHANGE RISK | • IAP acknowledges climate change as a financial risk and will consider the ability to quantify and understand those aspects of its business, which produce greenhouse gas emissions, as a competitive advantage in terms of cost and market risk management.<br>• IAP's failure to adequately respond to the impact of climate change and associated legislative requirements could result in litigation (if reporting requirements are not met), reduced profit due to the impact of increased costs associated with energy efficiency and other costs associated with upgrading existing buildings to comply with new building standards or contractual obligations.<br>• IAP is also potentially exposed to acute physical risks stemming from the impacts of climate change, such as damage from extreme weather, and chronic risks such as heat stress. |
| ENVIRONMENTAL ISSUES AND CONTAMINATION | • IAP may be required to undertake remediation for contaminated properties which could require material capital expenditure and impact the FFO of IAP and distributions.<br>• Environmental laws impose penalties for environmental damage and contamination, which can be material in size. Exposure to hazardous substances at a property could result in personal injury claims which could prove greater than the value of the contaminated property.<br>• An environmental issue may also result in interruptions to the operations of a property, including loss as a result of closure. Any loss of income might not be recoverable. |
| HEALTH AND SAFETY | • Liability arising from workplace health and safety matters at a property may be attributable to IAP as the landlord instead of, or as well as, the tenant.<br>• Any liabilities or penalties borne by IAP may impact the financial performance of IAP (to the extent not covered by insurance). |

# Key risks (cont.)

## Risks specific to an investment in IAP

| | |
|---|---|
| ACQUISITIONS | • IAP expects the Acquisitions to proceed as contemplated in this Presentation. If the Acquisitions in fact fail to complete or completion is delayed, the expected financial performance of IAP could be adversely affected. If the Acquisitions do not complete and IAP has raised funds under the Placement, IAP will consider alternative uses for those funds (including reducing debt). |
| GEARING | • A higher level of gearing will magnify the effect of any changes in interest rates or changes in value or performance measure.<br>• Changes in the value of the properties or gross property income that secure the repayment and servicing of the borrowing may also affect the gearing ratio which a financier may require to be maintained, which may result in a requirement to reduce the level of debt, including by selling properties.<br>• If the level of gearing increases over the term of IAP's facility agreement (thereby impacting IAP's gearing ratio), this may create refinancing risk on the facility. |
| FUNDING AND REFINANCING | • IAP's ability to raise capital from debt or equity markets on favourable terms depends on a number of factors including the general economic climate, the state of debt and equity capital markets and the property market, and the performance, reputation and financial strength of IAP.<br>• IAP may be unable to borrow on terms and conditions, including durations and interest rates, which are acceptable or may be unable to refinance the facility when it matures, or that the refinance may not be obtained on the same terms (e.g. interests may be higher on refinancing).<br>• In addition, adverse changes in global equity or credit market conditions as a result of the uncertainty and downturn in economic conditions arising from the COVID-19 pandemic may adversely affect IAP's ability to make future acquisitions or meet future capital expenditure needs, increase IAP's cost of funding, constrain access to funding or impair IAP's ability to refinance its expiring borrowings on acceptable terms or at all.<br>• An inability to attract funding on acceptable terms may adversely affect the growth prospects of IAP.<br>• A lack of or increased cost of debt financing could also increase the funding costs of IAP and therefore impact the performance and financial position of IAP. |
| BREACH OF COVENANTS | • An event of default may occur if IAP fails to maintain the undertakings and covenants under IAP's facility agreement.<br>• In the case of a default that is not remedied, lenders may require repayment of the facility prior to the expected expiry date.<br>• If so, IAP may need to sell properties for less than the book value, raise additional equity, or reduce or suspend distributions in order to repay the facility.<br>• In addition, the facility held with PGIM has a make whole provision that may be triggered in circumstances where there has been a full or partial repayment during the terms of the facility . |
| DILUTION OF PARTICIPATORY INTEREST | • Existing securityholders who do not participate in the Placement will have their percentage holding in IAP diluted. Depending on the size of a securityholder's existing holding, a participating securityholder may still be diluted even though they participate in the Placement, depending on the number of New Securities allocated to them.<br>• Stapled Securities may also be issued to finance future acquisitions which may also, under certain circumstances, dilute the value of a securityholder's interests. |

# Key risks (cont.)

| | |
|---|---|
| INTEREST RATE FLUCTUATIONS | • IAP is exposed to interest rate risk and adopts a policy of ensuring that at least 75% of its exposure to changes in interest rates on borrowings is on a fixed basis. This is achieved by entering into variable for fixed rate swap instruments.<br>• IAP is exposed to movements in variable interest rates on the portions drawn but unhedged. Further, where interest bearing indebtedness is hedged, there is a risk that hedging counterparties may fail to honour their obligations under these arrangements and that the arrangements may not be effective in reducing exposure to movements in interest rates.<br>• IAP may be unable to hedge future interest rate risk or the terms of such hedging may be less favourable than existing terms. |
| EXCHANGE RATE FLUCTUATIONS | • If an investor chooses to hold their Stapled Securities through the South African register, their Stapled Securities will be denominated in ZAR but distributions will be denominated in A$ and earnings derived from the Australian properties will be denominated in A$. This may involve a currency exchange risk for securityholders.<br>• The value (in ZAR terms) of the Stapled Securities trading on the JSE may go up or down according to changes in the exchange rate between the ZAR and A$. These changes may be significant.<br>• Earnings derived from any New Zealand properties will be denominated in NZ$. Movements in the exchange rate at such times between A$ and NZ$ may adversely affect the results of the operations and/or the balance sheet of IAP. |
| DUAL LISTING | • The number of potential buyers or sellers of Stapled Securities on the ASX and the JSE at any given time may vary. This may increase the volatility of the market price of the Stapled Securities and therefore affect the market price at which securityholders are able to sell their Stapled Securities.<br>• IAP is dual listed and needs to comply with both the ASX Listing Rules and the JSE Listings Requirements.<br>• Investors should be aware that certain South African legal concepts, which investors may not be familiar with via investments in Australian companies or trusts, may apply to IAP.<br>• Transfer of Stapled Securities between the Australian and South African subregisters of IAP will occur in accordance with IAP's current procedures.<br>• Securityholders will not be able to move their Stapled Securities between the Australian and South African register for a short period where IAP declares a record date for the purpose of paying distributions. |
| LIQUIDITY | • There can be no guarantee that an active market in the Stapled Securities will be maintained in Australia or South Africa, that the price of Stapled Securities will increase, or that liquidity will be maintained.<br>• If a large securityholder chooses to sell its Stapled Securities, this may affect the prevailing market price of Stapled Securities. |
| INABILITY TO COMPLETE DISPOSALS OR ACQUISITIONS | • IAP may be unable to identify suitable investment opportunities that meet IAP's investment objectives or IAP may be unable to dispose of and/or acquire properties on appropriate terms, thereby potentially limiting growth of IAP. The COVID-19 pandemic may also cause material changes or delays in planned or potential acquisition and/or disposals of properties.<br>• Failure to deliver or effectively execute IAP's stated strategy including its acquisition and/or disposal of properties or its failure to redefine its strategy to meet changing conditions could result in a decline in the price of the Stapled Securityholders and/or distributions.<br>• There can be no assurance that any future acquisitions and/or disposals will enhance the investment returns of securityholders. |
| FINANCIAL INFORMATION AND FORECASTS | • Forward-looking statements, opinions and estimates provided in this Presentation rely on various factors, many of which are outside the control of the board of the Responsible Entity or management of IAP, and several assumptions, any of which could be inaccurate or result in material deviations in actual performance from expected results. Securityholders are strongly cautioned not to place undue reliance on forward looking statements, particularly in light of the current economic climate and the volatility, uncertainty and disruption caused by the COVID-19 pandemic.<br>• There can be no guarantee that IAP will achieve its stated objectives or that any forward-looking statements or forecasts will eventuate. |

# Key risks (cont.)

| | |
|---|---|
| COMPLIANCE | • IAP is subject to a range of legal and regulatory controls, including environmental and planning laws, anti-money laundering and anti-bribery and corruption laws, and taxation laws. If IAP fails to comply with necessary laws or regulations, it may be subject to fines, penalties and requirements to pay compensation for damages, as well as reputational damage.<br>• Furthermore, if the Responsible Entity breaches the Corporations Act or the terms of its AFSL, ASIC may take action to suspend or revoke the Responsible Entity's licence, which in turn may adversely impact IAP. |
| TAX | *Irongate Group*<br>• Changes in general taxation law and, in particular, income tax, GST or stamp duty legislation, case law in Australia, rulings and determinations issued by the Australian Commissioner of Taxation or other practices of tax authorities may adversely affect IAP's performance, position and prospects. Any changes to the tax regime applicable to IAP may affect IAP's ability to make distributions or attributions of income and may adversely affect the tax treatment of distributions or attributions in the hands of securityholders.<br>*Irongate Property Fund I*<br>• IPF I, as an Attribution MIT ("**AMIT**"), should not be subject to Australian tax on any of the net income derived by IAP so long as (i) its activities are limited to an eligible passive investment business, being the investment in land for the purposes of deriving rent (described further in section 9 of the IAP product disclosure statement dated 20 October 2020), and (ii) it fully distributes or attributes its net income to securityholders each income year.<br>• IPF I currently invests in New Zealand and is subject to New Zealand tax. Distributions made by IPF I in respect of New Zealand investment will necessarily be made on a post-tax basis. IPF I, and returns from IPF I, are subject to any changes in New Zealand tax laws.<br>• The Australian taxation treatment of managed investment trusts ("**MITs**"), including Australian REITs, has previously been under review in Australia.<br>• There is a risk that if the concessional rates change, or if IPF I ceases to qualify as a MIT in the future, distributions or attributions of net income to South African investors or other non-Australian tax resident investors may become subject to a higher withholding tax rate. In particular, if the ATO takes the view that Division 6C of Part III of the Income Tax Assessment Act 1936 applies to the IAP group stapling arrangements then IPF I may be taxed as a company. In this circumstance, IPF I would be taxed in a similar manner to IPF II and the taxation treatment of distributions from IPF I to investors would be similar to those applicable to IPF II.<br>• For further details of the tax analysis in relation to an investment in IAP, see section 7.3.12 and section 9 of the product disclosure statement dated 20 October 2020. |
| INSURANCE | • If any of the properties are damaged or destroyed by an event which is not covered by IAP's insurance policies, IAP could incur a capital loss which could affect gross property income, FFO of IAP and distributions.<br>• Dependent on the type of coverage, IAP may have to incur an excess prior to any payment by the insurer or pay for any difference between the full replacement cost and insured amount.<br>• IAP may also incur increases to its insurance premium applicable to other areas of its cover as a result of the event. |
| LITIGATION | • IAP may be the subject of complaints from or litigation by investors, tenants, government agencies or other third parties.<br>• While the Responsible Entity has in place professional indemnity insurance, certain events may not be covered, or the claims incurred may be in excess of the insured amount.<br>• If the Responsible Entity breaches the law, this may result in a fine or penalty or, in a serious case, the loss of the Responsible Entity's AFSL.<br>• Such matters may have a material adverse effect on IAP's reputation, divert its financial and management resources from more beneficial uses, and/or have a material adverse effect on IAP's future financial performance or position. |

# Key risks (cont.)

| | |
|---|---|
| PRE-EMPTIVE RIGHTS | • IAP and Abacus Property Group are joint owners of the property located at 324 Queen Street, Brisbane QLD. The Cremorne Property will also be jointly owned.<br>• Where a joint owner wishes to dispose of its interest in the property, the other joint owner will have a pre-emptive right except in limited circumstances (for example, by way of a permitted transfer to a member of its group). |
| LOSS OF KEY MANAGEMENT PERSONNEL | • The loss of key management personnel could cause material disruption to IAP's activities in the short to medium term and could result in the loss of key relationships and expertise which could have a material adverse impact on its current and future earnings. |
| TERMINATION | • In the event of termination or winding-up of IAP, the claims of IAP's creditors will have priority over the claims of securityholders.<br>• Under such circumstances, the Responsible Entity may sell properties and first repay or discharge all costs and liabilities owed to IAP's creditors before distributing the remaining proceeds to securityholders.<br>• There is a risk that Securityholders may receive no amount or an amount less than the price at which their Stapled Securities were acquired on termination or winding-up of IAP. |
| STAFF MISCONDUCT | • IAP could be adversely affected if an employee, contractor or external service provider does not act in accordance with regulations or IAP's policies or engages in misconduct. This is a particular risk for organisations with a small number of staff who are required to perform various duties. As a result, IAP could incur losses, financial penalties and reputational damage, and could be subject to legal or regulatory action. |
| RISKS ASSOCIATED WITH AN INVESTMENT IN THE ITAP FUND | • IPF II currently acts as investment and asset manager of the ITAP Fund and has committed to invest up to A$30 million in the ITAP Fund ("**ITAP Commitment**"). As with any investment, the ITAP Commitment represents an opportunity cost as IPF II cannot allocate committed funds to invest in other assets.<br>• The ITAP Commitment will provide IPF II with an indirect interest in the investments made by the ITAP Fund. The ITAP Fund seeks to invest in opportunistic real estate transactions in Australia and New Zealand with a shorter term investment horizon than more passive investments, including value add and real estate backed opportunities which require more active management. In this regard, the risk profile of investments made by the ITAP Fund is difference to the risk profile of property owned by IPF I. Further information regarding the risks associated with the ITAP Fund are set out in section 2 of the product disclosure statement dated 20 October 2020. |
| RISKS ASSOCIATED WITH MANAGEMENT OF THE ITAP FUND | • Management of the ITAP Fund may not generate expected revenues. In particular, the management fees earnt by IPF II as manager of the ITAP Fund are calculated by reference to the committed capital of the ITAP Fund and assets under management, which is in turn dependent on the manager's ability to originate and execute investments in accordance with the ITAP Fund's investment strategy.<br>• There is a risk that the ITAP Fund investment management agreement may be terminated in limited circumstances, for example on certainty insolvency or change of control events of the manager.<br>• There is a risk that a conflict of interest may arise in circumstances where the manager sources an acquisition or investment opportunity falls within the investment mandate of both IPF I and the ITAP Fund. The Responsible Entity has adopted an allocation policy which establishes a clear framework for allocation of investments between IPF I and other investments managed by IPF II from time to time. As at the date of this Presentation, it is not expected that there will be an overlap between IPF I's mandate and the mandate of the ITAP Fund. To the extent conflicts of interest arise in the future given IPF II's position as both manager of a third party fund and as an investor in that fund, the Responsible Entity would implement protocols under which decision making in relation to conflict matters would be undertaken by separate senior personnel and directors of the Responsible Entity (as necessary).<br>• The Responsible Entity has also implemented a related party policy which outlines how the Responsible Entity will approach transactions with related parties. Further information regarding the related party policy are described in the product disclosure statement dated 20 October 2020. |
| OPERATING COSTS | • IAP is exposed to movements and volatility in operating cost structures. There is a risk that ongoing operating costs may be higher than anticipated. |

# Key risks (cont.)

## General risks associated with the Placement and investment in IAP

| | |
|---|---|
| PRICE OF STAPLED SECURITIES | • The trading price of Stapled Securities may be volatile and fluctuate significantly in response to various factors including changes to general economic conditions, demand for property securities, changes in government policy or regulations, inclusion / removal from major market indices and other general or operational business risks. There is also the ongoing uncertainty associated with the ongoing impact of the COVID-19 pandemic on the Australian and global economy. Equity capital markets have historically been and may in the future be subject to significant volatility as a result of the COVID-19 pandemic.<br>• The trading price of Stapled Securities may be influenced by factors non-specific to IAP and out of IAP's control. No assurances can be made that the performance of Stapled Securities will not be adversely affected by such market fluctuations or factors.<br>• As a result of fluctuations in the trading price of Stapled Securities, securityholders may not be able to sell their Stapled Securities at or above the price at which they acquired them, if at all. |
| ECONOMY AND MARKET CONDITIONS | • There is the risk that changes in economic and market conditions may affect asset returns and values and may decrease the price of Stapled Securities. This risk has increased as a result of the ongoing COVID-19 pandemic, which has created considerable uncertainty and volatility surrounding these factors.<br>• The overall performance of an investment in Stapled Securities may be affected by changing economic or property market conditions. These may include movements in interest rates, exchange rates, securities markets, inflation, consumer spending, employment and the performance of individual local, state, national and international economies. |
| LAW, REGULATORY AND POLICY CHANGES | • Changes in law, government legislation, regulation and policy in a jurisdiction in which IAP operates may adversely affect the value of the performance of the portfolio and/or future distributions and the value of Stapled Securities. |
| ACCOUNTING STANDARDS | • Changes to accounting standards issued by the Australian Accounting Standards Board and IFRS to which IAP adheres, or changes to the commonly held views on the application of those standards could materially adversely affect the financial performance and position reported in IAP's financial statements. |
| RELIANCE ON THIRD PARTIES | • The Responsible Entity may engage third party services providers in respect of a part or the whole portfolio.<br>• A failure of third parties to discharge their agreed responsibilities may adversely affect the management and financial performance of IAP and therefore also adversely impact returns to securityholders. |
| UNDERWRITING | • The Responsible Entity has entered into an underwriting agreement under which Macquarie Capital (Australia) Limited and J.P. Morgan Securities Australia Limited have agreed to underwrite the Placement, subject to the terms and conditions of the underwriting agreement.<br>• The underwriters' obligation to underwrite the Placement is conditional on certain customary matters, including entry into agreements in respect of the Acquisitions and IAP delivering a certificate to the underwriters.<br>• The Placement is subject to the underwriting agreement not being terminated in accordance with its terms. The events which may trigger termination of the underwriting agreement include (not exhaustive, and some of which are qualified by materiality):<br>– the agreements in respect of the Acquisitions are terminated, materially breached or amended in an adverse manner without consent of the underwriters;<br>– credit approval for the debt financing for an aggregate amount of at least A$110 million for the purposes of partially funding the acquisition of the Cremorne Property is withdrawn or varied in a materially adverse manner without underwriter consent or IAP is in breach of any debt covenant<br>– certain delays in the offer timetable<br>– the delisting of IAP from the JSE or ASX<br>– IAP alters its capital structure or disposes of a substantial part of its business or property without underwriter consent<br>– a change in the board of the Responsible Entity or loss of certain key management personnel, or the chairman, CEO or CFO of IAP vacate office<br>– any member of the IAP group becomes insolvent<br>– any director of the Responsible Entity is charged with an indictable offence or is disqualified from managing a corporation |

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# C —

## Foreign selling jurisdictions

# Foreign selling jurisdictions

This Presentation does not constitute an offer to subscribe for Stapled Securities in any jurisdiction in which it would be unlawful. In particular, this Presentation may not be distributed to any person, and the Stapled Securities may not be offered or sold, in any country outside Australia and New Zealand except to the extent described below.

***South Africa***
The material in this Presentation do not constitute, advertise or relate to an offer to the public (as defined in the South African Companies Act, No 71 of 2008, as amended (the "**SA Companies Act**")) for the sale of or subscription for, or the solicitation of an offer to buy or subscribe for securities, and must not be distributed to any person in South Africa in any manner which could be construed as an offer to the public in terms of Chapter 4 of the SA Companies Act. The Presentation is being provided to you on the basis that by accessing this Presentation you will be deemed to have represented and warranted for the benefit of IAP and the Joint Lead Managers and their respective affiliates that if you are in South Africa, you are a person who is (i) acting as principal and who intends to subscribe for Stapled Securities at a minimum acquisition cost of ZAR 1,000,000, as contemplated in section 96(1)(b) of the SA Companies Act, or (ii) a person who complies with the requirements set out in section 96(1)(a) of the SA Companies Act.

The Presentation does not, nor is it intended to, constitute a prospectus registered under the SA Companies Act and accordingly, does not comply with the substance and form requirements for prospectuses set out in the SA Companies Act and the South African Companies Regulations of 2011. Nothing in the presentation should be viewed, or construed, as "advice" as that term is used in the South African Financial Markets Act, No 19 of 2012, as amended and/or the South African Financial Advisory and Intermediary Services Act, No 37 of 2002, as amended and nothing in this Presentation should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa.

***Guernsey***
This Presentation may only be made available to, and the New Securities may only be offered or sold, in or from within the Bailiwick of Guernsey either (i) by persons licensed to do so under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (the "POI Law"); or (ii) to persons licensed under the POI Law, the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors (Bailiwick of Guernsey) Law, 2000.

***Hong Kong***
WARNING: This Presentation 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 Presentation or to permit the distribution of this Presentation 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 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.

# Foreign selling jurisdictions (cont.)

***New Zealand***

This Presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand) (the "**FMC Act**"). The New Securities are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than 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.

***Singapore***

This Presentation 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. IAP 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 Presentation 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 Presentation 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 Presentation immediately. You may not forward or circulate this Presentation 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.

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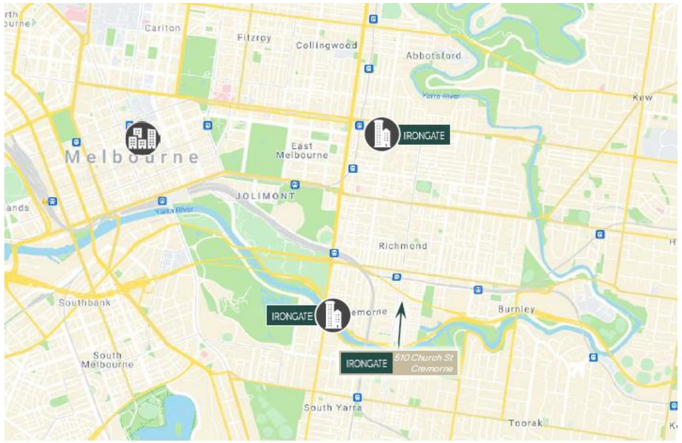
# D —

## Additional disclosure required by the JSE

# Property specific information – Cremorne Property[1]

PROPERTY LOCATION




PROPERTY DETAILS

| | |
|---|---|
| Sector | Office |
| Address | 510 Church Street, Cremorne VIC |
| Location | 2kms south-east of the Melbourne CBD |
| Title | Freehold |
| Year built / refurbished | 2021 |
| Lettable area / Site area | 19,798sqm / 3,026sqm |
| Car spaces | 145 |
| Occupancy[2,3] | 76%/ 12-month vendor rent guarantee on vacant space |
| WALE[4] | 7.5 years |
| Environmental credentials | 5.0 Star NABERS energy rating, 5.0 Star Green Star Design Rating[5] |

Notes: 1. Included on the basis that the acquisition of the Cremorne Property is a category 2 transaction under the JSE Listings Requirements. 2. Weighted by gross property income. 3. The vacant space at the Cremorne Property is subject to a 12-month gross rent guarantee provided by the vendor, the majority of which becomes non-refundable if tenants have not been secured and rent payments have not commenced by 1 March 2022. 4. Weighted by gross property income. Includes 12-month gross rental guarantee provided by the vendor of the Cremorne Property. 5. Expected to be achieved.

# Forecast information[1]

Set out below is the forecast revenue, operational net income, net profit attributable to securityholders and earnings available for distribution from the Cremorne Property (“**Forecast”**) for the 4 months ending 31 March 2022 and the 12 months ending 31 March 2023 (“**Forecast Period”**).

The Forecast has been prepared on the assumption that acquisition of the Cremorne Property will be implemented on 1 December 2021 (notwithstanding that the settlement date under the contract of sale is scheduled for 15 December 2021) and on the basis that the Forecast includes forecast results for the duration of the Forecast Period.

The Forecast, including the assumptions on which it is based and the financial information from which it is prepared, is the responsibility of the board of directors of the Responsible Entity. The Forecast has not been reviewed or reported on by the independent reporting accountants.

The Forecast presented in the table below relates to the Cremorne Property only and has been prepared in accordance with IAP’s accounting policies and in compliance with International Financial Reporting Standards.

| | FORECAST 4 MONTHS ENDING 31 MARCH 2022 A$'000 | FORECAST 12 MONTHS ENDING 31 MARCH 2022 A$'000 |
|---|---:|---:|
| Revenue, including straight line adjustment | 2,647 | 7,972 |
| Total property expenses | (447) | (1,653) |
| **Net property income** | **2,200** | **6,319** |
| Fund operating costs | (247) | (741) |
| **Net operating income before finance charges** | **1,953** | **5,578** |
| Finance costs | (1,270) | (3,811) |
| **Net profit attributable to equity holders** | **683** | **1,767** |
| Less: straight line revenue adjustment | (212) | (583) |
| **Distributable income pre-withholding tax** | **471** | **1,184** |
| **Distributable income post-withholding tax** | **471** | **1,184** |

Notes: 1. Included on the basis that the acquisitions of the Cremorne Property is a category 2 transaction under the JSE Listings Requirements. The forecast incorporates the following material assumptions in respect of revenue and expenses: 1. Contracted revenue is based on existing lease agreements including stipulated increases. 2. There are no leases expiring during the forecast period. 3. Of the rental income of A$2,647,052 for the 4 months ending 31 March 2022, 100% relates to contracted rental income and rental guarantees provided by the vendor. 4. Of the rental income of A$7,971,571 for the year ending 31 March 2023, 94% relates to contracted rental income and rental guarantees provided by the vendor. 5. Expenditure items relate to fund operating costs. 6. No material expenditure items have been increased in the forecast period ending 31 March 2022 by more than 15% over the previous financial period. 7. The finance costs assume an all-in cost of funds of 2.75% per annum for the Cremorne Property. At least 75% of the cost of IAP’s total debt will be fixed via interest rate swaps (in accordance with IAP’s interest rate hedging policy) for 4, 5, 6, 9 and 10 year periods. 8. Distributions are payable to securityholders attributable to the Cremorne Property and are partially shielded by depreciation allowances. 9. A fair value adjustment is recognised in relation to the transaction costs. 10. There will be no unforeseen economic factors that will affect the lessees’ ability to meet their commitments in terms of existing lease agreements.

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# E —

## Glossary

# Glossary of terms

| TERM | MEANING |
|---|---|
| **A$** | Australian dollars. |
| **AAS** | Australian Accounting Standards. |
| **Acquisitions** | The acquisition of the Bibra Lake Property and the Cremorne Property. |
| **AFSL** | Australian financial services licence issued under the Corporations Act. |
| **AMIT** | Attribution Managed Investment Trust. |
| **ASIC** | Australian Securities and Investments Commission. |
| **ASX** | ASX Limited and, where applicable, the Australian securities exchange operated by ASX Limited. |
| **Beneficiaries** | The Responsible Entity's related bodies corporate and affiliates and each of its directors, officers, employees, partners, agents and advisers. |
| **Bibra Lake Property** | The acquisition of a 100% interest in 16 Aspiration Circuit, Bibra Lake WA. |
| **Cremorne Property** | The acquisition of a 50% interest in 510 Church Street, Cremorne VIC. |
| **CIS Act** | Collective Investment Schemes Control Act, No. 45 of 2002 of South Africa. |
| **Collective Investment Scheme** | A collective investment scheme as defined in section 1 of the CIS Act. |
| **Corporations Act** | Corporations Act 2001 (Cth). |
| **DPS** | Distribution per Stapled Security. |
| **FFO** | Funds from operations calculated in accordance with the Property Council Guidelines, determined by adjusting statutory net profit (under Australian Accounting Standards) for non-cash and other items such as property revaluations, derivative mark-to-market impacts, amortisation of tenant incentives, gain/loss on sale of investment properties, straight-line rental revenue adjustments, non-FFO tax expenses/benefits and other unrealised one-off items. |
| **Forecast** | Forecast revenue, operational net income, net profit attributable to securityholders and earnings available for distribution from the Cremorne Property. |
| **Forecast period** | 4 months ending 31 March 2022, and 12 months ending 31 March 2023. |
| **FY** | Financial year ended 31 March in the relevant year. |
| **Gearing** | Interest bearing liabilities (excluding debt establishment costs) less cash divided by the total value of investment properties. |
| **IFRS** | International Financial Reporting Standards. |
| **Information** | Information in this Presentation and the announcement to which it is attached including, without limitation, any forward looking statements or opinions. |

| TERM | MEANING |
|---|---|
| **IPF I** | Irongate Property Fund I (ARSN 162 067 736), duly registered as a Managed Investment Scheme under the Corporations Act; also recognised as a foreign Collective Investment Scheme and authorised to solicit investments in it from members of the public in South Africa under section 65 of the CIS Act, and, if the context requires, its controlled entities from time to time. |
| **IPF II** | Irongate Property Fund II (ARSN 644 081 309), which is duly registered as a Managed Investment Scheme under the Corporations Act, and, if the context requires, its controlled entities from time to time. |
| **Irongate or IAP** | Irongate Group, comprising IPF I and IPF II. |
| **Issue Price** | A$1.55 per New Security. |
| **ITAP Fund** | A fund comprised of Templewater Australia Property I L.P., Templewater Australia Property Fund I Head Trust and various sub trusts that have been established (or may be established from time to time). |
| **Joint Lead Managers** | Macquarie Capital (Australia) Limited and J.P. Morgan Securities Australia Limited |
| **JSE** | JSE Limited and, where applicable, the exchange operated by JSE Limited in accordance with its licence under the Financial Markets Act, No. 19 of 2012 of South Africa. |
| **Managed Investment Scheme** | A managed investment scheme that has been registered by ASIC as a managed investment scheme under Chapter 5C of the Corporations Act. |
| **MIT** | Managed Investment Trust. |
| **NABERS** | National Australian built environment rating system. |
| **NAV** | Net asset value. |
| **New Securities** | New fully paid ordinary Stapled Securities to be offered under the Placement. |
| **NTA** | Net tangible assets. |
| **Placement** | Fully underwritten institutional placement to raise approximately A$50 million at an issue price of A$1.55 per New Security. |
| **Presentation** | This presentation. |
| **REIT** | Real estate investment trust. |
| **Responsible Entity** | Irongate Funds Management Limited as responsible entity of IPF I and IPF II. |
| **Stapled Securities** | Stapled securities in IAP, comprising one ordinary unit in IPF I and one ordinary unit in IPF II. |
| **WACR** | The average capitalisation rate across IAP's portfolio or group of properties, weighted by property value. |
| **WALE** | The average lease term remaining to expiry across IAP's portfolio or a property or group of properties, weighted by gross property income. |
| **ZAR** | South African Rand, being the lawful currency of South Africa. |

IRONGATE

Sydney Level 13, 95 Pitt Street NSW 2000
+61 2 7906 2000 info@irongategroup.com.au

Melbourne & Brisbane
Irongategroup.com.au