



## Retail Offer Booklet

### **Retail Entitlement Offer Booklet**

#### **AVJennings Limited (ACN 004 327 771)**

Details of a 1 for 2.67 accelerated renounceable entitlement offer of fully paid ordinary shares at an issue price of \$0.20 per new share

**Retail Entitlement Offer closes at 5:00pm (AEDT) on 1 November 2023.**

#### **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

This is an important document and should be read in its entirety.

If you have any questions please contact your professional adviser or the AVJennings Shareholder Information Line on 1800 500 095 (within Australia) or +61 1800 500 095 (outside Australia) from 8.30am to 5.30pm (AEDT) Monday to Friday (excluding public holidays in Australia) during the Retail Entitlement Offer Period.

Singapore CDP Depositors should call CDP on +65 6535 7511 at any time between 8.30 am and 5.00 pm (Singapore time) on any business day in Singapore.

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## 1 Important Notices

Defined terms used in these important notices have the meaning given in this Retail Offer Booklet.

### **NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73) which allows rights issues to be offered without a prospectus. As a result, this Retail Entitlement Offer is not being made under a prospectus and it is important for Eligible Retail Shareholders to read and understand the information on AVJennings and the Retail Entitlement Offer made publicly available, prior to taking up all or part of their Entitlement. In particular, please refer to the enclosed materials and ASX Announcements, AVJennings' interim and annual reports and other announcements made available at [www.avjennings.com.au](http://www.avjennings.com.au) or [www.asx.com.au](http://www.asx.com.au).

### **Future performance and forward looking statements**

This Retail Offer Booklet may contain certain forward looking statements. The words “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “outlook”, “should”, “could”, “may”, “target”, “plan” and other similar expressions are intended to identify forward looking statements. Indications of, and guidance on, future earnings, financial position, dividends and performance are also forward looking statements as are statements regarding AVJennings' future operations and projects, the outcome of the Entitlement Offer and the use of proceeds. Such forward looking statements are not guarantees of future performance and involve known and unknown risks (including (without limitation) the risks set out in Appendix A: Key Risks section of the Investor Presentation), uncertainties and other factors, many of which are beyond the control of AVJennings, its officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and their differences may be material.

Investors are strongly cautioned not to place undue reliance on forward looking statements, including in respect of AVJennings' future financial performance and outlook, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID 19, certain geopolitical tensions such as the hostility between Russia and Ukraine and the effect of sustained increases in interest rates globally and locally over the last 12 months or so. Neither AVJennings, nor the Underwriter, nor any other person, gives any representation, warranty or assurance, nor will guarantee that the occurrence of the events expressed or implied in any forward looking statement will occur.

### **Past Performance**

Past performance information included in this Retail Offer Booklet is provided for illustrative purposes only and should not be relied upon as, and is not, an indication of future performance.

### **Jurisdictions**

This Retail Offer Booklet, and any accompanying ASX announcements and the Entitlement and Acceptance Form, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any persons acting for the account or benefit of any person in the United States, or in any other jurisdiction in which such an offer would be illegal. Neither this Retail Offer Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. Neither the Entitlements nor the New Shares have been, nor will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Entitlements may not be taken up or exercised by persons in the United States or by persons who

are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New Shares may be offered or sold in the United States, and the New Shares may not be resold in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States. The Entitlements and the New Shares offered and sold in the Retail Entitlement Offer will be offered and sold only in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

#### **References to “you” and “your Entitlement”**

In this Retail Offer Booklet, references to “you” are references to Eligible Retail Shareholders and references to “your Entitlement” (or “your Entitlement and Acceptance Form”) are references to the Entitlement (or the Entitlement and Acceptance Form) of Eligible Retail Shareholders.

#### **Times and dates**

Times and dates in this Retail Offer Booklet are indicative only and subject to change. All times and dates refer to AEDT. Refer to the “Key Dates for the Retail Entitlement Offer” section of this Retail Offer Booklet for more details.

#### **Currency**

All dollar values are in Australian dollars, unless otherwise stated.

#### **Trading of New Shares**

AVJennings and the Underwriter will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by AVJennings or the Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt, as to these matters you should first consult with your stockbroker, accountant or other independent professional adviser.

Refer to Section 9.13 for more details.

## 2 Key Dates for the Retail Entitlement Offer

Event	Date
Announcement of the Entitlement Offer	Wednesday, 11 October 2023
Record Date for the Entitlement Offer	Friday, 13 October 2023 (7.00pm)
Retail Entitlement Offer opens	Wednesday, 18 October 2023
Retail Entitlement Offer closes ( <b>Retail Closing Date</b> )	Wednesday, 1 November 2023 (5.00pm)
Retail Bookbuild	Monday, 6 November 2023
Settlement of New Shares under the Retail Entitlement Offer ( <b>Retail Settlement Date</b> )	Friday, 10 November 2023
New Shares issued under Retail Entitlement Offer	Monday, 13 November 2023
New Shares issued under the Retail Entitlement Offer commence trading on ASX	Tuesday, 14 November 2023
Despatch to Shareholders of confirmation of issue under the Retail Entitlement Offer and Retail Sale Proceeds (if any)	Tuesday, 14 November 2023

This timetable is indicative only and subject to change without notice.

The commencement of quotation of New Shares is subject to confirmation from ASX.

Subject to the requirements of the Corporations Act, the ASX Listing Rules and any other applicable laws, AVJennings, with the consent of the Underwriter, reserves the right to amend this timetable at any time, including extending the Retail Entitlement Offer Period or accepting late applications, either generally or in particular cases, without notice. You cannot, in most circumstances, withdraw an application once it has been lodged. No cooling off rights apply to the Retail Entitlement Offer. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Retail Entitlement Offer opens.

Eligible Singapore CDP Depositors should refer to the separate letter and Singapore Application Form they will receive for the special requirements which apply to them.

### Enquiries

If you have any questions, please call the AVJennings Shareholder Information Line on 1800 500 095 (within Australia) or +61 1800 500 095 (outside Australia) from 8.30am to 5.30pm (AEDT) Monday to Friday (excluding public holidays in Australia) during the Retail Entitlement Offer Period. Alternatively, you can access information about the Retail Entitlement Offer online at [www.avjennings.com.au](http://www.avjennings.com.au) or [www.asx.com.au](http://www.asx.com.au).

Eligible Retail Shareholders who wish to take up all or part of their Entitlement must pay their Application Monies via BPAY® by following the instructions set out on their personalised Entitlement and Acceptance Form in each case by no later than **5.00pm (AEDT) on Wednesday, 1 November 2023**. Eligible Retail Shareholders should refer to Section 4 for options available to them to deal with their Entitlement.

### 3 Letter from the Chairman

18 October 2023

Dear Shareholder,

On behalf of the Directors of AVJennings Limited (**AVJennings**), I am pleased to invite you to participate in the retail component of the Entitlement Offer.

The proceeds of the Entitlement Offer will be used to accelerate built-form housing to meet customer preferences and general working capital.

The Entitlement Offer is fully underwritten by Bell Potter Securities Limited.

Eligible retail shareholders of AVJennings have the opportunity to participate in the retail component of a 1-for-2.67 accelerated renounceable entitlement offer of new ordinary AVJennings shares at an Issue Price of \$0.20 per New Share (**Retail Entitlement Offer**). This means that you can purchase 1 New Share at this price for every 2.67 AVJennings Shares you owned at 7.00pm (AEDT) on 13 October 2023.

#### Details of the Entitlement Offer

This offer to you is part of an underwritten Entitlement Offer announced by AVJennings on 11 October 2023 to raise approximately \$30 million. Approximately \$18.1 million was raised in the institutional component of the Entitlement Offer to existing Institutional Shareholders. The remaining \$12.3 million is expected to be raised through the Retail Entitlement Offer to which this Retail Offer Booklet relates.

The \$0.20 Issue Price represents a 42.1% discount to TERP<sup>1</sup> based on the last closing price of AVJennings' shares on 10 October 2023 and a 50.0% discount to the last closing price of AVJennings' shares on 10 October 2023 (the last trading day before the Entitlement Offer was announced) and is the same price at which New Shares were issued to institutional investors under the institutional component of the Entitlement Offer.

As the Retail Entitlement Offer is renounceable, Entitlements that are not taken up under the Retail Entitlement Offer will be offered for sale via a bookbuild sale process. Any proceeds from the sale of the Entitlements achieved in the bookbuild will be paid to renouncing and ineligible Shareholders.

However, you should note you cannot choose the price at which Entitlements will be sold in the bookbuild, and it is possible you will not receive any proceeds if there is insufficient demand. Further information regarding this bookbuild process is set out in Section 5.2(c).

#### SC Global Participation

AVJennings' major shareholder SC Global Developments Pte Ltd and its affiliates (**SC Global**) has committed to take up its Entitlements in respect of its entire Shareholding. SC Global currently holds 53.95% of AVJ's shares. SC Global is a company associated with and controlled by interests associated with myself.

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<sup>1</sup> TERP is the theoretical ex-rights price. TERP is calculated by reference to AVJennings' closing price of \$0.40 per share on Tuesday, 10 October 2023, being the last trading day prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which AVJennings shares trade immediately after the ex-date of the Entitlement Offer will depend on many factors and may not be equal to TERP.

### **Purpose of this Retail Offer Booklet**

This Retail Offer Booklet and your Entitlement and Acceptance Form contains important information about the Retail Entitlement Offer and I encourage you to read them carefully before deciding whether or not to participate in the Retail Entitlement Offer. In particular, you will find in this Retail Offer Booklet the following important information:

- in Section 2 – the key dates for the Retail Entitlement Offer;
- in Section 5 – an overview of the Entitlement Offer;
- in Section 6 – a 'How to Apply' section detailing how to accept all or part of your Entitlement;
- in Section 8 – the ASX Announcement and the Investor Presentation that was released to the ASX on 11 October 2023, which provide further information on the Entitlement Offer, including key risks, and the Institutional Entitlement Offer Results that was released to the ASX on 13 October 2023; and
- in Section 9 – some Important Additional Information relevant to the Entitlement Offer.

Eligible Singapore CDP Depositors will receive a separate letter which will set out the specific instructions and processes on how to participate in the Entitlement Offer as it relates to you. You should carefully read this Retail Offer Booklet, the separate letter and the Singapore Application Form.

To participate, you must apply and pay for your New Shares **before 5.00pm (AEDT) on 1 November 2023**. Further information about how to apply for New Shares is set out in Section 6.3.

If you have any questions about the Retail Entitlement Offer please call the AVJennings Shareholder Information Line on 1800 500 095 (within Australia) or +61 1800 500 095 (outside Australia) from 8.30am to 5.30pm (AEDT) Monday to Friday (excluding public holidays in Australia) during the Retail Entitlement Offer Period.

The AVJennings Board is pleased to offer this opportunity to you.



Simon Cheong  
Chairman, AVJennings Limited

## 4 What Should You Do?

### 4.1 Eligible Retail Shareholders

***Step 1: Read this Retail Offer Booklet and the Entitlement and Acceptance Form and, if appropriate, seek professional advice***

This Retail Offer Booklet and your personalised Entitlement and Acceptance Form contain important information about the Retail Entitlement Offer and requires your immediate attention. You should read it carefully and in its entirety before deciding whether or not to participate in the Retail Entitlement Offer. In particular, you should consider the 'Key Risks' set out in Appendix A of the Investor Presentation in Section 8.

If you are in doubt as to the course you should follow, you should consult your stockbroker, accountant or other independent professional adviser before deciding whether to take up your Entitlement.

***Step 2: Decide what you want to do***

If you are an Eligible Retail Shareholder (see definition in Section 9.3 below), you may take up all, some or none of your Entitlement. See Section 6 for further details.

Eligible Retail Shareholders who do not participate in the Retail Entitlement Offer (or whose application is not supported by clear funds) will have their percentage holding in AVJennings reduced. Eligible Retail Shareholders who participate in the Retail Entitlement Offer will see their percentage holding in AVJennings reduce or stay the same depending on the proportion of their Entitlement they take up. Shareholders who do not take up their Entitlement, whether in full or in part, may receive some cash in respect of those Entitlements they do not take up depending on the outcome of the Retail Bookbuild. See Section 5.2(c) for further details.

Entitlements cannot be traded, transferred, assigned or otherwise dealt with, whether on the ASX or privately (other than on your behalf by the Underwriter in the Retail Bookbuild).

***Step 3: Apply for New Shares***

To participate in the Retail Entitlement Offer, your application for New Shares must be received by the Registry **before 5.00pm (AEDT) on Wednesday, 1 November 2023** (being the Retail Closing Date), otherwise your Entitlements will be offered under the Retail Bookbuild.

See Section 6 and the enclosed personalised Entitlement and Acceptance Form for further details on how to apply.

***Step 4: Questions***

If you:

- have questions in relation to the Existing Shares upon which your Entitlement has been calculated; or
- have questions on how to access your Entitlement and Acceptance Form or take up your Entitlement,

please call the AVJennings Shareholder Information Line on 1800 500 095 (within Australia) or +61 1800 500 095 (outside Australia) from 8.30am to 5.30pm (AEDT) Monday to Friday (excluding public holidays in Australia) during the Retail Entitlement Offer Period.

## 4.2 Eligible Singapore CDP Depositors

### (a) Singapore CDP Depositors

The Shares held by Singapore CDP Depositors are registered in the name of CDP. Singapore CDP Depositors are not considered Eligible Shareholders as they are not the registered holder of Shares. However, Eligible Singapore CDP Depositors as at 7.00pm (AEDT) (5.00pm, Singapore time) on the Record Date can instruct CDP to participate in the Entitlement Offer on their behalf in respect of the Shares corresponding with the Shares they hold to the credit of their Securities Account on the Record Date.

Only those Singapore CDP Depositors who had mailing addresses registered with CDP in Singapore as at the Record Date, or who had, at least three market days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents are Eligible Singapore CDP Depositors and are entitled to instruct CDP to apply for the New Shares.

Ineligible Singapore CDP Depositors are not entitled to instruct CDP to apply for New Shares. The nominee sale facility does not apply for Ineligible Singapore CDP Depositors.

### (b) Eligible Singapore CDP Depositors

Special arrangements apply in respect of Eligible Singapore CDP Depositors. Eligible Singapore CDP Depositors should receive a separate letter, together with a Singapore Application Form. Eligible Singapore CDP Depositors should refer to that letter and form for your choices available and the respective procedure to participate in the Entitlement Offer and for details of payment.

### (c) Questions from Singapore CDP Depositors

If you have any questions about the Entitlement Offer, please call CDP on +65 6535 7511 at any time from 8.30 am to 5.00 pm (Singapore time) on any business day in Singapore.

## 5 Overview of the Entitlement Offer

### 5.1 Entitlement Offer

AVJennings proposes to raise approximately \$30.4 million under the Entitlement Offer. Under the Entitlement Offer, AVJennings is offering Eligible Shareholders the opportunity to subscribe for 1 New Share for every 2.67 Existing Shares held at 7.00pm (AEDT) on 13 October 2023, at the Issue Price of \$0.20 per New Share.

Where fractions arise in the calculation of an Entitlement, they have been rounded up to the next whole number of New Shares.

The Entitlement Offer comprises four parts:

- **The Institutional Entitlement Offer** – under which Eligible Institutional Shareholders were invited to take up all or part of their Entitlement.
- **The Institutional Bookbuild** – under which the Entitlements not taken up by Eligible Institutional Shareholders, together with the Entitlements that would have been offered to Ineligible Institutional Shareholders if they had been entitled to participate in the Institutional Entitlement Offer, were offered under a bookbuild to certain Institutional Investors.
- **The Retail Entitlement Offer** – under which Eligible Retail Shareholders are being invited to take up all or part of their Entitlement in accordance with the terms set out in this Retail Offer Booklet.
- **The Retail Bookbuild** – under which the Entitlements not taken up by Eligible Retail Shareholders, together with the Entitlements that would have been offered to Ineligible Retail Shareholders if they had been entitled to participate in the Retail Entitlement Offer, will be offered on those Shareholders' behalf under a bookbuild to certain Institutional Investors.

The Entitlement Offer is fully underwritten by the Underwriter on the terms and conditions of the Underwriting Agreement (see Section 9.17 for more details).

Please refer to the ASX Announcement and the Investor Presentation set out in Section 8 for information on AVJennings, including the purpose of the Entitlement Offer and the application of the proceeds of the Entitlement Offer. You should also consider other publicly available information about AVJennings, including information available at [www.asx.com.au](http://www.asx.com.au) and [www.avjennings.com.au](http://www.avjennings.com.au).

### 5.2 Retail Entitlement Offer and Retail Bookbuild

#### (a) Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are invited to subscribe for 1 New Share for every 2.67 Existing Shares held at 7.00pm (AEDT) on 13 October 2023, at the Issue Price of \$0.20 per New Share.

This is referred to as your **Entitlement**.

Details on how to take up your Entitlement are contained in Section 6 and the enclosed personalized Entitlement and Acceptance Form. You may take up some, all or none of your Entitlement.

The Retail Entitlement Offer is only open to Eligible Retail Shareholders (see Section 9.3 for the definition of an Eligible Retail Shareholder), and AVJennings reserves the right to reject any Application that it believes comes from a person that is not an Eligible Retail Shareholder.

Please note that Entitlements are personal and cannot be traded, transferred, assigned or otherwise dealt with, whether on the ASX, SGX or privately. Entitlements not taken up under the Retail Entitlement Offer will be offered for subscription under the Retail Bookbuild (see Section 5.2(c)).

(b) Closing Date

The Retail Entitlement Offer closes at **5.00pm (AEDT) on 1 November 2023**, with New Shares expected to be allotted on 13 November 2023.

(c) Retail Bookbuild

The Retail Bookbuild will be conducted by the Underwriter pursuant to a bookbuild sale process on or about 6 November 2023. Certain Institutional Investors will be invited by the Underwriter to participate in the Retail Bookbuild. They will be invited to bid for Entitlements that are equivalent in number to:

- Entitlements not taken up by Eligible Retail Shareholders; and
- Entitlements that would have been offered to Ineligible Retail Shareholders if they had been entitled to participate in the Retail Entitlement Offer.

The price obtained for the sale of these Entitlements in the Retail Bookbuild will be the amount by which the Clearing Price exceeds the Issue Price (the **Retail Sale Proceeds**). The Clearing Price under the Retail Bookbuild may or may not be greater than the Issue Price.

If the Clearing Price is greater than the Issue Price:

- AVJennings will receive the Issue Price in respect of all New Shares issued upon exercise of the Entitlements sold under the Retail Bookbuild; and
- the Retail Sale Proceeds will be paid to:
  - each Eligible Retail Shareholder in respect of the number of Entitlements they had not taken up; and
  - each Ineligible Retail Shareholder in respect of any Entitlements that they would have been offered if they had been entitled to participate in the Retail Entitlement Offer,in each case net of any withholding tax.

If the Clearing Price is not greater than the Issue Price there will be no Retail Sale Proceeds and:

- AVJennings will receive the Issue Price in respect of all New Shares issued upon exercise of the Entitlements sold under the Retail Bookbuild (or pursuant to the underwriting); and
- no amount will be payable to any Eligible Retail Shareholder in respect of any Entitlements not taken up or Ineligible Retail Shareholder in respect of any Entitlements that they would have been offered if they had been entitled to participate in the Retail Entitlement Offer.

The ability to obtain a Clearing Price that exceeds the Issue Price (and therefore, for there to be any Retail Sale Proceeds) will be dependent on a number of factors, including market conditions. No guarantee can be given that there will be any Retail Sale Proceeds. The Clearing Price obtained under the Retail Bookbuild will be determined having regard to a number of factors, including having binding and bona fide offers which, in the reasonable opinion of the Underwriter, will, if accepted, result in otherwise acceptable allocations to clear the entire book.

The Clearing Price will not be less than the Issue Price as the Entitlement Offer is fully underwritten by the Underwriter. If there is insufficient demand to clear the Retail Bookbuild at the Issue Price, the Underwriter will take up the shortfall at the Issue Price.

The fact that Institutional Sale Proceeds were paid (see Section 5.3) is not an indication that there will be any Retail Sale Proceeds. To the maximum extent permitted by law, none of AVJennings, the Underwriter, their respective related bodies corporate and affiliates and their respective directors, officers, employees, agents and advisers will be liable (including for negligence) for any failure to procure subscribers under the Retail Bookbuild at a price equal to or in excess of the Issue Price.

Payment of any Retail Sale Proceeds to Eligible Retail Shareholders and Ineligible Retail Shareholders will be made either by:

- cheque mailed to that person's address as last recorded in AVJennings' register of members; or
- direct credit, but only where that person has previously nominated to receive payment of distribution by direct credit and has not withdrawn that nomination.

In all cases, the payment method used will be at AVJennings' election. It is anticipated that any cheques will be despatched and any payments made on or about 14 November 2023.

### **5.3 Institutional Entitlement Offer and Institutional Bookbuild**

The Institutional Entitlement Offer and the Institutional Bookbuild were conducted between 11 October 2023 and 12 October 2023 (inclusive), and settlement of the Institutional Entitlement Offer and the Institutional Bookbuild is expected to occur on 19 October 2023.

The Institutional Entitlement Offer and the Institutional Bookbuild will (once settlement occurs) raise approximately \$18.1 million.

Entitlements sold under the Institutional Bookbuild cleared at \$0.25 per Entitlement (the ***Institutional Sale Proceeds***). The Institutional Sale Proceeds will be received by the Underwriter and paid to:

- each Eligible Institutional Shareholder in respect of the number of Entitlements they had not taken up; and
- each Ineligible Institutional Shareholder in respect of any Entitlements that they would have been offered if they had been entitled to participate in the Institutional Entitlement Offer,

in each case net of any withholding tax.

The Issue Price per New Share will be received by AVJennings. The fact that Institutional Sale Proceeds were paid is not an indication that there will be any Retail Sale Proceeds.

Determination of eligibility of investors for the purposes of the Entitlement Offer, and in particular, the question as to whether an eligible shareholder is an Eligible Institutional Shareholder or an Eligible Retail Shareholder, is determined by reference to a number of matters, including legal requirements and the discretion of AVJennings and the Underwriter. Each of AVJennings and the Underwriter disclaim any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

## 6 How to apply

***If you are:***

- an Eligible Retail Shareholder, you should read this Section in its entirety for instructions on the choices available to you. You should also refer to Section 5 of this Retail Offer Booklet for an overview of the Entitlement Offer and read the remainder of this Retail Offer Booklet in its entirety.
- an Eligible Singapore CDP Depositor, you should read Section 4.2 of this Retail Offer Booklet.

***The ASX Announcement and Investor Presentation set out in Section 8 is current as at 11 October 2023 and the Institutional Entitlement Offer Results set out in Section 8 is current as at 13 October 2023. There may be additional announcements that are made by AVJennings after those dates and throughout the Retail Entitlement Offer Period that may be relevant to your consideration of whether to take up your Entitlement.***

***Therefore, it is prudent that you check whether any further announcements have been made by AVJennings before submitting an application.***

### 6.1 Choices available to Eligible Retail Shareholders

If you are an Eligible Retail Shareholder you may do any one of the following:

- take up all or part of your Entitlement (refer to Section 6.3) by the Retail Closing Date; or
- do nothing (refer to Section 6.6).

The Retail Entitlement Offer is an offer to Eligible Retail Shareholders only.

If you do nothing, or accept only part of your Entitlement, the Entitlements that you do not take up will be offered for sale under the Retail Bookbuild (refer to Section 5.2(c)). There is no guarantee that you will receive any value in the Retail Bookbuild for the Entitlements that you do not take up.

Eligible Retail Shareholders who do not participate in the Retail Entitlement Offer will have their percentage holding in AVJennings reduced. Eligible Retail Shareholders who participate in the Retail Entitlement Offer will see their percentage holding in AVJennings stay the same (if they take up all of their Entitlement) or reduce (if they take up only part of their Entitlement).

### 6.2 Your Entitlement

Your Entitlement is set out in your personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 2.67 Existing Shares you held as at the Record Date. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number of New Shares.

If you have more than one registered holding of Shares, you will have access to more than one Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

See Sections 9.3 and 9.16 for information on restrictions on participation.

### 6.3 If you wish to take up all of or part of your Entitlement

If you wish to take up your Entitlement in full or in part, you must submit your Application and Application Monies via BPAY®.

To apply and pay via BPAY®, you should:

- read this Retail Offer Booklet and the Entitlement and Acceptance Form in their entirety and seek appropriate professional advice if necessary; and
- make your payment of the amount of the full Application Monies via BPAY® for the number of New Shares you wish to apply for (being the Issue Price of \$0.20 per New Share multiplied by the number of New Shares you are applying for).

You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution. In making your BPAY® payment, you will need to refer to your BPAY® customer reference number set out on your personalised Entitlement and Acceptance Form.

If you choose to pay via BPAY® you are not required to submit the Entitlement and Acceptance Form but by paying the Application Monies, you are taken to make the statements on that form and declarations set out in Section 6.8.

You will need to ensure that your payment of the Application Monies is received by 5.00pm (AEDT) on the Retail Closing Date, being 1 November 2023. Your payment of the Application Monies will not be accepted if it is received after the Retail Closing Date and no New Shares will be issued to you in respect of that Application and your Application Monies submitted will be refunded (without interest).

You should be aware that your financial institution may implement earlier cut-off times for electronic payment and you should take this into consideration when making your payment. It is your responsibility to check that the amount you wish to pay via BPAY® does not exceed any applicable limits.

If you have multiple holdings you will have multiple BPAY® customer reference numbers provided on each of your personalised Entitlement and Acceptance Forms. To ensure you successfully take up your Entitlement in respect of each holding, you must use the customer reference number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of those holdings.

AVJennings will treat you as applying for such whole number of New Shares as your BPAY® payment will pay for up to your Entitlement. Any Application Monies received in excess of your final allocation of New Shares will be refunded (without interest).

#### **6.4 Allocation policy**

All Eligible Retail Shareholders will be allocated New Shares applied for up to their Entitlement. The allocation of New Shares under the Retail Bookbuild will be determined by the Underwriter in consultation with AVJennings.

Eligible Retail Shareholders may not apply for additional New Shares in excess of their Entitlement.

#### **6.5 Application Monies**

Application Monies will be held by AVJennings for the benefit of applicants until the New Shares are issued or, if the New Shares are not issued, until the Application Monies are returned to the applicants.

Interest earned on the Application Monies will be for the benefit of, and will remain the property of, AVJennings and will be retained by AVJennings whether or not the allotment and issue of New Shares takes place.

If the New Shares are not issued, all Application Monies will be refunded as soon as practicable, without interest, and Entitlements will cease to have any value.

## 6.6 If you wish to do nothing

If you are an Eligible Retail Shareholder and you do nothing, then your Entitlements will be offered on your behalf for sale under the Retail Bookbuild (refer to Section 5.2(c)). There is no guarantee that you will receive any value in the Retail Bookbuild for the Entitlements that you do not take up.

## 6.7 Ineligible Retail Shareholders

AVJennings has decided that it is unreasonable to make offers under the Retail Entitlement Offer to holders of Existing Shares who have registered addresses outside Australia, New Zealand and Singapore, having regard to the number of such holders in those places and the number and value of the New Shares that they would be offered and the cost of complying with the relevant legal and regulatory requirements in those places. The Retail Entitlement Offer is not being made in the United States or to any person acting for the account or benefit of persons in the United States (to the extent such person holds Existing Shares for the account or benefit of such person in the United States).

AVJennings has obtained approval from ASIC to appoint Bell Potter Securities Limited (**Nominee**) as nominee for the purposes of section 615 of the Corporations Act to sell Entitlements which would otherwise have been available to Ineligible Retail Shareholders had they been eligible to participate in the Entitlement Offer. The Nominee will arrange for the sale of the Entitlements which would have been offered to the Ineligible Retail Shareholders as part of the Retail Bookbuild, further details of which are set out in Section 5.2(c). AVJennings will arrange for the net proceeds of sale (if any), net of expenses, to be distributed to Ineligible Retail Shareholders in proportion to their Entitlements at the Record Date.

## 6.8 Eligible Retail Shareholder Declarations

By making an Application or paying any Application Monies for New Shares via BPAY®, you will be deemed to have made the following declarations to AVJennings – namely, that you:

- acknowledge that you have read this Retail Offer Booklet and your Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Retail Entitlement Offer;
- authorise AVJennings to register you as the holder of the New Shares allotted to you;
- declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- declare you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- acknowledge that once AVJennings receives the Entitlement and Acceptance Form or any payment of Application Moneys via BPAY®, you may not withdraw it;
- agree to apply for the number of New Shares specified in the Entitlement and Acceptance Form, or for which you have submitted payment of any Application Moneys via BPAY®, at the Issue Price per New Share;
- agree to be issued the number of New Shares that you apply for;
- authorise AVJennings, the Underwriter, the Registry and their respective officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- declare that you are the current registered holder of Existing Shares and are a resident of Australia, New Zealand or Singapore;

- acknowledge that the information contained in this Retail Offer Booklet and the Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs, and is not a prospectus, does not contain all of the information that you may require in order to assess an investment in AVJennings and is given in the context of AVJennings' past and ongoing continuous disclosure announcements to ASX;
- represent and warrant that the law of any other place does not prohibit you from being given this Retail Offer Booklet and the Entitlement and Acceptance Form, nor does it prohibit you from making an Application for New Shares;
- acknowledge the statement of risks in the 'Key Risks' set out in Appendix A of the Investor Presentation, and that investments in AVJennings are subject to investment risk;
- acknowledge that none of AVJennings, the Underwriter, their respective related bodies corporate and affiliates and their respective directors, officers, employees, agents consultants or advisors guarantees the performance of AVJennings, nor do they guarantee the repayment of capital;
- represent and warrant (for the benefit of AVJennings, the Underwriter and their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Institutional Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- acknowledge that the Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdictions of the United States, or in any other jurisdiction outside Australia and New Zealand and, accordingly, the Entitlements may not be taken up or exercised by persons in the United States or by any person acting for the account or benefit of a person in the United States, and the New Shares may not be offered, sold or resold in the United States or to any person acting for the account or benefit of a person in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States;
- are purchasing New Shares outside the United States in an "offshore transaction" (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act;
- represent and warrant that you are not in the United States and are not acting for the account or benefit of a person in the United States;
- agree not to send this Retail Offer Booklet, the Entitlement and Acceptance Form or any other material relating to the Entitlement Offer to any person in the United States or any person acting for the account or benefit of a person in the United States;
- agree that if in the future you decide to sell or otherwise transfer the New Shares you will only do so in "regular way" transactions on ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, in the United States or acting for the account or benefit of a person in the United States;
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent and will not send, the Retail Offer Booklet, the

Entitlement and Acceptance Form or any information related to the Entitlement Offer to any such person;

- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date; and
- acknowledge and agree that determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is made by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of AVJennings and/or the Underwriter.

## **6.9 Enquiries**

This Retail Offer Booklet and the accompanying personalised Entitlement and Acceptance Form contain important information about the Retail Entitlement Offer and require your immediate attention. You should read them carefully and in their entirety before deciding whether or not to participate in the Retail Entitlement Offer.

If you are in doubt as to the course you should follow, you should consult your stockbroker, accountant or other independent professional adviser before deciding whether to take up your Entitlement.

If you:

- have questions in relation to the Existing Shares upon which your Entitlement has been calculated; and/or
- have questions on how to take up your Entitlement,

please call the AVJennings Shareholder Information Line on 1800 500 095 (within Australia) or 1800 500 095 (outside Australia) from 8.30am to 5.30pm (AEDT) Monday to Friday (excluding public holidays in Australia) during the Retail Entitlement Offer Period.

## **7 Australian Taxation**

### **7.1 General**

Set out below is a general summary of the Australian income tax, goods and services tax and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders.

Neither AVJennings nor any of its officers or employees, nor its taxation or other advisers, accepts any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

The comments in this Section deal only with the Australian taxation implications of the Retail Entitlement Offer if you:

- are a resident for Australian income tax purposes; and
- hold your Existing Shares on capital account.

The comments do not apply to you if you:

- are not a resident for Australian income tax purposes; or
- hold your Existing Shares as revenue assets or trading stock (which will generally be the case if you are a bank, insurance company or carry on a business of share trading); or
- are subject to the Taxation of Financial Arrangement provisions contained in Division 230 of the Income Tax Assessment Act 1997 in relation to your holding of Existing Shares; or
- acquired your Existing Shares in respect of which the Entitlements are issued under any employee share scheme or where the New Shares are acquired pursuant to any employee share scheme.

This taxation summary is necessarily general in nature and is based on the Australian tax legislation and administrative practice in force as at the date of this Retail Offer Booklet. It does not take into account any financial objectives, tax positions or investment needs of Eligible Retail Shareholders. As the taxation implications of the Retail Entitlement Offer will vary depending upon your particular circumstances, you should seek and rely upon your own professional tax advice before concluding on the particular taxation treatment that will apply to you.

### **7.2 Issue of Entitlements**

The issue of the Entitlements should not itself result in any amount being included in the assessable income of an Eligible Retail Shareholder.

### **7.3 Take up of Entitlements**

Eligible Retail Shareholders should not make any capital gain or loss, or assessable income, from taking up Entitlements or subscribing for the New Shares.

Eligible Retail Shareholders who take up their Entitlements and are allocated New Shares will acquire those Shares with a cost base for CGT purposes equal to the Issue Price payable by them for those New Shares plus certain non-deductible incidental costs they incur in acquiring them.

### **7.4 Sale of Entitlements through Retail Bookbuild**

Eligible Retail Shareholders who do not take up their Entitlements will have the Entitlements sold on their behalf in the Retail Bookbuild, and any proceeds will be paid to them.

Any gain or loss realised on the sale of the Entitlements in the Retail Bookbuild should be taxable under the CGT provisions. The Commissioner of Taxation has issued taxation ruling TR 2017/4 in which he ruled that a 'retail premium' payable in respect of a renounceable entitlement sold under a retail bookbuild is not assessable either as a dividend or ordinary income and confirmed that a gain on disposal of such an entitlement will be taxable under the CGT provisions. Eligible Retail

Shareholders may have minimal or no cost base for their Entitlements. Therefore, any capital gains made by Eligible Retail Shareholders on the sale of their Entitlements will be equal to the proceeds received in respect of the sale less certain incidental costs (if any) relating to their decision not to take up their Entitlements.

Any capital gain made by an Eligible Retail Shareholder in relation to the sale of their Entitlements will be aggregated with any other capital gains and capital losses of the Eligible Retail Shareholder in the relevant income year to determine whether the Eligible Retail Shareholder has a net capital gain or net capital loss. A net capital gain, if any, will be included in the Eligible Retail Shareholder's assessable income and subject to income tax. A net capital loss may not be deducted against other assessable income, but may be carried forward to be offset against net capital gains realised in later income years.

Eligible Retail Shareholders will be treated as having acquired their Entitlements on the same date they acquired their Existing Shares which gave rise to the Entitlements. This means that, if an Eligible Retail Shareholder is an individual, complying superannuation entity or a trust, and held their Existing Shares for 12 months or more before the disposal of their Entitlements, the Eligible Retail Shareholder should be entitled to a discount for any capital gain made on the disposal of their Entitlements.

The CGT discount provisions may entitle Eligible Retail Shareholders to reduce their capital gain on the disposal of their Entitlements (after deducting available capital losses) by half, in the case of individuals and trusts, or by one-third, in the case of complying superannuation entities. Trustees should seek specific advice regarding the tax consequences of making distributions attributable to discounted capital gains.

The CGT discount is not available to companies, nor can it apply to Entitlements disposed of by Eligible Retail Shareholders under an agreement entered into within 12 months of the deemed acquisition of the Entitlements by those Shareholders. Shareholders should seek independent advice to determine if their Entitlements have been held for the requisite period.

## **7.5 Disposal of New Shares**

Eligible Retail Shareholders who take up their Entitlements will acquire New Shares. Any future dividends or other distributions made in respect of those New Shares will be subject to the same taxation treatment as dividends or other distributions made on Existing Shares held in the same circumstances.

On any future disposal of New Shares, Eligible Retail Shareholders may make a capital gain or capital loss, depending on whether the capital proceeds of that disposal are more than the cost base or less than the reduced cost base of the New Shares. The cost base of those New Shares is described above.

New Shares will be treated for the purpose of the CGT discount as having been acquired when the Eligible Retail Shareholder takes up the Entitlement to subscribe for them. Accordingly, in order to benefit from the CGT discount in respect of a disposal of those New Shares, they must have been held for at least 12 months after that date before the disposal occurs.

## **7.6 Provision of TFN and/or ABN**

AVJennings is required to deduct withholding tax from payments of dividends that are not 100% franked, at the rate specified in the Taxation Administration Regulations 1976 (currently 49%), and remit such amounts to the ATO, unless a TFN or an ABN has been quoted by the shareholder, or a relevant exemption applies (and has been notified to AVJennings).

You are able to provide your TFN, ABN or relevant exemption online with AVJennings' Registry at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au). When providing your details online you will be required to enter

your Security Reference Number or Holder identification Number as shown on your Issued Sponsored/CHESS statements and other personal details.

#### **7.7 Other Australian Taxes**

No GST or stamp duty will be payable by you in respect of the issue or taking up of Entitlements or the acquisition of New Shares. No GST or stamp duty will be payable in respect of the receipt of any payment as a result of allowing the Entitlements to lapse.

**8 ASX Announcement, Investor Presentation and Institutional Entitlement Offer Results**

**8.1 ASX Announcement**

## ASX Announcement

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

11 October 2023

### AVJennings announces a fully underwritten A\$30.4 million Equity Raising to support strong growth in customer demand for built-form housing

#### Highlights

- AVJennings is undertaking a fully underwritten 1 for 2.67 pro rata accelerated renounceable entitlement offer of approximately A\$30.4m at an issue price of A\$0.20 per share (“**Equity Raising**”)
- Proceeds from the Equity Raising will primarily be used to accelerate built-form housing on AVJennings lots to meet the growth in demand for ‘AVJ Turnkey’ homes
- AVJennings’ largest shareholder, SC Global Developments Pte Ltd<sup>1</sup> (53.95%), is fully supportive of the Equity Raising and has committed to take-up its pro rata entitlement in the institutional entitlement offer, which represents \$16.4m of new shares

On 21 August 2023, AVJennings Limited (ASX:AVJ) (“**AVJennings**”, or the “**Company**”) announced its FY23 financial results and key strategic priorities to deliver stronger shareholder returns. Following a challenging year, the Company has been, and continues to remain, prudent in its capital management and acquisition activities. While no acquisitions were made during 2HFY23, AVJennings retains a very strong, and geographically diversified, pipeline as the basis of future growth with 14,094<sup>2</sup> lots under control across Australia and New Zealand.

The medium-term outlook for Australian housing remains positive, largely supported by a growing structural imbalance between population growth and low unemployment driving demand, and significant supply shortfalls<sup>3</sup>. In the short-term, while early signs of improved consumer confidence are being seen, market conditions are expected to remain subdued until interest rate stabilisation is achieved and no further interest rate rises forecast. Notwithstanding this, AVJennings has seen enquiry levels sustained in line with long-term averages, indicating pent-up demand, particularly for more affordable built-form housing. This presents a strategic opportunity for the Company to construct built-form homes across a greater proportion of its land lots, where 62% of the work-in-progress (“**WIP**”) portfolio relates to built-form product (51% in FY22).

AVJennings’ recent joint venture with Pro9 Global Limited (“**Pro9**”) is to support the use of Pro9’s technology to manufacture a highly durable and energy efficient walling system in Australia. AVJennings has commenced the rollout of this enhanced built-form product offering, called the Stellar Collection, utilising Pro9’s walling system. An Australian-based facility on the Central Coast, NSW, is forecast to commence manufacturing Pro9’s walling system in early CY24. Once established, the factory is expected to be capable of producing external walls for 1,000 homes annually on a one-

<sup>1</sup> Including its affiliates.

<sup>2</sup> As at 30 June 2023

<sup>3</sup> National Housing Finance and Investment Corporation (“**NHFIC**”) – “State of the Nation’s Housing 2022- 23”, April 2023.

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shift basis. The Stellar Collection will provide significant benefits to AVJennings customers with not only time savings to achieve lock-up, but also reduced heating and cooling costs of ~50%<sup>4</sup>.

Today, AVJennings announces a fully underwritten A\$30.4 million Equity Raising to accelerate built-form housing to meet this increase in demand and shift in customer preferences towards built-form and for general working capital.

AVJennings CEO, Phil Kearns, said: *“Whilst uncertainty remains until there is interest rate stabilisation, the medium-term market fundamentals remain positive. There is a clear, and growing, supply shortage, and we’re seeing an encouraging shift in demand from buyers for more affordable turnkey housing. This trend, along with our recent investment in Pro9’s walling system and today’s Equity Raising, places the Company in a strong position to capitalise on the increasing demand for more built-form housing options and deliver positive returns for investors”.*

## Equity Raising

The Equity Raising is an offer of fully paid ordinary shares (“**New Shares**”) through a pro-rata accelerated renounceable entitlement offer to existing shareholders to raise approximately A\$30.4 million. Eligible shareholders will be able to subscribe for 1 New Share for every 2.67 shares held at 7:00pm (AEDT) on Friday, 13 October 2023 (“**Record Date**”) at the Equity Raising price of A\$0.20 per New Share (“**Issue Price**”).

The Issue Price represents a:

- 50.0% discount to the last closing price of \$0.40 on Tuesday, 10 October 2023
- A 42.1% discount to the theoretical ex-rights price of \$0.346 (“**TERP**”)<sup>5</sup>

Approximately 152.1 million New Shares will be issued under the Equity Raising, representing ~37.5% of AVJennings existing shares on issue.

The New Shares will rank equally with existing shares on issue. The Equity Raising is fully underwritten by Bell Potter Securities Limited.

The Equity Raising comprises of two parts, an institutional entitlement offer (“**Institutional Entitlement Offer**”) and a retail entitlement offer (“**Retail Entitlement Offer**”).

## Institutional Entitlement Offer

The Institutional Entitlement Offer will be undertaken on Wednesday, 11 October 2023. The Institutional Entitlement Offer will be open to AVJennings’ eligible institutional shareholders.

Eligible institutional shareholders can choose to take up all, part or none of their entitlement as part of the Institutional Entitlement Offer. Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, as well as those entitlements of ineligible institutional shareholders, will be sold through an institutional shortfall bookbuild that opens on Thursday, 12 October 2023 and any proceeds in excess of the Issue Price will be paid to the relevant AVJennings shareholders (net of any withholding tax and expenses).

<sup>4</sup> Based on average cost difference between an 8.0 and 6.0 NatHERS rated home

<sup>5</sup> TERP is the theoretical ex-rights price. TERP is calculated by reference to AVJennings’ closing price of \$0.40 per share on Tuesday, 10 October 2023, being the last trading day prior to the announcement of the Equity Raising. TERP is a theoretical calculation only and the actual price at which AVJennings shares trade immediately after the ex-date of the Equity Raising will depend on many factors and may not be equal to TERP.

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## Retail Entitlement Offer

The Retail Entitlement Offer will open on Wednesday, 18 October 2023 and close at 5:00pm (AEDT) on Wednesday, 1 November 2023. It consists of an offer to eligible retail shareholders with a registered address in Australia, New Zealand or Singapore as at the Record Date. Retail shareholders can choose to take up all, part or none of their entitlement.

Like the Institutional Entitlement Offer, eligible retail shareholders can choose to take up all, part or none of their entitlement as part of the Retail Entitlement Offer. Entitlements that eligible retail shareholders do not take up by the close of the Retail Entitlement Offer, as well as those entitlements of ineligible retail shareholders, will be sold through a retail shortfall bookbuild that opens on Monday, 6 November 2023 and any proceeds in excess of the Issue Price will be paid to the relevant AVJennings shareholders (net of any withholding tax and expenses).

Further details about the Retail Entitlement Offer will be set out in a retail offer booklet (“**Retail Offer Booklet**”) which AVJennings expects to lodge with the ASX on Wednesday, 18 October 2023. Eligible retail shareholders are encouraged to read the Retail Offer Booklet in its entirety, in particular, the risk factors, and should seek financial advice if they are uncertain of whether or not to participate.

Directors and key management personnel who are existing shareholders on the Record Date intend to participate in the Equity Raising.

## Equity Raising timetable<sup>6</sup>

Key event	Date (2023)
<b>Institutional Entitlement Offer</b>	
Announcement of the Equity Raising	Wednesday 11 October 2023
Institutional Entitlement Offer conducted	Wednesday 11 October 2023 - Thursday 12 October 2023
Trading resumes on an ex-entitlement basis	Friday 13 October 2023
Entitlement Offer record date	Friday 13 October 2023
Settlement of New Shares under the Institutional Entitlement Offer	Thursday 19 October 2023
Allotment and commencement of trading of New Shares issued under the Institutional Entitlement Offer	Friday 20 October 2023

<sup>6</sup> These dates are indicative only and are subject to change. AVJennings reserves the right, subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules, to amend this indicative timetable. In particular, AVJennings reserves the right to extend the Equity Raising timetable and to withdraw or vary the Placement or Entitlement Offer without prior notice. Any extension of the Equity Raising timetable will have a consequential effect on the date for the allotment and issue of New Shares. AVJennings will consult with the underwriter in relation to any proposed change to this indicative timetable and any such change will require the consent of the underwriter.

## Retail Entitlement Offer

Retail Entitlement Offer opens, and booklet is dispatched	Wednesday 18 October 2023
Retail Entitlement Offer closes	Wednesday 1 November 2023
AVJennings announces results of Retail Entitlement Offer and conducts retail shortfall bookbuild	Monday 6 November 2023
AVJennings announces the results of the retail shortfall bookbuild	Tuesday 7 November 2023
Settlement of New Shares under the Retail Entitlement Offer	Friday 10 November 2023
Allotment of New Shares issued under the Retail Entitlement Offer	Monday 13 November 2023
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Tuesday 14 November 2023

### Further information

Further details of the Equity Raising are set out in the investor presentation lodged with the ASX today. The investor presentation also contains important information including key risks and foreign selling restrictions with respect to the Equity Raising.

The AVJennings Shareholder Information Line (+61 1800 500 095) is open from 8:30am to 5:30pm (AEDT) Monday to Friday until Wednesday 1 November 2023 when the Retail Entitlement Offer closes.

This announcement was authorised for release to the market by the Board of Directors of AVJennings Limited.

### CONTACT:

Investor Relations:	Investor Relations & Media:
Carl Thompson	Andrew Keys
Company Secretary	Keys Thomas Associates
Ph: +61 417 143 411	Ph: +61 400 400 380

### Disclaimer

This announcement is not financial product or investment advice, a recommendation to acquire securities or accounting, legal or tax advice. It does not constitute an invitation or offer to apply for securities. It has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider

the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek legal and taxation advice appropriate for their jurisdiction. AVJennings is not licensed to provide financial product advice in respect of an investment in securities.

### **Forward looking statements**

This announcement may contain certain forward-looking statements. The words “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “outlook”, “should”, “could”, “may”, “target”, “plan” and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings, financial position, dividends and performance are also forward-looking statements as are statements regarding AVJennings' future operations and projects, the outcome of the Equity Raising and the use of proceeds. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks (including (without limitation) the risks set out in Appendix A: Key Risks section of the investor presentation announced on the same date as this announcement), uncertainties and other factors, many of which are beyond the control of AVJennings, its officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and their differences may be material.

### **Not an offer in the United States**

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States or any other jurisdiction where it would be unlawful. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement 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 of the US Securities Act and applicable US state securities laws.

**8.2 Investor Presentation**

# Equity Raising Presentation

Creating communities for over 90 years that people love to call home

11 October 2023

[avjennings.com.au](http://avjennings.com.au)

**AVJennings**

# Important notices and disclaimer

This investor presentation ("Presentation") is dated 11 October 2023 and has been prepared by AVJennings Limited (ACN 004 327 771) ("AVJennings"). By accepting this Presentation you represent and warrant that you are entitled to receive this Presentation in accordance with the restrictions, and agree to be bound by the limitations contained within it.

This Presentation has been prepared in relation to a pro rata accelerated renounceable entitlement offer of new AVJennings ordinary shares ("New Shares"), to be made to:

- (a) eligible institutional shareholders of AVJennings ("Institutional Entitlement Offer"); and
- (b) eligible retail shareholders of AVJennings ("Retail Entitlement Offer"),

under section 708AA of the Corporations Act 2001 (Cth) ("Corporations Act") as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (together, the "Offer", the "Equity Raising").

Unless the context otherwise requires, capitalised terms and abbreviations have the meaning given in the glossary at the end of this Presentation.

## SUMMARY INFORMATION

This Presentation contains summary information about the current activities of AVJennings and its subsidiaries (the "AVJennings Group" or "Group") which is current as at the date of this Presentation (unless otherwise indicated). The information in this Presentation is of a general nature and does not purport to be complete. This Presentation does not purport to contain all of the information that an investor should consider when making an investment decision nor does it contain all of the information which would be required in a product disclosure statement or prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with AVJennings' other periodic and continuous disclosure announcements lodged with the ASX which are available from the ASX at [www.asx.com.au](http://www.asx.com.au).

Certain market and industry data used in this Presentation may have been obtained from publications, research, surveys or studies conducted by third parties, including industry or general publications. Neither AVJennings nor its advisers or representatives have independently verified any such market or industry data provided by third parties or industry or general publications.

No member of the AVJennings Group gives any representations or warranties in relation to the statements or information in this Presentation.

## NOT FINANCIAL PRODUCT ADVICE

This Presentation is for information purposes only and is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or the law of any other jurisdiction. This Presentation is not financial product advice, nor taxation, accounting, legal or investment advice, and is not a recommendation to acquire New Shares. This Presentation has been prepared without taking into account the objectives, financial situation and particular needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek appropriate advice, including financial, legal, accounting and taxation advice appropriate to their jurisdiction. An investment in securities is subject to known and unknown risks, some of which are beyond the control of AVJennings. Prospective investors should have regard to the "Key Risks" section of this Presentation (Appendix A) when making their investment decision. AVJennings is not licenced to provide financial product advice in respect of New Shares. Cooling off rights do not apply to an investment in New Shares.

## FINANCIAL INFORMATION

All dollar values contained in this document are expressed in Australian dollars unless otherwise stated. Totals may vary slightly due to rounding.

AVJennings prepares its financial information in accordance with the Corporations Act, Australian Accounting Standards (AAS) adopted by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

## ROUNDING

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This Presentation may contain certain forward-looking statements. The words “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “outlook”, “should”, “could”, “may”, “target”, “plan” and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings, financial position, dividends and performance are also forward-looking statements as are statements regarding AVJennings’ future operations and projects, the outcome of the Offer and the use of proceeds. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks (including (without limitation) the risks set out in Appendix A: Key Risks section of this Presentation), uncertainties and other factors, many of which are beyond the control of AVJennings, its officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and their differences may be material.

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This Presentation is not and should not be considered an offer or an invitation to acquire New Shares or any other securities or financial products and does not and will not form any part of any contract for the acquisition of New Shares.

## **DETERMINATION OF ELIGIBILITY**

Investors acknowledge and agree that the determination of eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of

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## **RETAIL ENTITLEMENT OFFER**

The retail offer booklet for the Retail Entitlement Offer will be available to eligible retail shareholders following its lodgement with the ASX. Any eligible retail shareholder who wishes to participate in the Retail Entitlement Offer should consider the retail offer booklet in deciding whether to apply under that offer. Any eligible retail shareholder who wishes to apply for New Shares under the Retail Entitlement Offer will need to apply in accordance with the instructions contained in the retail offer booklet and the entitlement and application forms or follow the sale instructions in the retail offer booklet. This Presentation does not constitute financial product advice and does not and will not form part of any contract for the acquisition of New Shares.

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The Underwriter, together with its affiliates, is a full service financial institution engaged in various activities, which may include trading, financing, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services including for which they have received or may receive customary fees and expenses or other transaction consideration. In the course of these activities, the Underwriter and its affiliates may at any time for their own account and for the accounts of their clients make or hold investments in equity securities or other financial products of AVJennings or its affiliates, and receive customary fees and expenses or other transaction consideration in respect of such activities.

The Underwriter is acting as the lead manager and underwriter of the Offer. The Underwriter is acting for and providing services to AVJennings in relation to the Offer and will not be acting for or providing services to AVJennings shareholders or creditors. The Underwriter has been engaged solely as an independent contractor and is acting solely in a contractual relationship on an arm's length basis with AVJennings. The engagement of the Underwriter by AVJennings is not intended to create any agency, fiduciary or other relationship between the Underwriter and AVJennings' shareholders or creditors.

The Underwriter, in conjunction with its affiliates, is acting in the capacity as such in relation to the Offer and will receive fees and expenses for acting in this capacity.

In connection with the institutional bookbuild, one or more institutional investors may elect to acquire an economic interest in the New Shares ("Economic Interest"), instead of subscribing for or acquiring the legal or beneficial interest in those securities. The Underwriter (or its affiliates) may, for its own account, write derivative transactions with those investors relating to the New Shares to provide the Economic Interest, or otherwise acquire New Shares in AVJennings in connection with the writing of those derivative transactions in the institutional bookbuild and/or the secondary market. As a result of those transactions, the Underwriter (or its affiliates) may be allocated, subscribe for or acquire New Shares or securities of AVJennings in any shortfall bookbuild and/or the secondary market, including to hedge those derivative transactions, as well as hold long or short positions in those securities. These transactions may, together with other securities in AVJennings be acquired by the Underwriter or its affiliates in connection with their ordinary course sales and trading, principal investing and other activities, result in an Underwriter or its affiliates disclosing a substantial holding and earning fees.

The information in the Presentation remains subject to change without notice. AVJennings and the Underwriter reserve the right to withdraw or vary the timetable for the Offer without notice.

## DISCLAIMER

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Presentation. Any information or representation not contained in this Presentation may not be relied on as having been authorised by AVJennings in connection with the Offer. The Underwriter and its Extended Parties take no responsibility for any information in this Presentation or any action taken by you on the basis of such information.

To the maximum extent permitted by law, AVJennings, the Underwriter and their respective Extended Parties exclude and disclaim all liability (including without limitation liability for negligence) for any expenses, losses, damages or costs incurred by you as a result of your participation in or failure to participate in the Offer and the information in this Presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.

To the maximum extent permitted by law, you agree to release and indemnify the Underwriter and its Extended Parties from and against all claims, actions, damages, remedies or other matters, whether in tort, contract or under law or otherwise, arising from or which may arise from or in connection with the provision of, or any purported reliance on, this Presentation and you covenant that no claim or allegations will be made against the Underwriter or its Extended Parties in relation to this Presentation.

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## Acknowledgement of Country

AVJennings acknowledges the Traditional Custodians of Country throughout Australia and New Zealand and recognises their distinct cultural and spiritual connections to the land, waters and seas and their rich contribution to society.

We pay our respects to ancestors and Elders, past, present and emerging.

# Developing communities for a sustainable future

AVJennings has been building the great Australian dream since 1932



**Flexible  
Product Offering**

- Land
- Built-form Housing
- Low/Mid-rise Apartments



**Modernising  
Our Foundations**

- Systems
- Capital
- People



**Building  
Annuity Income**

- Pro9
- Development Services
- Land Lease

 Improve return on equity (ROE)

 Disciplined capital management

# Executive summary

AVJennings is undertaking a fully-underwritten \$30.4 million Equity Raising to execute on its growth strategy

## Introduction

- Leading residential property development company operating across Australia and New Zealand
- 30 geographically diverse projects comprising 14,094<sup>1</sup> lots which includes master-planned residential communities, apartments and integrated housing developments across greenfield and infill sites
- Strong customer demand for 'AVJ Turnkey' homes
- Joint venture with Pro9 Global Ltd ("**Pro9**") enables the expansion of 'AVJ Turnkey' housing with the Stellar Collection, providing time savings to achieve lock-up stage
- AVJennings is well positioned to benefit from the increasing need for more affordable housing options

## Equity Raising

- Undertaking a fully-underwritten 1 for 2.67 pro-rata accelerated renounceable entitlement offer to raise \$30.4m ("**Equity Raising**")
- Issue price of \$0.20 per share, represents a 50.0% discount to last close on Tuesday 10 October 2023 and 42.1% discount to the theoretical ex-rights price<sup>2</sup> ("**TERP**")
- Largest shareholder, SC Global Developments Pte Ltd<sup>3</sup> (53.95%), has committed to take-up its pro rata entitlement in the Institutional Entitlement Offer
- Directors and key management personnel who are existing shareholders on the Record Date intend to participate in the Equity Raising
- Proceeds from the Equity Raising are to accelerate built-form housing to meet customer preferences and general working capital



Notes: 1. As at 30 June 2023 ;2.The theoretical ex-rights price (TERP) is a theoretical price at which AVJennings shares should trade at immediately after the ex-date for the Equity Raising. TERP is a theoretical calculation only and the actual price at which AVJennings shares trade immediately after the ex-date for the Equity Raising will depend on many factors and may not be equal to TERP. The TERP is calculated by reference to AVJennings' closing price of \$0.40 per share on 10 October 2023 3: Including its affiliates

# Key Investment Highlights



# Investment highlights

AVJennings is well positioned to benefit from the increasing need for more affordable housing options

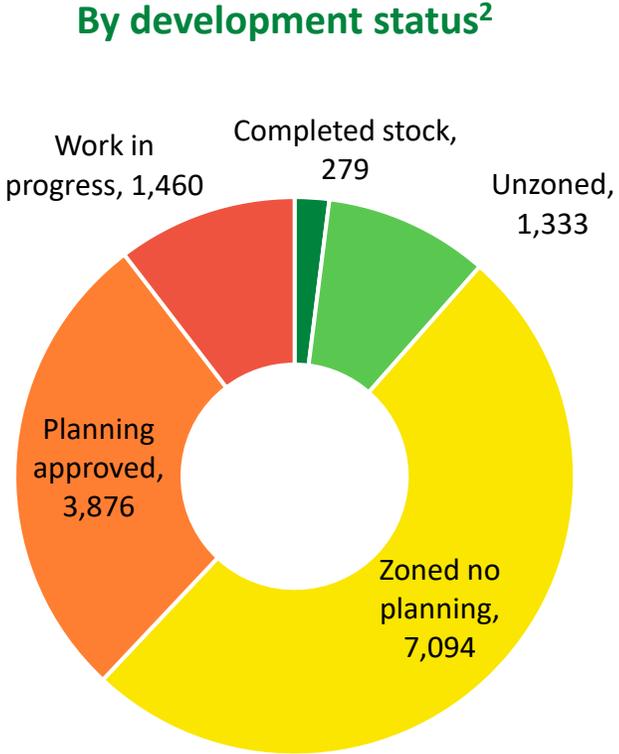
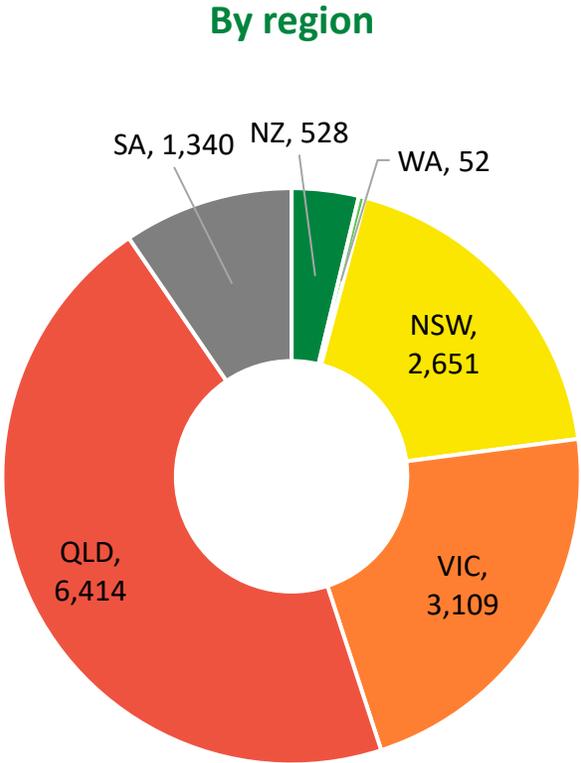
- 1 Large and diversified residential landholding portfolio**
- 2 Supportive market tailwinds driven by favourable supply-demand dynamics**
- 3 Unique and flexible product offering via AVJ Turnkey and Stellar Collection (Pro9) homes**
- 4 Focused on delivering on ESG objectives via product offering and company initiatives**
- 5 Prudent capital management**



# 1. Large portfolio diversified by location and product

14,094<sup>1</sup> pipeline lots

- Strategic management of 14,094<sup>1</sup> pipeline lots
- 30 projects across most Australian states and New Zealand
- 62% of WIP portfolio is built-form product in response to increased demand, representing a significant increase from 51% in FY22



Notes: 1. As at 30 June 2023; 2. Does not include 52 lots under project management in WA

# 1. Diverse pipeline of 6,889<sup>1</sup> lots approved for development to drive growth

## Projects currently in development<sup>2</sup>



**Arcadian Hills**  
Cobbitty, New South Wales  
40 remaining IH lots



**Argyle**  
Elderslie, New South Wales  
92 remaining L & IH lots



**Rosella Rise**  
Warnervale, New South Wales  
483 remaining L & IH lots



**Evergreen**  
Spring Farm, New South Wales  
351 remaining L & IH lots



**Prosper**  
Kogarah, New South Wales  
56 remaining APT lots



**Ara Hills**  
Orewa, New Zealand  
528 remaining L lots



**Waterline Place**  
Williamstown, Victoria  
184 remaining IH & APT lots



**Aspect**  
Mernda, Victoria  
184 remaining L & IH lots



**Somerford**  
Clyde North, Victoria  
221 remaining L & IH lots



**Harvest Square**  
Brunswick West, Victoria  
87 remaining IH & APT lots



**Lyndarum North**  
Wollert, Victoria  
1,409 remaining L & IH lots



**St Clair**  
St Clair, South Australia  
124 remaining L lots



**Eyre**  
Eyre, South Australia  
1,212 remaining L & IH lots



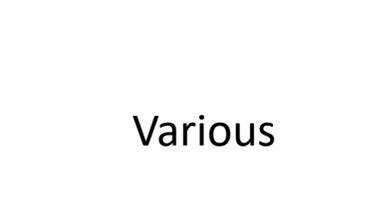
**Cadence**  
Ripley, Queensland  
459 remaining L & IH lots



**Deebing Springs**  
Deebing Heights, Queensland  
205 remaining L lots



**Riverton**  
Jimboomba, Queensland  
910 remaining L & IH lots



**Various**  
Various  
344 remaining L, IH and APT lots

Product type: L = Land, IH = Integrated Housing, APT = Apartments.  
Notes: 1. As at 30 June 2023; 2. Does not include pipeline lots dependent on planning outcomes.

# 1. Further 7,205<sup>1</sup> lots to contribute to earnings in FY25 and beyond

## FY25 projects and beyond<sup>2</sup>



**Caboolture**  
Queensland  
3,500 remaining L lots



**Beaudesert**  
Queensland  
1,146 remaining L lots



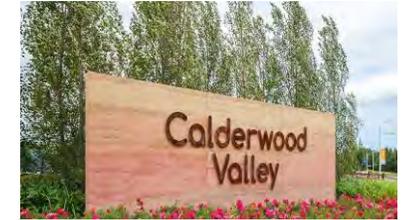
**Mundamia**  
New South Wales  
308 remaining L lots



**Macarthur**  
New South Wales  
725 remaining APT lots



**Huntley**  
New South Wales  
194 remaining L & IH lots



**Calderwood**  
New South Wales  
390 remaining L lots

**Extensive pipeline** across Australia and New Zealand

Selling turnkey homes, apartments and land



**Clyde South**  
Victoria  
942 remaining L lots

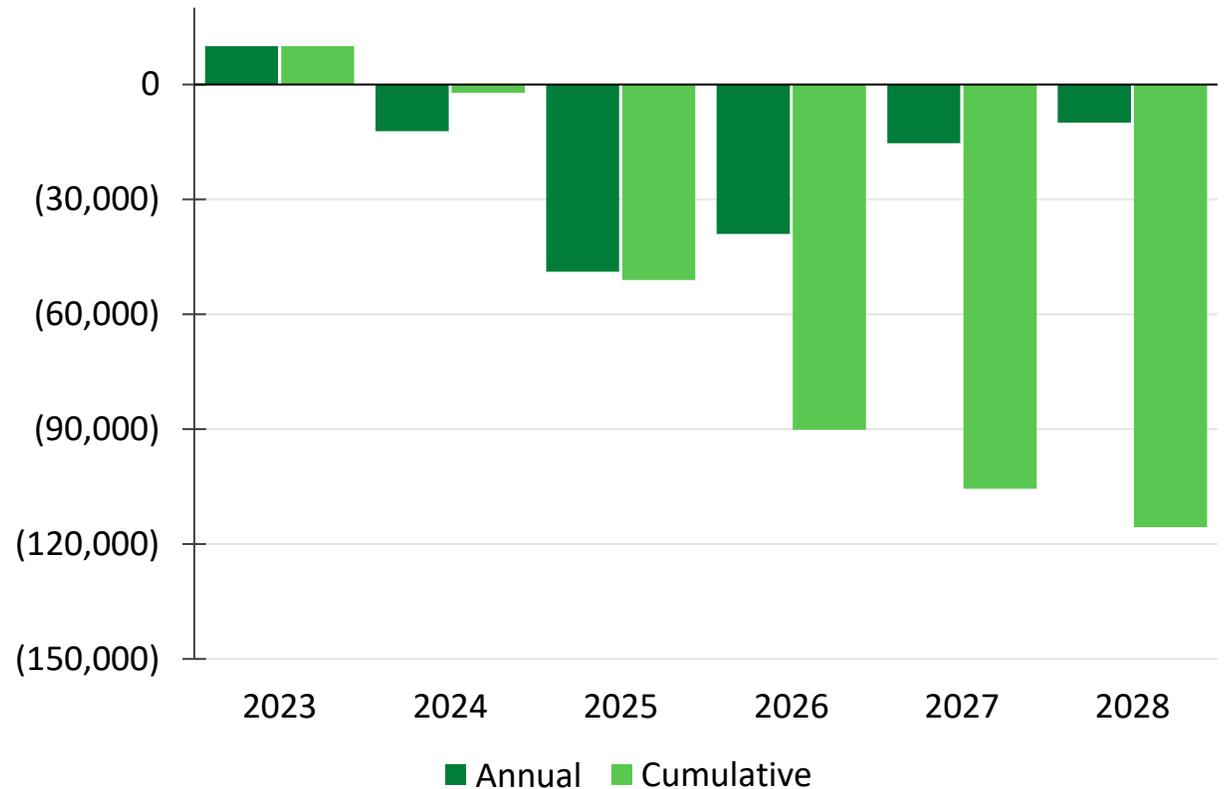
Product type: L = Land, IH = Integrated Housing, APT = Apartments.

Notes: 1. As at 30 June 2023; 2. Does not include pipeline lots dependent on planning outcomes.

## 2. Australian housing demand look through remains positive

- Medium-term outlook remains positive, supported by a growing structural imbalance between forecast population growth and significant supply shortfalls
- Supply shortfall now forecast to be up to 175,000<sup>1</sup> homes by 2027
- Forecast net immigration >700,000<sup>2</sup> for FY23 and FY24
- Capital city rental vacancy rates averaging 1.2%<sup>3</sup>
- Five consecutive months of modest price growth (June Qtr: 2.8%<sup>4</sup>)
- Low unemployment continues to support demand

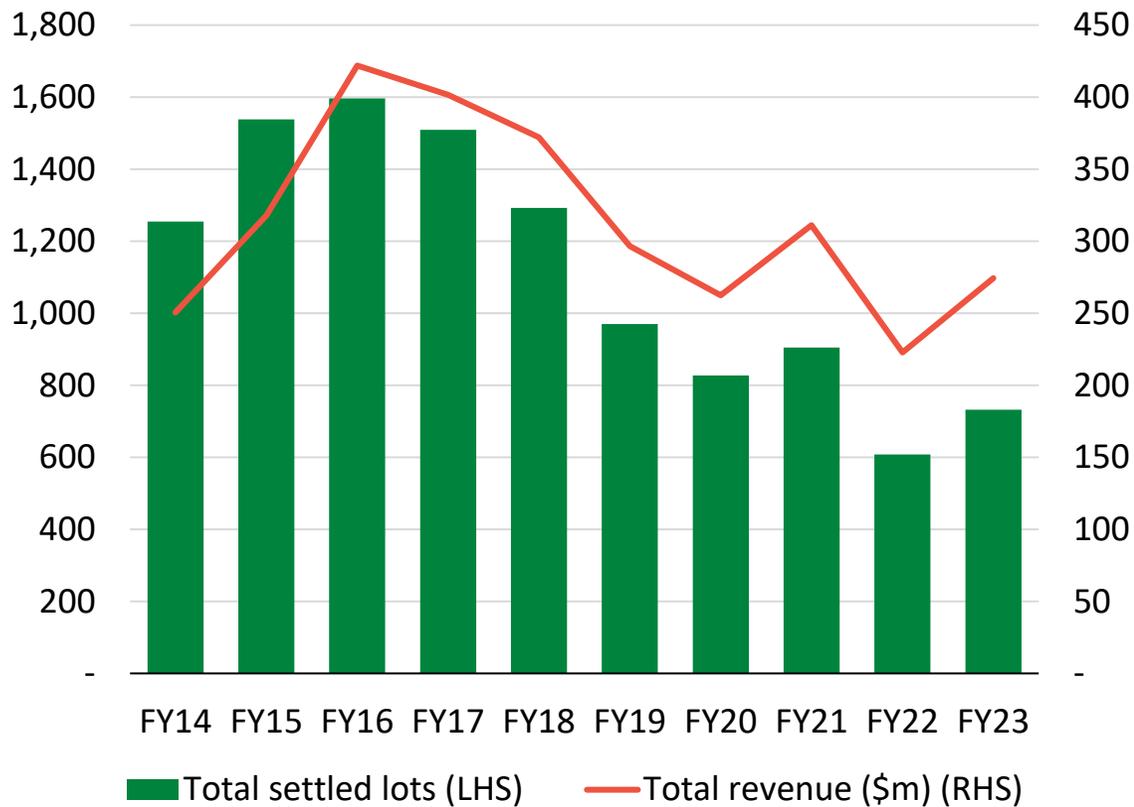
Forecast national housing supply shortfall<sup>5</sup>



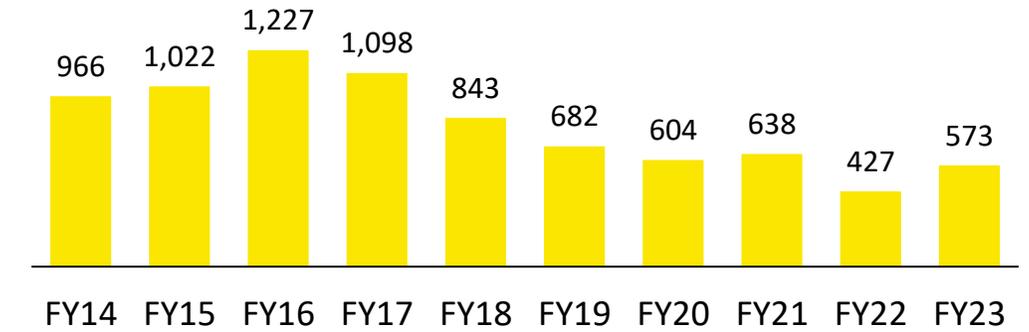
Notes: 1. National Housing Finance and Investment Corporation ("NHFC") April 2023; 2. Australian Treasury, 18 May 2023; 3. CoreLogic, 8 June 2023; 4. CoreLogic, 3 July 2023; 5. NHFC. The profile was extracted from State of the Nation Housing Report (April 2023). NHFC increased its shortfall forecast soon after the profile was published.

## 2. AVJennings lot settlements over last 10 years<sup>1</sup>

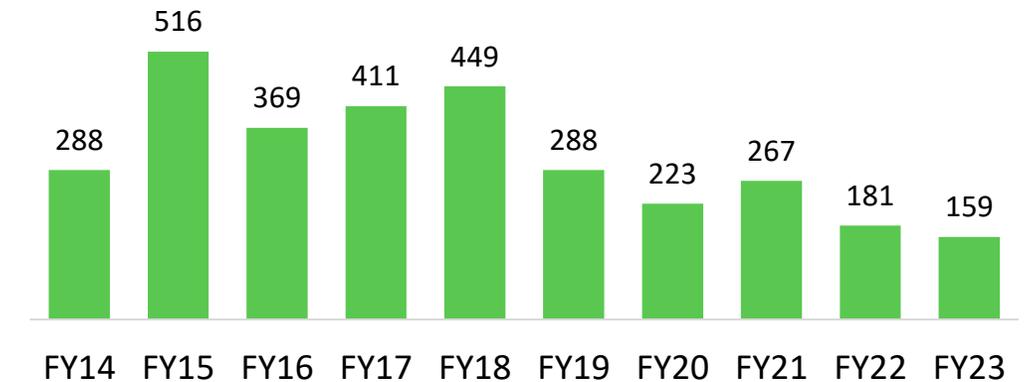
Total settled lots & revenue (\$m)



Settled lots – Land



Settled lots – Built-form

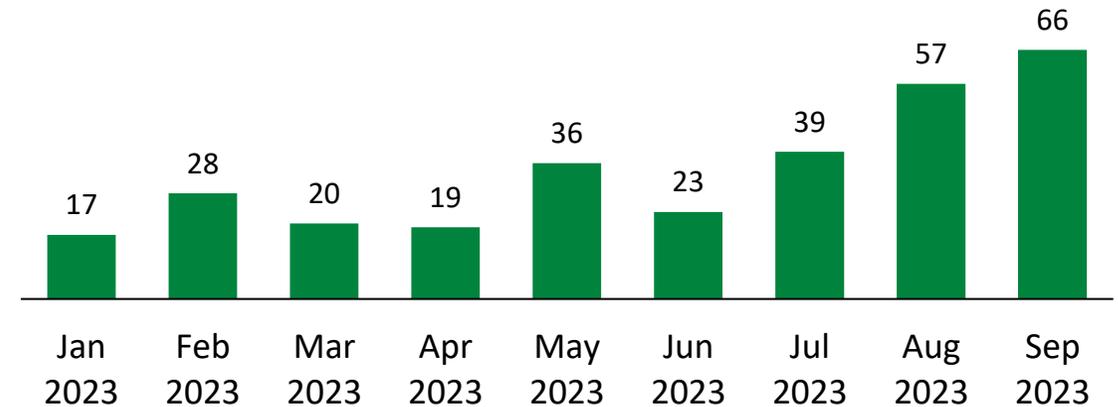


<sup>1</sup> Past performance is not necessarily an indicator of future performance

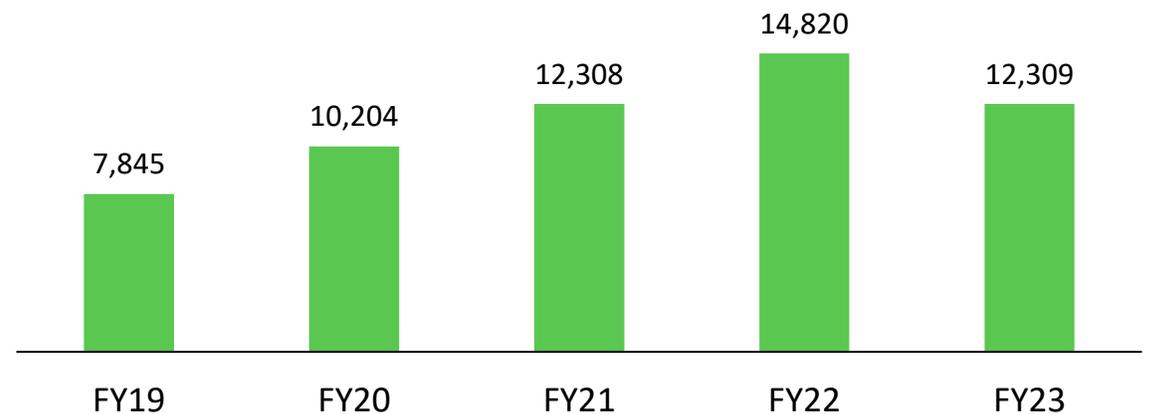
## 2. Market conditions expected to improve through FY24

- Market conditions are expected to remain subdued in the short-term until consumer confidence improves off the back of interest rates stabilisation expected in FY24 and FY25
- **Sustained enquiry levels are indicative of increasing demand with green shoots of customer demand appearing, particularly for built-form housing**
- We remain focused on:
  - prudent capital management
  - conversion of \$165m<sup>1</sup> presales to FY24 settlements
  - ensuring projects are “shovel ready”
  - increasing capital allocation towards built-form
  - improving sustainability outcomes across our developments
  - modernising our business foundations to support growth
- **AVJennings is well positioned to capitalise on demand for more affordable housing options**

Trend for contract signing levels



Enquiry levels



### 3. AVJennings 'Turnkey' offering increasingly in demand

One contract, one deposit, one settlement

- Our competitive advantage is building AVJennings housing product within AVJennings developments
- This provides flexibility to respond within established pipeline and capability
- Clear shift recently in customer demand towards 'Turnkey' housing
- **Sales and enquiry levels for built-form housing remain in line with the long-term average**
- Built-form housing cancellation levels remain very low



*A turnkey home at Cadence, Ripley, Queensland.*

### 3. 'Turnkey' offering enhanced by AVJennings' Stellar Collection

AVJennings' Stellar Collection provides time saving to achieve lock-up stage

#### JV with Pro9 to establish the Stellar Collection offering.

- Premium offering designed to achieve minimum 8-star energy efficiency rating vs. current minimum standard of 6-stars – potentially reducing energy costs by ~50%<sup>1</sup>
- Homes built using innovative Pro9 walling system – Improves energy rating, durability, safety (fire resistance) and comfort



Customers of a Stellar home at Evergreen, Spring Farm, NSW

Note 1. Based on average cost difference between an 8.0 and 6.0 NatHERS rated home.

#### Potential to redefine AVJennings earning and growth profile.

- Australian-based facility on track to be established in FY24
- Facility to manufacture Pro9 walling systems
- Potential to produce external walls for up to 1,000 homes annually on a one shift basis



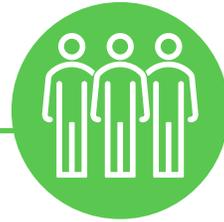
Construction of home with Pro9 walling system

## 4. Committed to ensuring ESG objectives are met

Our approach to ESG is evolving along with stakeholder expectations.



- ✓ Pro9 / Stellar Collection enables purchasers to lower energy consumption and carbon emission
- ✓ Shifting to all-electric homes – solar energy a standard feature for NSW homes
- ✓ Commitment to reusing excess soil and rocks, recycled materials across projects
- ✓ Reduction in potable water in communities and in the homes we build



- ✓ Doubled financial contribution to local community organisations in the past 3 years
- ✓ Supporter of Humpty Dumpty Foundation
- ✓ Inaugural partner with Steve Waugh Foundation (\$1.2m contributed to date)
- ✓ Community grants awarded
- ✓ Delivering community events



- ✓ High employee engagement, with 90% of employees reporting they are proud to work for AVJennings
- ✓ Produced our 3rd Modern Slavery Statement with buy-in and compliance from suppliers
- ✓ Improved gender diversity & dedicated coaching – 40% of KMP and 35% of senior management are female

## 5. Disciplined approach to capital management

Prudent capital management given uncertain market conditions

- No final FY23 dividend declared in response to softer short-term trading conditions – to be reviewed in line with greater market outlook certainty
- Share buyback suspended during June 2023 in line with capital conservation
- No land acquisitions in 2HFY23
- Flexibility to adjust production in response to demand with a 20% yoy reduction in lots under development
- Proactive review of capital structure with bank support
- Gearing stable at 18.2% and remains near the lower end of target range (15-35%)

### Key capital metrics

	FY23	FY22	Change <sup>2</sup>
Cash at Bank (\$m)	13.0	3.3	9.7
Bank Loans (\$m)	171.3	109.2	62.1
Weighted Average Cost of Debt	5.69%	2.65%	3.0pp
Gearing <sup>1</sup>	18.2%	14.5%	3.7pp
Covenant Compliance	✓	✓	

Notes: 1. Calculated as (borrowings less cash)/ Total Assets; 2. Rounded.

# Equity Raising Overview

# Details of the Equity Raising

<b>Equity Raising structure</b>	<ul style="list-style-type: none"><li>• 1 for 2.67 pro-rata accelerated renounceable entitlement offer to raise approximately \$30.4m</li><li>• Issuance of 152.1m shares (“New Shares”) at \$0.20 per New Share</li></ul>
<b>Equity Raising details</b>	<ul style="list-style-type: none"><li>• Record Date of 7:00pm (Sydney time) on Friday, 13 October 2023</li><li>• Equity Raising will comprise an accelerated institutional entitlement offer (“<b>Institutional Entitlement Offer</b>”) and a retail entitlement offer (“<b>Retail Entitlement Offer</b>”)</li><li>• New Shares in respect of institutional entitlements not subscribed will be placed into an institutional bookbuild</li><li>• Retail Entitlement Offer opens Wednesday, 18 October 2023 and closes on Wednesday, 1 November 2023</li></ul>
<b>Pricing</b>	<ul style="list-style-type: none"><li>• The Equity Raising will be undertaken at an issue price of \$0.20 per New Share (“<b>Issue price</b>”), which represents a:<ul style="list-style-type: none"><li>– ~50.0% discount to the last close price on Tuesday 10 October 2023 of \$0.40</li><li>– ~42.1% discount to the Theoretical Ex-Rights Price<sup>2</sup> of \$0.346 per share</li></ul></li></ul>
<b>Underwriting</b>	<ul style="list-style-type: none"><li>• The Equity Raising is fully underwritten by Bell Potter Securities Limited</li></ul>
<b>Ranking</b>	<ul style="list-style-type: none"><li>• New securities issued pursuant to the Equity Raising will be fully paid and rank equally with existing shares</li></ul>
<b>Commitments</b>	<ul style="list-style-type: none"><li>• AVJennings’ largest shareholder, SC Global Developments Pte Ltd<sup>3</sup> (53.95%), has committed to take up its full entitlement in the Institutional Entitlement Offer</li><li>• Directors and key management personnel who are existing shareholders on the Record Date intend to participate in the Equity Raising</li></ul>

Notes: 1. The Retail Entitlement Offer is only open to eligible retail shareholders with a registered address in Australia, New Zealand and Singapore; 2. The theoretical ex-rights price (TERP) is a theoretical price at which AVJennings shares should trade at immediately after the ex-date for the Equity Raising. TERP is a theoretical calculation only and the actual price at which AVJennings shares trade immediately after the ex-date for the Equity Raising will depend on many factors and may not be equal to TERP. The TERP is calculated by reference to AVJennings’ closing price of \$0.40 per share on Tuesday 10 October 2023; 3. Including its affiliates

## Sources & uses of proceeds

Sources (\$m)	
Equity raising	\$30.4
<b>Total</b>	<b>\$30.4</b>

Uses (\$m)	
Built-form on AVJ lots	\$22.0
Upgrade of financial and operating systems	\$2.0
Working Capital	\$5.4
Equity Raising costs	\$1.0
<b>Total</b>	<b>\$30.4</b>

### Use of proceeds

- To accelerate building AVJennings' housing product within AVJennings developments to meet the increase in demand and shift in customer preferences to built-form housing
- Upgrade of financial and operating systems to support greater business efficiency
- General Working Capital

# Indicative timetable<sup>1</sup>

Key event	Date
<b>Institutional Entitlement Offer</b>	
Announcement of the Equity Raising	Wednesday, 11 October 2023
Institutional Entitlement Offer conducted	Thursday, 12 October 2023
Trading resumes on an ex-Entitlement Offer basis	Friday, 13 October 2023
Record date for Entitlement Offer (7:00pm Sydney time)	Friday, 13 October 2023
Settlement of New Shares under the Institutional Entitlement Offer	Thursday, 19 October 2023
Allotment and commencement of trading of New Shares issued under the Institutional Offer	Friday, 20 October 2023
<b>Retail Entitlement Offer</b>	
Retail Entitlement Offer opens and booklet is made available	Wednesday, 18 October 2023
Retail Entitlement Offer closes (5:00pm Sydney time)	Wednesday, 1 November 2023
AVJennings announces results of Retail Entitlement Offer	Monday, 6 November 2023
AVJennings announces the results of the retail bookbuild	Tuesday, 7 November 2023
New Shares issued under the Retail Entitlement Offer	Monday, 13 November 2023
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Tuesday, 14 November 2023

Notes: 1. Timetable is indicative only. All times refer to the time in Sydney, Australia. Subject to change.

## Pro forma balance sheet metrics

Key event	30 June 2023 (Pre Equity Raising)	Equity Raising <sup>2</sup>	Pro forma 30 June 2023 (Post Equity Raising)
Cash (\$m)	13.0	29.4	42.4
Total assets (\$m)	871.2	29.4	900.6
Drawn debt (\$m)	171.3	-	171.3
Net assets (\$m)	423.2	29.4	452.6
Securities on issue (m)	406.2	152.1	558.3
NTA per security (\$/share)	1.04	(0.23)	0.81
Gearing (%) <sup>1</sup>	18.2%	(390)bps	14.3%

Notes: 1. Gearing is equal to total assets less cash, divided by total borrowings. ; 2. Equity Raising of \$30.4m is reduced by the estimated transaction costs of \$1 million.

# Appendix A: Risk factors



# Risk factors

This section discusses some risks of the key risks associated with an investment in AVJennings. A number of risks and uncertainties may adversely affect the operating and financial performance or position of AVJennings and in turn affect the value of AVJennings securities. These include specific risks associated with an investment in AVJennings 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 AVJennings. Potential investors should carefully consider whether the New Shares offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risks set out below.

<b>General economic conditions</b>	<p>Changes in prevailing economic conditions in Australia and other locations where the Group operates will impact (either favourably or unfavourably) on the Group's businesses. Relevant economic factors may include, but are not limited to, changes in interest rates and inflation, gross domestic product and economic growth, employment levels and consumer spending, consumer and investment sentiment, property market volatility and availability of debt and equity capital.</p> <p>Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war (including in connection with Ukraine) or natural disasters, or an outbreak of any pandemic (such as COVID-19). A prolonged deterioration in general economic conditions, including inflation, an increase in interest rates or commodity prices or a decrease in consumer and business demand, could be expected to have an adverse impact on AVJennings' financial performance and financial position.</p> <p>The nature and consequences of any such factors are difficult to predict and there can be no guarantee that the Group could respond effectively. Any such event and/or the effectiveness of the Group's response could adversely affect its financial performance, financial position, capital resources and prospects, as well as its share price.</p> <p>The Group also relies on access to debt financing. The ability to secure financing, or financing on acceptable terms, may be affected by volatility in the financial markets, globally or within a particular geographic region, industry or economic sector. In response to the COVID-19 pandemic, governments and central banks around the world implemented both monetary and fiscal policy to reduce volatility and increase liquidity in financial markets, which contributed to higher inflation, including in the jurisdictions that AVJennings operates in. Central banks in those jurisdictions have since utilised monetary policy tools, including quantitative tightening, to combat inflation. This has resulted in challenging market conditions for debt financing. An inability to obtain, or increase in the costs of obtaining, financing on acceptable terms could adversely impact AVJennings' financial position and performance. AVJennings is exposed to movements in interest rates through its debt facility.</p>
<b>Property market risks</b>	<p>The Group's earnings will be subject to prevailing property market conditions in Australia and New Zealand, and sectors where the Group operates. Increases in supply (or falls in demand) or adverse changes in the prevailing market sentiment in any of the sectors of the property market in which the Group operates or invests may adversely affect earnings. These factors may adversely affect the value of, and returns generated from, the development and construction projects undertaken by the Group from time to time and may influence the acquisition of sites, the timing and value of sales and the carrying value of projects and income producing assets.</p> <p>Property markets in different geographies are currently in differing cycles and residential markets are currently facing challenges in Australia and elsewhere due to the normalisation of monetary policy following a period of quantitative easing, thus requiring ongoing review of the carrying values of affected assets. There are market uncertainties which are difficult to predict. These uncertainties may impact the carrying value and returns generated from certain development projects and the proposed recycling of assets, but may also present opportunities.</p> <p>The Group monitors the markets on an ongoing basis, seeking to implement strategies to minimise adverse impacts and take advantage of opportunities.</p>
<b>Property valuation</b>	<p>Unanticipated factors influencing the realisable value of development trading stock, such as those listed below, could impact on future earnings:</p> <ul style="list-style-type: none"><li>• a sustained downturn in the property market, such as the under-performance of residential property markets, may result in the diminution in the value of assets, a lower reported profit and a higher debt/equity ratio for the Group;</li><li>• changes in the conditions of town planning consents applicable to the Group's projects as a consequence of the unpredictable nature of council policies;</li><li>• variances in the cost of development as a consequence of the imposition of levies by state and local government agencies;</li><li>• the presence of previously unidentified threatened flora and fauna species, which may influence the amount of developable land on major projects;</li><li>• the activities of resident action groups;</li><li>• native title claims;</li><li>• land resumptions for roads and major infrastructure, which cannot be adequately offset by the amount of compensation eventually paid; and</li><li>• changes to the value of property developments currently in progress due to changes in market conditions.</li></ul> <p>Events may occur from time to time (for example, unanticipated environmental issues or hazardous materials) which affect the value of land or development costs which may impact the financial returns generated from particular property related investments, businesses or projects, including potential rezoning on some projects.</p>

# Risk factors

<b>Illiquidity of property assets</b>	<p>Real estate investments are generally illiquid. Such illiquidity limits the ability of an owner or a developer to convert real estate assets into cash on short notice or may require a substantial reduction in the price that may otherwise be sought for such asset to ensure a quick sale. Such illiquidity also limits the ability of the Group to vary its portfolio in response to changes in economic, real estate market or other conditions. For instance, the Group may be unable to liquidate its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. This could have an adverse effect on the Group's financial condition and results of operations, with a consequential adverse effect on the Group's ability to make expected returns. Moreover, the Group may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to its illiquidity.</p>
<b>Property investment risk</b>	<p>The property market is cyclical and risk is always present when land is acquired for future development. In the interval between land acquisition and project delivery, the property market may soften and this may impact the timeline for a project and the returns which are generated, with a consequential adverse financial impact on AVJennings' business and financial performance.</p>
<b>Key personnel</b>	<p>Execution of the Group's strategy depends on its ability to attract, develop and retain employees with the appropriate skills, experience and aptitude. The Group's continued success depends to a significant extent on its strong management team and skilled personnel. Development and maintenance of a group culture, recognition systems, compensation and benefits arrangements, training and development all play leading roles in minimising this risk. The loss of any of these personnel without timely and suitable replacement and the inability to attract and retain qualified and experienced personnel may have a material and adverse effect on the Group's business, financial condition and results of operations.</p>
<b>Joint venture risks</b>	<p>The Group currently undertakes joint ventures on development projects and asset ownership. At times, major decisions are required to be made in respect of these joint venture arrangements (for example, redevelopment and refurbishment, refinancing, the sale of assets or surplus land, design and construction, the purchase of additional land and bid pricing). The Group's interests may not always be the same as those joint venture partners in relation to these matters and conflicts can have adverse time and cost implications. Some of these agreements contain buy/sell provisions which may be triggered by a joint venture party and may require the Group to determine whether to retain or sell its interest in the joint venture. In addition, pre-emptive provisions or first rights of refusal may apply to sales or transfers of interests in co-owned assets and businesses. These provisions may work to the disadvantage of the Group because, among other things, the Group might be required to make decisions about buying or selling interests in these assets and businesses at a time that is disadvantageous to it. While the majority of the Group joint venture partners are large corporates or institutional investors, there is also the risk that they may default on their obligations or otherwise act in a manner which adversely affects the Group.</p>
<b>Environmental risks</b>	<p>The Group will, from time to time, be exposed to a range of environmental risks including: soil and water contamination, construction (lead paint, asbestos, polychlorinated biphenyl (PCBs)), cultural heritage (aboriginal), flora and fauna (native vegetation, endangered species) and greenhouse gases. In addition, there is a risk that property owned or projects undertaken by the Group from time to time may be contaminated by materials harmful to human health (such as asbestos and other hazardous materials). In these situations, the Group may be required to undertake remedial works on contaminated sites and may be exposed to third party compensation claims and other environmental liabilities. Such liabilities may not be fully covered by insurance. In addition, even in situations where the harm caused is due to the fault of the Group's suppliers, the Group may not be able to successfully offset claims against their suppliers. There is also the risk of discovery of, or incorrect assessment of costs associated with, environmental matters, cultural heritage or contamination on any of the Group's projects which could have an adverse effect on the profitability and timing of receipt of revenue from that project.</p>
<b>Climate change</b>	<p>Should the Group fail to adequately respond to the impact of climate change and associated legislative requirements, this 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. The Group may also be adversely impacted by a loss of market share if building designs do not address community expectations or match competitor products on sustainability issues. Prolonged adverse or unpredictable weather conditions (such as those experienced in Australia in recent times such as a the persistent wet weather experienced in parts of Australia and in Auckland over 2022 and early 2023) may result in delays in construction, giving rise to possible project losses, liquidated damages claims and/or deferral of revenue or profit recognition.</p>

# Risk factors

<b>Insurance</b>	<p>The Group purchases a suite of insurances that provide a degree of protection for its assets, liabilities and people. Such policies include material damage of assets, contract works, business interruption, fire, terrorist attacks, general and professional liability and workers' compensation. There are, however, certain risks which are uninsurable (for example, nuclear, chemical or biological incidents) or risks where the deductibles may be higher, breadth of cover reduced and/or the limits lower (such as from cyclones and earthquakes). Additionally, the Group may face risks associated with the financial strength of its insurers to meet their indemnity obligations when called upon which may adversely affect earnings. While the Group maintains insurance coverage and its own captive insurer, it may get involved in disputes not covered by insurance, which may adversely affect the Group's assumed outcome position.</p> <p>AVJennings' real estate properties face the risks of suffering physical damage caused by fire, earthquakes or other acts of God or other causes, as well as face potential public liability claims, including claims arising from the operations of the real estate properties, all of which may result in losses (including loss of rent) and the Group may not be fully compensated by insurance proceeds.</p> <p>Although the Group reviews its insurance coverage annually and believes that its insurance coverage is adequate, no assurance can be given that material losses in excess of insurance proceeds will not occur in the future. In addition, certain types of risks (such as war risk, other civil disorder and losses caused by pandemics or other outbreaks of contagious diseases, contamination or other environmental breaches) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Should an uninsured loss occur, the Group could be required to pay compensation to claimants and/or lose capital invested in the affected real estate properties as well as anticipated future revenue from such real estate properties.</p> <p>The Group may also remain liable for any debt or other financial obligation related to those real estate properties. There may therefore be circumstances in which the Group will not be covered or sufficiently covered or compensated for losses, damages or liabilities arising in relation to its properties, thereby adversely affecting its profitability and financial performance.</p>
<b>Competition</b>	<p>The Group faces competition from other organisations in the countries in which the Group operates. The Group also operates with the threat of new competition entering the market. Competition may lead to an over-supply through over-development, or to prices for existing properties or services being impacted by competing bids. The existence of such competition may have an adverse impact on the Group's ability to secure buyers for its properties at satisfactory rates and on a timely basis or the pricing of construction projects or development opportunities, which in turn may impact the Group's financial performance and returns to investors. The Group also faces competition from competitors to secure land for development.</p>
<b>Variations in interest rates/inflation</b>	<p>The Group's borrowings are typically based on variable interest rates. Adverse fluctuations in interest rates, to the extent that they are not hedged or forecast, will impact on the Group's earnings. Adverse movements in interest rates may also impact the Group's earnings before interest and asset values due to any impact on property markets in which the Group operates.</p> <p>Higher than expected inflation rates generally or specific to the property industry could be expected to increase operating costs and development costs. These cost increases may be able to be offset by increased selling prices or rents. Increases in interest rates could have the effect of reducing the availability or increasing the cost of finance for the purchase of properties by the Group's customers. Interest rates also impact on the Group's cost of funds.</p> <p>In addition, increases in interest rates and/or the persistence of tight lending criteria for the provision of mortgage financing could have the effect of reducing the affordability and availability of funding for buyers, therefore reducing demand and the number of lot sales made by the Group.</p>
<b>Development risk</b>	<p>The Group is involved in a number of large developments and is subject to risks associated with development and redevelopment activities including general decline in property values, income derived from redeveloped properties being lower than expected, fluctuations in land values, industrial disputes, cost overruns, increases in funding costs, construction not being completed within budget or on schedule, environmental issues, disruptions in the supply of construction materials or raw materials, and failure to obtain or delays in obtaining required plan registrations, approvals, permits or licences. Development activity involves an assumption of risk by the Group as to the ultimate value of the development asset. The Group's practice is to seek to mitigate that risk through selling down some or all of the exposure to third party investors, or position itself to fund the project through capital management initiatives. However, in differing circumstances, the Group may not be able to obtain its desired timing and value for sell-down and consequently may carry exposures to projects in excess of that which it intends to hold for the longer term or which may impact the value of those assets or the Group's credit rating.</p>

# Risk factors

<p><b>Construction activity</b></p>	<p>The Group is subject to risks associated with construction activities, including:</p> <ul style="list-style-type: none"> <li>• the ability of third parties such as designers and sub-contractors to perform their work in accordance with their obligations;</li> <li>• defective work and latent defects arising from incorrect design and poor sub-contractor workmanship and related third party claims;</li> <li>• liquidated damages from delays in delivery on projects;</li> <li>• cost overruns as a consequence of inadequate design, change in pricing conditions, industrial disputes, unforeseen conditions including inclement weather or under-performance of third parties;</li> <li>• professional liability claims arising from allegations of negligence; and</li> <li>• the availability and cost of labour and materials.</li> </ul> <p>The nature of construction means that at any one time there are claims where the outcome remains uncertain for many years and is dependent on the ability to recover from third parties and insurance policies. The business is managed as a portfolio of projects and assets in which there is variation of performance, with some projects and assets over-performing whilst others under-perform, including loss-making projects, under-yielding assets and projects and assets subject to litigation.</p>
<p><b>Need for capital</b></p>	<p>Significant expenditures associated with each project or asset, such as site costs, mortgage or landholder payments, maintenance costs, employee costs and taxes, are generally not reduced when circumstances cause a reduction in return for those projects and assets. The value of a project or an asset owned by the Group may be adversely affected if the income from the asset declines and other related expenses remain unchanged. In addition, circumstances or events may occur in relation to one or more projects which are unforeseen but which may result in the Group being required to undertake greater capital expenditure than was originally planned, giving rise to potentially lower margins.</p> <p>The Group may also require additional financing to fund working current and future capital requirements, to support the future growth of its business and/or to refinance existing debt obligations. There can be no assurance that additional financing, either on a short-term or a long-term basis, will be made available or, if available, that such financing will be obtained on terms favourable to the Group. The Group's ability to arrange adequate financing (if at all) on terms which are acceptable to the Group depends on a number of factors that are beyond its control, including general economic and political conditions, the cyclical nature of the property market and market disruption risks which could adversely affect the liquidity, interest rates and the availability of funding sources, the terms on which financial institutions are willing to extend credit to the Group and the availability of other sources of debt or equity financing.</p> <p>Uncertainty in the capital and credit markets may adversely affect the Group's ability to obtain financing on terms which are acceptable to the Group. If the Group is unable to obtain financing on terms which are acceptable to the Group, it may have to curtail its capital expenditure and/or defer its property development projects and/or divest assets. Such an event may have a material and adverse impact on the Group's business, financial condition and results of operations.</p>
<p><b>Credit risks</b></p>	<p>The Group deals with many counterparties, including customers, suppliers, sub-contractors, builders and other service providers. Counterparty risks may arise in circumstances where parties with which the Group has dealings experience financial difficulties with consequential adverse effects for the relevant projects or assets, which may impact on the Group's financial performance. For example:</p> <ul style="list-style-type: none"> <li>• delay to projects and additional costs of securing replacement partners or products or amounts owed which may be unrecoverable;</li> <li>• purchasers who may default on their purchase obligations resulting in the resale of those properties at a lesser amount; and</li> <li>• insolvency or financial distress of its clients and tenants may reduce the income received by the Group.</li> </ul>
<p><b>Project development</b></p>	<p>The success and financial performance of the Group will depend on its ability to identify, develop, market and sell its developments in a timely and cost effective manner.</p> <p>The Group's development activities are subject to the risks of changes in regulations, delays in obtaining required approvals, availability of raw materials, increases in construction costs, natural disasters, any reliance on third party contractors as well as the risk of decreased market demand during the development of a project. As a result of these and other factors described herein, no assurance can be given as to whether or when existing and planned projects will be successfully completed.</p> <p>Although the Group plans to apply many of the development and marketing strategies that it has employed in the past, new projects may pose unforeseen challenges and demands on its managerial and financial resources. Non-completion of such developments, or any of the Group's other developments, may have a material and adverse effect on the Group's business, financial condition, prospects and results of operations.</p>

# Risk factors

<p><b>Ability to acquire new land sites for its development</b></p>	<p>The Group is required to constantly identify land sites for property development to maintain the growth of its property development business. The Group usually replenishes and sources for new plots of land by participating in expressions of interest and other competitive processes to acquire land, acquiring plots of land from private owners as well as sourcing for suitable development sites through government land sales programmes or external property agents. As the Group competes with other property developers for new land sites and there is no assurance that suitable sites will always be available at acceptable costs, the Group may not be able to secure a sufficient number of desired new land sites to maintain a pipeline of potential property development projects as planned. In such case, the Group may be forced to undertake fewer property development projects or projects with lower margins. Such circumstances may adversely affect the Group's profitability and financial performance.</p>
<p><b>Compulsory acquisition</b></p>	<p>Land and real property comprise a significant part of the Group's property development business. Properties of the Group or the land on which the properties therein are located may be compulsorily acquired by the respective governments of the countries in which they are located for, among other things, public use or due to public interest. In the case of compulsory acquisition by government authorities in Australia, the compensation payout has historically been based on the market value of the land which is determined by an independent valuer. However, there is no assurance that such practice will not change or that the Group will be able to further acquire land of comparable location or value. Accordingly, if it would not be in the interests of the Group to have the land compulsorily acquired for any other reason, the Group's business, financial condition, prospects and results of operations may be adversely affected.</p>
<p><b>Supply chain</b></p>	<p>AVJennings has a range of suppliers who provide a diverse range of goods and services to its business. Supply of sub-standard product, business practices of our suppliers and reliability of service providers can impact AVJennings' operations and targets. The Group may also be unable to procure delivery of key supplies and services within timeframes and at prices required to meet current project feasibilities.</p> <p>The Group also faces the risk of a civil contractor or other major supplier or service provider encountering financial difficulty or experiencing other delays and being unable to complete or deliver contracted works or materials either in a timely fashion or at all. In such cases, the timing of settlement of lots may be delayed, resulting in a greater risk of sale contracts for contracted lots terminating, additional holding costs and/or a delay in the receipt of settlements proceeds or fees.</p> <p>In addition to the above, if the Group is required to appoint an alternative service provider or materials supplier to complete outstanding works or deliver outstanding materials, it may incur additional expenses than would otherwise have been the case. Insurance may not be available to cover such additional expenses (for example, in situations where insurance held by the Group, or the civil contractor, service provider or supplier may not cover those events).</p>
<p><b>Legal and other proceedings</b></p>	<p>The Group may be involved from time to time in disputes with various parties involved in the development and sale of the Group's properties (such as contractors, sub-contractors, suppliers, construction companies, purchasers and other partners) and the management and operations of the Group's properties. These disputes may lead to legal and other proceedings, and may cause the Group to suffer additional costs and delays to the relevant property development(s). In addition, the Group may have disagreements with regulatory bodies in the course of its operations, which may subject the Group to administrative proceedings and unfavourable decrees that result in financial losses and/or a delay in the construction or completion of the Group's projects.</p>
<p><b>A pandemic or the outbreak of an infectious disease or any other serious public health concerns in Australia and New Zealand</b></p>	<p>A pandemic or the outbreak of an infectious disease in Australia and New Zealand, together with any resulting restrictions on travel and/or imposition of quarantines, could have a negative impact on the economy and business activities in Australia and New Zealand where the Group primarily operates and could thereby adversely impact the revenues and results of the Group. There can be no assurance that any precautionary measures taken against infectious diseases would be effective. A future outbreak of an infectious disease or any other serious public health concern in Australia and New Zealand could adversely affect the Group's businesses.</p>
<p><b>Terrorist attacks, other acts of violence or war and adverse political developments</b></p>	<p>The terrorist attacks in the different parts of the world have resulted in substantial and continuing economic volatility and social unrest. Although there have been no such recent incidents in Australia and New Zealand, there has been an increasing number of bombings and similar politically or ideologically motivated attacks on large commercial properties in recent years. Any further developments or terrorist activities could materially and adversely affect international financial markets and the Australian economy and this may adversely affect the operations, revenues and profitability of the Group. The consequences of any of these terrorist attacks or armed conflicts are unpredictable, and the Group may not be able to foresee these events. These events could have an adverse effect on business, financial condition and results of operations of the Group.</p>

# Risk factors

<p><b>Occupational health and safety incidents</b></p>	<p>Accidents or mishaps may occur at the work sites of the Group’s projects. Such accidents or mishaps may severely disrupt the operations of the Group and lead to delays in the completion of projects. In the event of such delay, the Group may be liable to pay liquidated damages to its clients and its business, financial condition and results of operations may be materially and adversely affected. Furthermore, such accidents or mishaps may subject the Group to claims from workers or other persons involved in such accidents or mishaps for damages, and any claims which are not covered by the Group’s insurance policies may materially and adversely affect the Group’s business, financial condition and results of operations.</p> <p>In addition, in the event that the Group’s work sites contravene the requisite safety standards imposed by the regulatory authorities, the Group may be subject to penalties which include being fined or issued with partial or full stop-work orders. The issuance of such stop-work orders may disrupt operations and lead to a delay in the completion of a project. These circumstances may have a material and adverse impact on the Group’s business, financial condition and results of operations.</p>
<p><b>Changes in commodity prices</b></p>	<p>The Group faces risks in relation to changes in commodity prices due to the consumption of large quantities of building materials, including raw iron, steel, sand, granite and concrete in its property development operations. As a property developer, the Group generally enters into fixed or guaranteed maximum price construction contracts with independent construction companies, each of which affects the development of a significant part of its overall development project. These contracts typically cover both the supply of the building materials and the construction of the facility during the construction period. Therefore, should the price of building materials increase significantly prior to the Group entering into fixed or guaranteed maximum price construction contracts with prospective contractors, or should its existing contractors fail to perform under their contracts, the Group may be required to pay more to such prospective or existing contractors, which could materially and adversely affect the Group’s business, financial condition and results of operations.</p>
<p><b>Changes and developments in legislation, regulation and policy</b></p>	<p>The Group’s operations span across various regions in Australia including New South Wales, Victoria, Queensland and South Australia, as well as New Zealand. Hence, the Group is subject to changes and developments in the legislation, regulation and policy in these jurisdictions in which it operates. AVJennings is also a “foreign person” within the meaning of the Australian Foreign Acquisitions and Takeovers Act 1975 (Cth) and its activities are therefore subject to the oversight of the Foreign Investment Review Board and discretionary approvals by the Australian government.</p> <p>There may from time to time be changes and developments in legislation, regulation and policy in the jurisdictions in which the Group operates, including, for example, changes in the state and federal incentives for the residential property sector. These changes may impact the operations of the Group and its future earnings, the asset values of the land and property held by the Group, the timing of receipt of revenues by the Group and the market value of securities of the Group quoted on any relevant securities exchange. The Group has little or no control over such changes and developments in legislation, regulation and policy, which could materially and adversely affect the Group’s business, financial condition and results of operations.</p>
<p><b>Technology and cyber security incidents</b></p>	<p>The Group’s information technology systems (including those provided by third party technology vendors) are vulnerable to service interruptions, degradation, damage or interruption from a number of sources, including natural disasters, power losses, computer systems failures, hardware and software defects or malfunctions, hardware and software updates, distributed denial-of-service, internet and telecommunications or data network failures, operator negligence, improper operation by or supervision of employees, physical and electronic losses of data and similar events, computer viruses, other malware or other cyber-attacks, penetration by hackers seeking to disrupt operations or misappropriate information, break-ins, sabotage, intentional acts of vandalism and other breaches of security.</p> <p>Any damage or interruption to, or reduction in speed or functionality of, the Group’s information systems or those provided by third party technology vendors could significantly curtail, directly and indirectly, the Group’s ability to conduct its business and generate revenue and could result in significant costs being incurred, for example to rebuild systems, respond to regulatory inquiries or actions, pay damages, or take other remedial steps with respect to third parties.</p>
<p><b>Loss or misuse of personal and confidential information</b></p>	<p>The Group’s operations rely on the secure processing, transmission and storage of confidential, proprietary and other information in its computer systems and networks. The Group’s facilities and systems, as well as the facilities and systems utilised by the Group’s network partners, may be vulnerable to privacy and security incidents, security attacks and breaches, acts of vandalism or theft, computer viruses or other malware, hardware and software defects or malfunctions, hardware and software updates, distributed denial-of-service or other cybersecurity risks, misplaced or lost data, programming and/or human errors or other similar events.</p> <p>Any security breach involving the misappropriation, loss or other unauthorised disclosure or use of confidential information, including financial data, commercially sensitive information, or other proprietary data, whether by the Group or a third party, could have a material adverse effect on the Group’s business, reputation, financial condition, cash flows, or results of operations. The occurrence of any of these events could result in interruptions, delays, the loss or corruption of data, cessations in the availability of systems, potential liability and regulatory action or liability under privacy and security laws (including as a result of a notifiable data breach under the Notifiable Data Breach Scheme), all of which could have a material adverse effect on the Group’s financial position and results of operations and harm the Group’s business reputation.</p>

# Risk factors

<b>Foreign exchange</b>	AVJennings consolidates results of overseas businesses into AVJennings Group results and the performance of overseas businesses in Australian dollars when reported in AVJennings Group financial statements may vary due to the movement of foreign exchange rates, subject to any currency hedging arrangements AVJennings has in place. This could have an adverse effect on AVJennings' financial performance.
<b>Tax changes</b>	Any changes to the taxation of shares (including the taxation of dividends) and the taxation of companies (including the existing rate of company income tax) may adversely impact on shareholder returns, as may a change to the tax payable by shareholders in general. Any other changes to Australian tax law and practice that impact the Group, or the residential development industry generally, could also have an adverse effect on shareholder returns.
<b>Equity raising risks</b>	
<b>Offer completion risk</b>	<p>AVJennings has entered into an underwriting agreement with the Underwriter pursuant to which the Underwriter has agreed to underwrite the Offer ("Underwriting Agreement"), subject to those terms and conditions of the Underwriting Agreement. If certain conditions are not satisfied or if certain termination events occur, the Underwriter may terminate the Underwriting Agreement. Those termination events are summarised in Appendix B of this Presentation.</p> <p>Termination of the Underwriting Agreement would have an adverse impact on the amount of proceeds raised under the Offer. In these circumstances, AVJennings will need to source alternative forms of funding which may be difficult to obtain or may be on less favourable terms. AVJennings may also need to scale back its investment in built-form on select projects. Termination of the Underwriting Agreement could materially adversely affect AVJennings' business, cash flow, financial condition and results of operations.</p>
<b>Trading and liquidity risks</b>	There can be no guarantee that an active market for AVJennings shares will exist following the Entitlement Offer. There may be relatively few potential buyers or sellers of AVJennings shares on the ASX at any given time. In addition, given that SC Global and its affiliates are expected to maintain their relevant interest in AVJennings, it is likely that there will be no impact on free float following completion of the Entitlement Offer.
<b>Market generally</b>	<p>The price of AVJennings shares on the ASX may rise or fall due to numerous factors including:</p> <ul style="list-style-type: none"> <li>• Australian and international general economic conditions, including inflation rates, the level of economic activity, interest rates, commodity prices and currency exchange rates;</li> <li>• tensions and acts of terrorism in Australia and around the world (including in connection with Ukraine);</li> <li>• investor perceptions in the local and global markets for listed stocks; and</li> <li>• changes in the supply and demand of securities.</li> </ul> <p>AVJennings shares may trade below the offer price and no assurances can be given that AVJennings' market performance will not be materially adversely affected by any such market fluctuations or factors. No member of the AVJennings Group, nor any of their directors nor any other person guarantees AVJennings' market performance.</p>
<b>Dividends</b>	Any future determination as to the payment of dividends by AVJennings will be at the discretion of the Directors and will depend on the financial condition of AVJennings, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the continued or future payment of dividends or franking credits attaching to dividends can be given by AVJennings.
<b>Dilution</b>	If existing shareholders do not participate in the Offer, then their percentage shareholding will be diluted and they will not be exposed to future increases or decreases in AVJennings' share price in respect of those New Shares that would have been issued to them had they participated in the Offer.
<b>Renouncement risk</b>	<p>Eligible shareholders who renounce their entitlement under the Entitlement Offer are not guaranteed to receive any value for their renounced entitlement through the bookbuild process. The ability to sell New Shares under the bookbuilds and the ability to obtain any premium will be dependent upon various factors, including market conditions.</p> <p>To the maximum extent permitted by law, AVJennings, the Underwriter and their respective related bodies corporate, affiliates or the directors, officers, employees or advisors of any of them, will not be liable, including for negligence, for any failure to procure applications under the bookbuilds at a price in excess of the offer price.</p> <p>Eligible shareholders who do not take up all of their entitlement will have their percentage shareholding in AVJennings diluted by not participating to the full extent in the Entitlement Offer.</p>

# Appendix B: Summary of Underwriting Agreement

# Summary of Underwriting Agreement

AVJennings has entered into an underwriting agreement with the Underwriter in respect of the Equity Raising dated 11 October 2023 (**Underwriting Agreement**), pursuant to which the Underwriter has agreed to fully underwrite the Equity Raising on the terms and conditions of the Underwriting Agreement. The Underwriting Agreement contains customary conditions precedent, representations, warranties, undertakings and indemnities in favour of the Underwriter.

The Underwriter may terminate its obligations under the Underwriting Agreement on the occurrence of certain events before 10.00am on the settlement date of the Retail Entitlement Offer. Those events include (but are not limited to) where:

- ASX announces that AVJennings will be removed from the official list or that any shares will be delisted or suspended (not at the request of AVJennings) from quotation by ASX or the shares are suspended from trading for more than 2 business days on ASX (which for the avoidance of doubt, excludes any trading halt requested by AVJennings for the purposes of conducting the offer);
- ASIC applies for an order under sections 1324B or 1325 in relation to the offer or the offer documents or gives notice of an intention to prosecute AVJennings or any of its directors and any such intention, application or notice becomes public or is not withdrawn within 2 business days after it is made, or where it is made less than 2 business days before the institutional settlement date or retail settlement date, it is not withdrawn before 10.00am on the institutional settlement date or retail settlement date (as applicable);
- an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Offer or the offer documents, and any such application whether or not withdrawn becomes publicly known or is not withdrawn within 2 business days after it is made, or where it is made less than 2 business days before the institutional settlement date or retail settlement date, it is not withdrawn before 10.00am on the institutional settlement date or retail settlement date (as applicable); or
- ASIC commences any investigation or hearing under Part 3 of the Australian Securities and Investments Commission Act 2001 (Cth) in relation to the Offer or the offer documents and any such investigation or hearing becomes public or is not withdrawn within 2 business days after it is commenced, or where it is commenced less than 2 business days before the institutional settlement date or retail settlement date, it is not withdrawn before 10.00am on the institutional settlement date or retail settlement date (as applicable);
- there is an application to a government agency (including, without limitation, the Takeovers Panel) for an order, declaration (including, in relation to the Takeovers Panel, of unacceptable circumstances) or other remedy, or a government agency commences any investigation or hearing or announces its intention to do so, in each case in connection with the offer (or any part of it) or any agreement entered into in respect of the offer (or any part of it) and any such application, inquiry or hearing is not withdrawn within 2 business days of when it is made, or if it is made within 2 business days of the institutional settlement date or the retail settlement date, it has not been withdrawn by 10.00am on the institutional settlement date or retail settlement date (as applicable);
- a certificate which is required to be furnished by AVJennings under the Underwriting Agreement is not furnished when required;
- the offer documents or any aspect of the offer does not comply in any material respect with the Corporations Act or the ASX Listing Rules or any other applicable law including due to a statement in the offer documents that is or becomes misleading or deceptive or likely to mislead or deceive in a material respect, or omit any information that is required; or any forecasts, expressions of opinion, intention or expectation expressed in the offer documents, are not, in all material respects, based on reasonable grounds;
- AVJennings' finance facility is terminated, rescinded, repudiated, or is amended in a materially adverse respect or is or becomes void or voidable, any Group member breaches or defaults under any provision, undertaking, covenant or ratio of the finance facility; or an event of default, potential event of default or review event which gives a lender or financier the right to accelerate or require repayment of the debt or financing or other similar event occurs under or in respect of the finance facility;
- other than in connection with the Offer, AVJennings alters its capital structure or constitution without the prior written consent of the Underwriter;
- any Group member is insolvent or there is an act or omission which is reasonably likely to result in any such Group member becoming insolvent;
- AVJennings is prevented from issuing the offer shares within the time required by the ASX Listing Rules, applicable laws, an order of a court of competent jurisdiction or a governmental agency;
- AVJennings withdraws all or any part of the Offer or it is evident to the Underwriter (acting reasonably) that AVJennings no longer wishes to pursue all or any part of the Offer but has not taken any action to withdraw the Offer;
- AVJennings becomes required to give or gives a correcting notice under subsection 708AA(10) of the Corporations Act other than as a result of a new circumstance arising;
- unconditional approval (or conditional approval, provided such condition would not have a material adverse effect on the success or settlement of the offer) by ASX for official quotation of the institutional shares and retail shares, is refused, or is not granted, by or on the institutional trading date and retail trading date, respectively, or withdrawn on or before the earlier of the institutional trading date or the retail trading date or ASX makes an official statement to any person or indicates to AVJennings or the Underwriter that official quotation on ASX of the institutional shares or retail shares will not be granted;

# Summary of Underwriting Agreement

- the S&P/ASX 200 index falls by 10% or more below the level of the S&P ASX 200 index on the business day before the date of this Presentation:
  - at the close of trading: for 2 consecutive business days in the period between (and including) the business day immediately following the date of this Presentation and the business day immediately prior to the institutional settlement date; or on the business day immediately prior to the institutional settlement date; or
  - at the close of trading: for 2 consecutive business days in the period between (and including) the institutional settlement date and the business day immediately prior to, the retail settlement date; or on the business day immediately prior to the retail settlement date.
- any event set out in the Offer timetable is delayed for more than 2 business days without the prior written consent of the Underwriter (such consent not to be unreasonably withheld or delayed).

In addition, the Underwriter may terminate its obligations under the Underwriting Agreement on the occurrence of any of the following events during the same period as above, provided that it has reasonable and bona fide grounds to believe, and does believe, that the event: (i) has or is likely to have, individually or in the aggregate, a materially adverse effect on: (A) the success, settlement or marketing of the Offer; (B) the value of the Shares; (C) the willingness of investors to subscribe for New Shares; (D) the performance of the secondary trading market of the New Shares at any time during the 30 day period following any settlement date; or (E) the ability of the Underwriter to market or promote the Offer; or (ii) leads or is likely to lead to: (A) a contravention by the Underwriter of, or the Underwriter being involved in the contravention of, the Corporations Act or any other applicable law; or (B) a liability of the Underwriter under the Corporations Act or any other applicable law.

- the public information includes:
  - a statement which is or becomes misleading or deceptive or likely to mislead or deceive; or
  - any forecasts, expressions of opinion, intention or expectation which are not based on reasonable grounds;
- any information supplied by or on behalf of AVJennings to the Underwriter is or becomes misleading or deceptive, including by way of omission;
- a statement in a certificate or new circumstances sign-off is untrue, incorrect, incomplete or misleading or deceptive in any material respect (including by omission);
- an obligation arises on AVJennings to give ASX a notice in accordance with section 708AA(12) of the Corporations Act);
- a change in the chairman, chief executive officer or chief financial officer of AVJennings or board of directors of AVJennings is announced or occurs;
- any of the following occurs:
  - a director of AVJennings is charged with an indictable offence;
  - any regulatory body commences any public action against a director of AVJennings in his or her capacity as such or announces that it intends to take any such action; or
  - any director of AVJennings is disqualified from managing a corporation under the Corporations Act or other applicable laws and regulations;
- there is an adverse change, or an event occurs which is in the reasonable opinion of the Underwriter likely to give rise to an adverse change, in the business, assets, liabilities, financial position or performance, profits, losses, results, operations or prospects of the Group;
- a representation or warranty made or given by AVJennings under the Underwriting Agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive;
- there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement), any of which does or is, in the reasonable opinion of the Underwriter, likely to prohibit or restrict the offer, capital issues or the operation of stock markets or materially adversely affects the Group;

# Summary of Underwriting Agreement

- a default by AVJennings in the performance of any of its obligations under the Underwriting Agreement occurs;
- the occurrence of:
  - a suspension in trading in securities generally on ASX, the New York Stock Exchange, the Hong Kong Stock Exchange, the Singapore Stock Exchange or the London Stock Exchange; or
  - a general moratorium on commercial banking activities in Australia, Singapore, Hong Kong, the People's Republic of China, South Korea, Japan, the United States, the United Kingdom or a member state of the European Union is declared by the relevant authorities, or there is a material disruption in commercial banking or in securities settlement or clearance services in those places;
- the occurrence of any adverse change in financial, political or economic conditions or currency exchange rates or controls in Australia, New Zealand, Singapore, Hong Kong, People's Republic of China, Japan, the United States or the United Kingdom;
- hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, the United States, the United Kingdom, the People's Republic of China, Taiwan, North Korea, South Korea, Singapore, Russia or any member state of the European Union or a major terrorist act is perpetrated on any of those countries or on any diplomatic, military, commercial or political establishment of any of those countries elsewhere in the world;
- the due diligence committee report or any other information supplied in writing by or on behalf of AVJennings to the Underwriter in relation to the Group or the Offer is misleading or deceptive (including by omission); or
- AVJennings fails to comply with a provision of its constitution, the ASX Listing Rules, the Corporations Act, applicable laws, or a requirement or order, made by or on behalf of ASIC, ASX or any Governmental Agency, which is not withdrawn within 2 business days after it is made, or where it is made less than 2 business days before the institutional settlement date or retail settlement date, it is not withdrawn before the institutional settlement date or retail settlement date (as applicable).

Termination of the Underwriting Agreement by the Underwriter will discharge AVJennings' obligation to pay the Underwriter any fees, costs, charges or expenses which have not accrued as at termination, but the termination of its obligations will not limit or prevent the exercise of any other rights or remedies which any of the parties may otherwise have.

For details of the fees payable to the Underwriter, refer to the Appendix 3B released to the ASX on the date of this Presentation.

AVJennings also gives certain representations, warranties and undertakings to the Underwriter and an indemnity in favour of the Underwriter and its affiliates subject to certain carve-outs.

# Appendix C: Foreign Selling Restrictions



# Foreign selling restrictions

This document does not constitute an offer of entitlements (“Entitlements”) or new ordinary shares (“New Shares”) of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Entitlements and New Shares may not be offered or sold in the institutional entitlement offer, in any country outside Australia except to the extent permitted below.

## Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been 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”). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares 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 New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

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 Entitlements and the New Shares in the entitlement offer are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

Other than in the entitlement offer, the Entitlements and the New Shares 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.

## Singapore

This document and any other materials relating to the Entitlements and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Entitlements and New Shares, may not be issued, circulated or distributed, nor may the Entitlements and New Shares 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 pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the “SFA”) or another exemption under the SFA.

This document has been given to you on the basis that you are an “institutional investor” or an “accredited investor” (as such terms are defined in the SFA). If you are not such an 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 Entitlements or the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire such securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

# Appendix D: Pipeline and Portfolio

# AVJennings pipeline<sup>1</sup>

		Remaining # of Lots	Product Type	FY24	FY25	FY26	FY27	FY28+
New South Wales	Argyle, Elderslie	92	L,IH					
	Evergreen, Spring Farm (East Village)	351	L,IH					
	Arcadian Hills, Cobbitty	40	IH					
	Rosella Rise, Warnervale	483	L,IH					
	Prosper, Kogarah	56	APT					
	Huntley	194	L,IH					
	Calderwood	390	L					
	Mundamia	308	L					
	Macarthur	725	APT					
Queensland	Glenrowan, Mackay	177	L					
	Arbor, Rochedale	17	IH					
	Riverton, Jimboomba	910	L,IH					
	Deebing Springs, Deebing Heights	205	L					
	Cadence, Ripley	126	L,IH					
	Cadence 2, Ripley	333	L					
	Rocksberg, Caboolture	3,500	L					
	Kerry Rd, Beaudesert	1,146	L					
New Zealand	Ara Hills, Orewa	528	L					
Victoria	Lyndarum, Wollert	82	L,IH					
	Lyndarum North, Wollert JV	1,409	L,IH					
	Aspect, Mernda	184	L,IH					
	Harvest Square, Brunswick West	87	IH, APT					
	Waterline Place, Williamstown	184	IH, APT					
	Clyde	942	L					
Somerford, Clyde North	221	L,IH						
South Australia	St Clair	124	L					
	Eyre, Penfield	1,212	L,IH					
Western Australia	Various	52	IH,APT					
Other	Various	16	L					
<b>TOTAL</b>		<b>14,094</b>						

Delivery Phase
  Pre-Delivery Phase

Product Type: L = Land, IH = Integrated Housing, APT = Apartments  
 Notes: 1. As at 30 June 2023. Does not include pipeline lots dependent on planning outcomes.

# New South Wales Portfolio (2,651 lots<sup>1</sup>)

## Rosella Rise, Warnervale

The first land and development housing settlements of the project occurred during the year.

## Cobbitty

Arcadian Grove completed during FY23.

## Argyle, Elderslie

Civil works commenced for the final project stages.

Two-storey terrace product to be brought to market shortly.

## Prosper, Kogarah

Groundbreaking ceremony held March 23 with excavation works underway.

## Evergreen, Spring Farm

Two Stellar Collection homes delivered to customers.



# Queensland Portfolio (6,414 lots<sup>1</sup>)

## Riverton, Jimboomba

Delivered the first two Stellar Collection (Pro9) homes.

## Cadence, Ripley

Opened the project's entry park, Symphony, to the local community.

## Arbor, Rochedale

Settled the first stage of townhomes, welcoming 21 families to the community.

## Deebing Springs, Deebing Heights

Commenced works on the project's first stages.



# Victoria Portfolio (3,109 lots<sup>1</sup>)

## **Waterline Place, Williamstown**

Construction of the last apartment stage progressing well.

## **Somerford, Clyde North**

Project launched to market.

Civil works underway for the first stage.

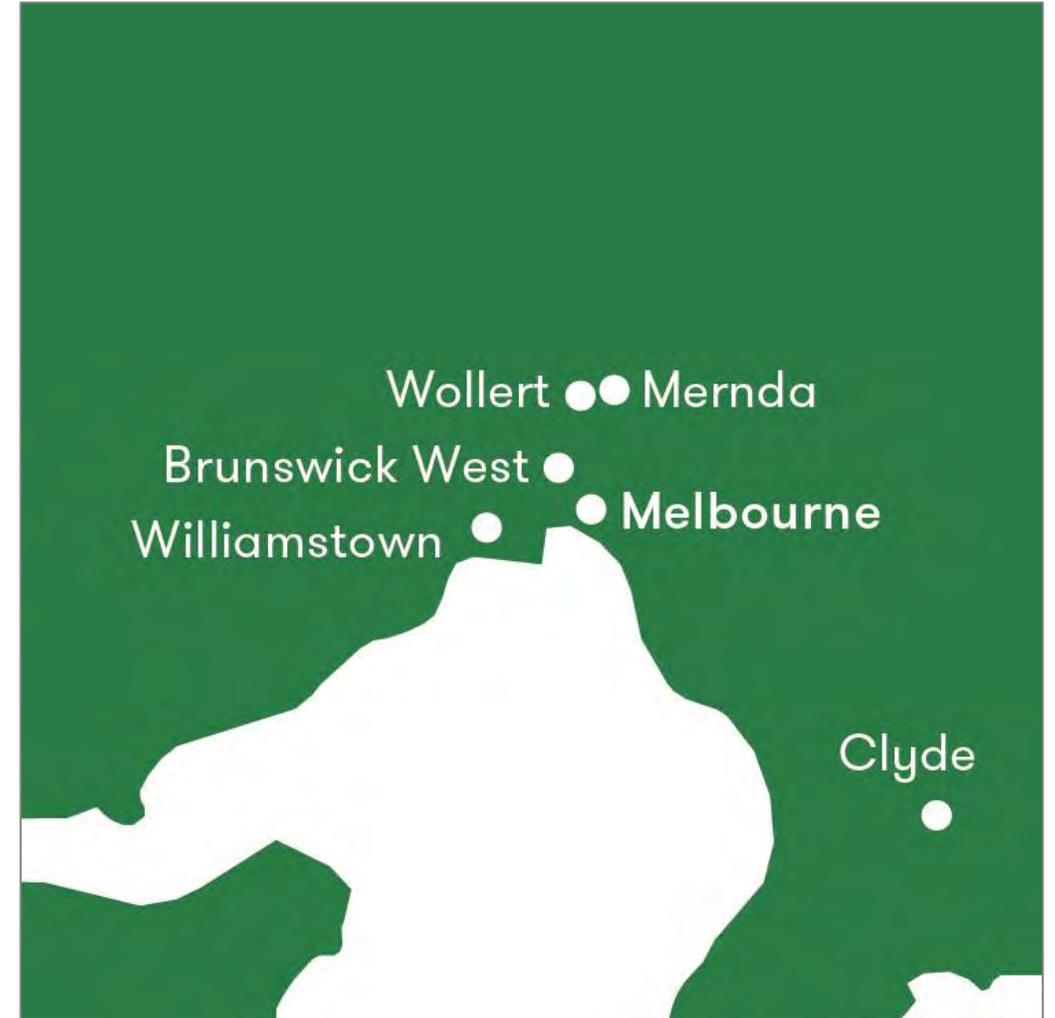
## **Harvest Square, Brunswick West**

All three apartment buildings achieved topping out stage.

## **Aspect, Mernda**

First stages completed with residents moving in.

Construction of five Stellar Collection homes underway.



# South Australia Portfolio (1,340 lots<sup>1</sup>)

## **Eyre, Penfield**

Minimal completed unsold stock available.

Progressing planning approvals for subsequent stages.

## **St Clair, St Clair**

Civil construction complete.

Balance of site to be sold as medium-density sites.

## **Murray Bridge / Goolwa North**

Project on track for FY24 completion.



# New Zealand Portfolio (528 lots<sup>1</sup>)

## Ara Hills, Orewa

Civil construction complete for Stage 3a (89 lots) with civil works commenced on the next stage of 136 lots.

Held our first community event with over 80 residents.



# Thank you

**8.3 Institutional Entitlement Offer Results**

## ASX Announcement

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

13 October 2023

### Successful completion of Institutional Entitlement Offer raising \$18.1 million

AVJennings Limited (ASX:AVJ) (“**AVJennings**”, or the “**Company**”) is pleased to announce that it has successfully completed the institutional component (“**Institutional Entitlement Offer**”) of its \$30.4 million fully underwritten 1 for 2.67 pro-rata accelerated renounceable entitlement offer (“**Entitlement Offer**”) of new fully paid ordinary shares (“**New Shares**”).

#### Highlights

- The Institutional Entitlement Offer raised gross proceeds of \$18.1 million with approximately 99.5% of entitlements taken up by existing shareholders in the Institutional Entitlement Offer
- AVJennings’ largest shareholder, SC Global Developments Pte Ltd<sup>1</sup> (53.95%) (“**SC Global**”), has taken up its pro-rata entitlement in the Institutional Entitlement Offer, which represents \$16.4 million of New Shares
- The Institutional Shortfall Bookbuild cleared at a price of \$0.25, representing a 25% premium to the Issue Price of \$0.20 per share

#### Institutional Entitlement Offer

The Institutional Entitlement Offer closed on Thursday, 12 October 2023 and raised gross proceeds of approximately \$18.1 million. Approximately 99.5% of entitlements were taken up by existing shareholders in the Institutional Entitlement Offer. AVJennings’ largest shareholder, SC Global, took up its pro-rata entitlement in the Institutional Entitlement Offer, which represents \$16.4 million of New Shares.

A bookbuild for Institutional Entitlement Offer shortfall shares (“**Institutional Shortfall Bookbuild**”) was conducted on Thursday, 12 October 2023 and attracted strong demand from both existing and new institutional, professional and sophisticated investors. The final clearing price under the Institutional Shortfall Bookbuild was \$0.25, which represents a premium of \$0.05 to the issue price of \$0.20 per share (“**Issue Price**”).

Eligible institutional shareholders who elected not to take up their entitlements, and ineligible institutional shareholders, will receive \$0.05 for each entitlement sold through the Institutional Shortfall Bookbuild, less any applicable withholding tax and expenses.

The shares issued under the Institutional Entitlement Offer and Institutional Shortfall Bookbuild are expected to settle on Thursday, 19 October 2023 with allotment and trading on Friday, 20 October 2023.

The record date of the Entitlement Offer is 7:00pm (AEDT) on Friday, 13 October 2023.

<sup>1</sup> Including its affiliates.

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## Retail Entitlement Offer

The retail component of the Entitlement Offer (“**Retail Entitlement Offer**”) will open on Wednesday, 18 October 2023 and is expected to raise approximately \$12.3 million. Eligible retail shareholders in Australia, New Zealand and Singapore will have the opportunity to participate in the Entitlement Offer at the same Issue Price as the Institutional Entitlement Offer.

Eligible retail shareholders who wish to apply to participate in the Retail Entitlement Offer must do so by 5:00pm (Sydney time) on Wednesday, 1 November 2023.

New Shares issued as part of the Retail Entitlement Offer will rank equally with existing AVJennings shares.

Entitlements not taken up under the Retail Entitlement Offer, together with entitlements which would otherwise have been offered to ineligible retail shareholders, will be sold via a retail shortfall bookbuild on Monday, 6 November 2023 and any proceeds in excess of the Issue Price will be paid to the AVJennings’ renouncing or ineligible retail shareholders (net of any withholding tax and expenses).

An offer booklet containing information in respect of the Retail Entitlement Offer (“**Retail Offer Booklet**”), together with a personalised entitlement and acceptance form, will be made available to eligible retail shareholders on Wednesday, 18 October 2023 and will be lodged with the ASX on that date. Eligible retail shareholders should read the Retail Offer Booklet in full before deciding whether to subscribe for New Shares.

## Further information

The AVJennings Shareholder Information Line (+61 1800 500 095) is open from 8:30am to 5:30pm (AEDT) Monday to Friday until Wednesday 1 November 2023 when the Retail Entitlement Offer closes.

This announcement was authorised for release to the market by Carl Thompson, Company Secretary of AVJennings Limited.

### Contact:

Investor Relations:	Investor Relations & Media:
Carl Thompson	Andrew Keys
Company Secretary	Keys Thomas Associates
Ph: +61 417 143 411	Ph: +61 400 400 380

## Disclaimer

This announcement is not financial product or investment advice, a recommendation to acquire securities or accounting, legal or tax advice. It does not constitute an invitation or offer to apply for securities. It has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek legal and taxation advice appropriate for their jurisdiction. AVJennings is not licensed to provide financial product advice in respect of an investment in securities.

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**Forward looking statements**

This announcement may contain certain forward-looking statements. The words “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “outlook”, “should”, “could”, “may”, “target”, “plan” and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings, financial position, dividends and performance are also forward-looking statements as are statements regarding AVJennings' future operations and projects, the outcome of the Equity Raising and the use of proceeds. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks (including (without limitation) the risks set out in Appendix A: Key Risks section of the investor presentation announced on 11 October 2023), uncertainties and other factors, many of which are beyond the control of AVJennings, its officers, employees, agents and advisors, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and their differences may be material.

**Not an offer in the United States**

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States or any other jurisdiction where it would be unlawful. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement 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 of the US Securities Act and applicable US state securities laws.

## **9 Important Additional Information**

### **9.1 Date of this Retail Offer Booklet**

This Retail Offer Booklet is dated 18 October 2023.

Subject to the following paragraph, statements in this Retail Offer Booklet are made only as of the date of this Retail Offer Booklet unless otherwise stated and the information in this Retail Offer Booklet remains subject to change without notice. AVJennings is not responsible for updating this Retail Offer Booklet.

The ASX Announcement and Investor Presentation set out in Section 8 is current as at 11 October 2023 and the Institutional Entitlement Offer Results set out in Section 8 is current as at 13 October 2023. There may be additional announcements that are made by AVJennings after those dates and throughout the Retail Entitlement Offer Period that may be relevant to your consideration of whether to take up your Entitlement. Therefore, it is prudent that you check whether any further announcements have been made by AVJennings before submitting an application.

### **9.2 Trading of New Shares**

Holding statements in respect of New Shares allotted under the Retail Entitlement Offer are expected to be dispatched to Eligible Retail Shareholders on 14 November 2023. It is the responsibility of each applicant to confirm their holding before trading in New Shares. Any applicant who sells New Shares before receiving written confirmation of their holding will do so at their own risk.

AVJennings and the Underwriter disclaim all liability whether in negligence or otherwise (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statement, whether on the basis of confirmation of the allocation provided by AVJennings, the Registry or the Underwriter.

If you are in any doubt as to these matters, you should first consult with your stockbroker, accountant or other independent professional adviser.

### **9.3 Eligible Retail Shareholder – Definition**

The Retail Entitlement Offer is available only to Eligible Retail Shareholders.

An **Eligible Retail Shareholder** is a person who is registered as the holder of Existing Shares on the Record Date (being 7.00pm (AEDT) on 13 October 2023), and:

- whose registered address on the AVJennings register of members is in Australia, New Zealand or Singapore;
- who is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such person holds Existing Shares for the account or benefit of such person in the United States);
- who is not an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder; and
- who is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

The Retail Entitlement Offer is not being made in the United States or to any person acting for the account or benefit of a person in the United States. Accordingly, Eligible Retail Shareholders (including nominees) who hold Shares on behalf of persons in the United States cannot take up their Entitlements or subscribe for New Shares on behalf of such persons, and may not send to such persons this Retail Offer Booklet or any other documents relating to the Entitlement Offer.

It is a condition of the Entitlement Offer that the determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is made by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of AVJennings and/or the Underwriter and each of AVJennings and the Underwriter and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

#### **9.4 Ranking of New Shares**

New Shares will be issued on a fully paid basis and will rank equally in all respects with Existing Shares.

The rights and liabilities attaching to the New Shares are set out in AVJennings' constitution, a copy of which is available at [www.asx.com.au](http://www.asx.com.au).

#### **9.5 Risks**

The Investor Presentation set out in Section 8 details important factors and risks that could affect the financial and operating performance of AVJennings. Please refer to the 'Key Risks' set out in Appendix A of the Investor Presentation. You should consider these risk factors carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Retail Entitlement Offer.

#### **9.6 Effect on control**

The Entitlement Offer is structured as a pro rata issue and if all of the Company's existing shareholders take up their Entitlements under the Entitlement Offer, the Entitlement Offer will have no effect on the control of the Company.

SC Global has committed to take up its Entitlements in respect of its entire Shareholding. SC Global currently holds 53.95% of AVJennings' shares. SC Global is a company associated with and controlled by interests associated with the Chairman of AVJennings, Mr Simon Cheong.

The Entitlement Offer is fully underwritten by Bell Potter Securities Limited.

SC Global will not otherwise take up any New Shares under the Entitlement Offer. Accordingly, SC Global's percentage holding of Shares is not expected to increase following completion of the Entitlement Offer. However, if the Underwriting Agreement is terminated after New Shares are issued to SC Global under the Institutional Entitlement Offer but prior to completion of the Retail Entitlement Offer, SC Global's percentage holding of Shares is expected to increase. Any increase in SC Global's voting power in AVJennings in such circumstances will have minimal practical impact on the control of AVJennings as SC Global is already its controlling shareholder.

#### **9.7 Reconciliation**

The Entitlement Offer is a complex process and in some instances investors may believe that they will own more Shares than they ultimately did as at the Record Date. This results in reconciliation issues. If reconciliation issues occur, it is possible that AVJennings may need to issue a small quantity of additional New Shares (**Top-Up Shares**) to ensure all Eligible Shareholders receive their full Entitlement. The price at which these Top-Up Shares would be issued is the Issue Price.

AVJennings also reserves the right to:

- reduce the number of New Shares allocated to Eligible Shareholders or persons claiming to be Eligible Shareholders, if their Entitlement claims prove to be overstated, if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are not Eligible Shareholders; and

- reduce the aggregate amount of Institutional Sale Proceeds or Retail Sale Proceeds (as applicable) allocated to persons who are Shareholders on the Record Date or persons claiming to be Shareholders on the Record Date, if their Entitlement claims prove to be overstated, if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are not Shareholders on the Record Date.

### **9.8 No cooling off rights**

Cooling off rights do not apply to an investment in New Shares. You cannot, in most circumstances, withdraw your Application once it has been lodged.

### **9.9 Rounding of Entitlements**

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

### **9.10 Nominees and custodians**

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders.

Nominees with a registered address in Australia, New Zealand or Singapore, irrespective of whether they participate in the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Existing Shares, provided that the beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Nominees and custodians who hold Shares as nominees and custodians will have received, or will shortly receive, a letter from AVJennings. Nominees and custodians should carefully consider the contents of that letter and note in particular that the Retail Entitlement Offer is not available to beneficiaries on whose behalf they hold Existing Shares who:

- would not satisfy the criteria for an Eligible Retail Shareholder;
- are Eligible Institutional Shareholders and received an offer to participate in the Institutional Entitlement Offer (whether they took up their Entitlement or not); or
- were treated as Ineligible Institutional Shareholders under the Institutional Entitlement Offer.

AVJennings is not required to determine whether or not any registered holder of Shares is acting as a nominee or the identity or residence of any beneficial owners of Shares. Where any registered holder of Shares is acting as a nominee for a foreign person that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. AVJennings is not able to advise on any foreign laws. Any person in the United States or any person that is acting for the account or benefit of a person in the United States with a holding through a nominee may not participate in the Retail Entitlement Offer, and such a nominee must not take up or exercise any Entitlement on behalf of such a person or send any materials relating to the Entitlement Offer into the United States.

### **9.11 Not investment advice**

The information provided in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs, and should not be considered to be comprehensive or to comprise all the information which a Shareholder may require in order to determine whether or not to subscribe for New Shares. AVJennings is not licensed to provide financial product advice in relation to the Retail Entitlement Offer. If you are in doubt as to the course you should follow, you should consult your stockbroker, accountant or other independent professional adviser before deciding whether to take up your Entitlement.

Prospective investors should conduct their own independent investigation and assessment of the Retail Entitlement Offer and the information contained in, or referred to in, this Retail Offer Booklet. An

investment in AVJennings is subject to investment risk including possible loss of income and principal invested. You should read the entire ASX Announcement and Investor Presentation set out in Section 8 (including the 'Key Risks' set out in the Investor Presentation) and other materials sent to you in relation to the Retail Entitlement Offer and any relevant materials lodged with ASX, consider all of the risk factors that could affect the performance of AVJennings (including the 'Key Risks' set out in the Investor Presentation) in light of your particular investment objectives, financial circumstances and investment needs (including financial and taxation issues) and consult your stockbroker, accountant or other independent professional adviser before deciding whether to take up your Entitlement.

#### **9.12 No Prospectus**

This Retail Offer Booklet (including the ASX Announcement and Investor Presentation set out in Section 8) is issued by AVJennings. This Retail Offer Booklet and the Entitlement and Acceptance Form are important documents and require your immediate attention. You should read these documents carefully and in their entirety before deciding whether or not to participate in the Retail Entitlement Offer.

The Retail Entitlement Offer is being made pursuant to the requirements of section 708AA of the Corporations Act as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84. Accordingly, neither this Retail Offer Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC and no prospectus for the Entitlement Offer will be prepared. These documents do not contain, or purport to contain, all of the information that a prospective investor may require in evaluating a possible investment in AVJennings. They do not and are not required to contain all of the information which would be required to be disclosed in a prospectus.

#### **9.13 Quotation and trading**

AVJennings will apply to ASX for official quotation of the New Shares to be issued under the Entitlement Offer. Subject to approval being granted for the quotation of New Shares, it is expected that normal trading of New Shares allotted under the Retail Entitlement Offer will commence on 14 November 2023.

#### **9.14 Information Availability**

Eligible Retail Shareholders in Australia, New Zealand and Singapore may access this Retail Offer Booklet, their Entitlement and Acceptance Form at <https://events.miraql.com/AVJ-offer> from the Retail Open Date.

#### **9.15 Continuous disclosure**

AVJennings is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

AVJennings is required to notify the ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the stock markets conducted by the ASX. In particular, AVJennings has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities. That information is available to the public from the ASX and can be accessed at [www.asx.com.au](http://www.asx.com.au).

Some documents are required to be lodged with ASIC in relation to AVJennings. These documents may be obtained from, or inspected at, an ASIC office.

## **9.16 Foreign jurisdictions – restrictions and limitations**

This Retail Offer Booklet does not constitute an offer of Entitlements or New Shares in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Entitlements and New Shares may not be offered or sold in the institutional entitlement offer, in any country outside Australia except to the extent permitted below.

### **New Zealand**

The Entitlements and the New Shares are not being offered to the public within New Zealand other than to existing shareholders of AVJennings with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021. The offer of New Shares is renounceable in favour of members of the public.

This Retail Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This Retail Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### **Singapore**

This Retail Offer Booklet and any other materials relating to the Entitlements and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Retail Offer Booklet and any other document relating to such securities may not be issued, circulated or distributed, nor may they 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 pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the SFA) or another exemption under the SFA.

This Retail Offer Booklet has been given to you on the basis that you are an existing holder of AVJennings' shares. If you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore or outside of Singapore.

Any offer is not made to you with a view to the Entitlements or the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire such securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

### **General**

The distribution of this Retail Offer Booklet or the Entitlement and Acceptance Form outside Australia, New Zealand and Singapore may be restricted by law. If you come into possession of this Retail Offer Booklet or the Entitlement and Acceptance Form you should observe any such restrictions and should seek your own advice on those restrictions. Any failure to comply with such restrictions may contravene applicable securities laws.

This Retail Offer Booklet and anything contained in it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person acting for the account or benefit of any person in the United States. None of this Retail Offer Booklet, the ASX Announcement, Investor Presentation and Institutional Entitlement Offer Results reproduced in it nor the Entitlement and Acceptance Form may be distributed to or released in the United States or to any person in the United States.

The Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of a person in the United States, and the New Shares may not be

offered, sold or resold in the United States or to any person acting for the account or benefit of a person in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States. The Entitlements and the New Shares offered in the Retail Entitlement Offer may only be offered and sold outside the United States to persons that are not acting for the account or benefit of a person in the United States in 'offshore transactions' (as defined in Regulation S under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

In addition, the New Shares may not be deposited in any unrestricted American Depositary Receipt facility with respect to the securities of AVJennings that has been or may be established until 40 days following the completion of the Retail Entitlement Offer.

See also Appendix C: Foreign Selling Restrictions of the Investor Presentation set out Section 8 for more information.

### 9.17 Underwriting

AVJennings has entered into the Underwriting Agreement under which the Underwriter has agreed to fully underwrite the Entitlement Offer, subject to the terms and conditions of the Underwriting Agreement.

The obligation on the Underwriter to underwrite the Entitlement Offer is conditional on certain customary matters, including AVJennings delivering certain certificates, sign-offs and opinions to the Underwriter.

Additionally, the Underwriter may (in certain circumstances having regard to the materiality of the relevant event) terminate the Underwriting Agreement and be released from its obligations under it on the occurrence of certain events, which are set out in Appendix B: Summary of Underwriting Agreement in the Investor Presentation (see Section 8 of this Retail Offer Booklet).

The Underwriter will be paid:

- (a) an underwriting fee of:
  - (i) 3.0% of the proceeds of the Institutional Entitlement Offer (***Institutional Offer Proceeds***) other than proceeds related to SC Global; and
  - (ii) 3.0% of the proceeds of the Retail Entitlement Offer (***Retail Offer Proceeds***); and
- (b) a management fee of:
  - (i) 1.5% of the proceeds of the Institutional Offer Proceeds; and
  - (ii) 1.5% of the proceeds of the Retail Offer Proceeds.

The Underwriter will also be reimbursed for certain expenses.

### 9.18 Governing law

This Retail Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each Shareholder who applies for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

### 9.19 Authorisations and Disclaimers

This Retail Offer Booklet is issued by, and is the sole responsibility of, AVJennings.

None of the parties referred to in the Corporate Directory of this Retail Offer Booklet (other than AVJennings), has:

- authorised or caused the issue of this Retail Offer Booklet; or

- made or authorised the making of any statement that is included in this Retail Offer Booklet or any statement on which a statement in this Retail Offer Booklet is based.

To the maximum extent permitted by law, each of the parties referred to in the Corporate Directory of this Retail Offer Booklet (other than AVJennings) expressly disclaims and takes no responsibility for any statements in or omissions from this Retail Offer Booklet.

The information contained in this Retail Offer Booklet is of general nature and has been prepared by AVJennings in good faith and with due care but no representation or warranty, express or implied, is provided in relation to the accuracy or completeness of the information. No person is authorised to give any information or make any representation in connection with the Retail Entitlement Offer which is not contained in this Retail Offer Booklet. Any information or representation not so contained may not be relied upon as being authorised by AVJennings or any person associated with it in connection with the Retail Entitlement Offer.

## **9.20 Withdrawal of the Retail Entitlement Offer**

AVJennings reserves the right to withdraw the Retail Entitlement Offer at any time before the issue of New Shares, in which case AVJennings will refund any Application Monies (as soon as practicable and without interest).

## **9.21 Privacy**

As a Shareholder, AVJennings and the Registry have already collected certain personal information (which includes your name, mailing address, details of your shareholding, number of Entitlements grants, and bank account details) from you. If you apply for New Shares, AVJennings and the Registry may update that personal information or collect additional personal information for the purposes of:

- processing your application and assessing your acceptance of the New Shares;
- servicing your needs as a shareholder and providing facilities and services that you request; and
- carrying out appropriate administration.

This Retail Entitlement Offer is a rights issue in accordance with the Corporations Act, and AVJennings is required to collect personal information about you under the Corporations Act and Australian taxation laws as part of this offer. If you do not provide your personal information, AVJennings may be hindered in, or prevented from, processing your application.

AVJennings and the Registry may disclose this personal information for these purposes, or as required or authorised by law, to its subsidiaries and relevant organisations involved in providing, managing or administering your product or service such as third party suppliers, other organisations, loyalty and affinity partners, printers, posting services, call centres, and AVJennings' advisers. Some of the personal information that AVJennings receives about you may be collected by AVJennings from the Registry or from a broker or third party if you have listed such a party as your contact.

The personal information you provide will ordinarily be held and used within Australia and disclosed to third parties who are located in Australia. As stated in AVJennings' Privacy Policy, AVJennings has outsourced its Singaporean Share registry function to The Central Depository (Pte) Limited (**CDP**) in Singapore. The shareholders on this registry are predominantly Singapore based. The CDP's policy is to only disclose personal information on individual shareholders to AVJennings or to the individual shareholder concerned. Apart from the above, AVJennings would not normally disclose information to an overseas recipient.

Where personal information is disclosed, AVJennings will seek to ensure that the information is held, used or disclosed consistently with the *Privacy Act 1988* (Cth) and any other applicable privacy laws and codes.

AVJennings' Privacy Policy is available on its website at <https://www.avjennings.com.au/privacy-policy> and provides more information on:

- how AVJennings stores and uses, and how you may access and correct, your personal information;
- how you can lodge a complaint regarding AVJennings' handling of your personal information; and
- how AVJennings will handle any complaint.

If you would like any further information about AVJennings' privacy practices or access to the personal information collected by AVJennings in relation to your shareholding, you may contact AVJennings through the AVJennings Shareholder Information Line by calling 1800 500 095 (within Australia) or +61 1800 500 095 (outside Australia). The AVJennings Shareholder Information Line operates from 8.30am to 5.30pm (AEDT) Monday to Friday during the Retail Entitlement Offer Period (excluding public holidays in Australia).

## 10 Glossary

In this Retail Offer Booklet the following terms have the following meanings:

\$ or A\$ or dollars	Australian dollars
ABN	Australian Business Number
Application	an application to subscribe for New Shares under the Retail Entitlement Offer in accordance with the instructions set out in this Retail Offer Booklet and your personalised Entitlement and Acceptance Form
Application Monies	monies received from applicants in respect of their Applications
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ABN 98 008 624 691) or the financial products market operated by that entity known as the Australian Securities Exchange
ASX Announcement	the announcement released to ASX on 11 October 2023 in connection with the Entitlement Offer, a copy of which is set out in Section 8
ASX Listing Rules	the official listing rules of ASX, as amended or replaced from time to time and as waived in respect of AVJennings by ASX
AVJennings	AVJennings Limited (ACN 004 327 771)
CDP	the Central Depository (Pte) Limited
CDP Register	the depository register of CDP account holders or CDP depository agents maintained by CDP
CGT	capital gains tax
Clearing Price	the price paid by Institutional Investors to participate in the Retail Bookbuild, which comprises the sum of: <ul style="list-style-type: none"> <li>• the Issue Price; and</li> <li>• the price payable for the Entitlements offered in the Retail Bookbuild</li> </ul>
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Eligible Singapore CDP Depositor	a Singapore CDP Depositor who has a mailing address registered with CDP in Singapore as at the Record Date, or who had at least three business days prior to the Record Date, provided CDP with an address in Singapore for the service of notices and documents
Eligible Institutional Shareholder	a person who: <ul style="list-style-type: none"> <li>• was identified as an Institutional Shareholder by AVJennings;</li> <li>• has a registered address in Australia, New Zealand or certain other jurisdictions disclosed in the Investor Presentation;</li> <li>• is eligible under all applicable securities laws to receive an offer under the Institutional Entitlement Offer; and</li> <li>• who has successfully received an offer under the Institutional Entitlement Offer</li> </ul>
Eligible Retail Shareholder	is defined in Section 9.3
Eligible Shareholder	a person who is an Eligible Institutional Shareholder or an Eligible

	Retail Shareholder
Entitlement	the entitlement to subscribe for 1 New Share for every 2.67 Existing Shares held on the Record Date by Eligible Shareholders
Entitlement and Acceptance Form	The entitlement and acceptance form, which can be accessed and downloaded at the Entitlement Offer website <a href="https://events.miraqle.com/AVJ-offer">https://events.miraqle.com/AVJ-offer</a>
Entitlement Offer	the offer of approximately 152,117,400 New Shares to Eligible Shareholders in the proportion of 1 New Share for every 2.67 Existing Shares held on the Record Date by Eligible Shareholders, comprising the Institutional Entitlement Offer, the Institutional Bookbuild, the Retail Entitlement Offer and the Retail Bookbuild
Existing Share	a Share on issue before the Record Date
GST	Australian Goods and Services Tax (currently 10%)
Ineligible Institutional Shareholder	an Institutional Shareholder who is not an Eligible Institutional Shareholder
Ineligible Retail Shareholder	a Shareholder that is not an Eligible Retail Shareholder, an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder
Ineligible Singapore CDP Depositor	a Singapore CDP Depositor who does not have a mailing address registered with CDP in Singapore as at the Record Date, or who had not by at least three business days prior to the Record Date, provided CDP with an address in Singapore for the service of notices and documents
Institutional Bookbuild	the bookbuild sale process conducted after completion of the Institutional Entitlement Offer, as described in Section 5.3
Institutional Entitlement Offer	the offer of New Shares to Eligible Institutional Shareholders as part of the Entitlement Offer as described in Section 5.3
Institutional Entitlement Offer Results	the announcement released to ASX on 13 October 2023 containing the results of the Institutional Entitlement Offer, a copy of which is included in Section 8 of this Retail Offer Booklet.
Institutional Investor	a person: <ul style="list-style-type: none"> <li>• in Australia, to whom an offer of securities in a company may be made in Australia without a disclosure document (as defined in the Corporations Act) on the basis that such a person is an 'exempt investor' as defined under section 9A(5) of the Corporations Act (as inserted by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84); or</li> <li>• in selected jurisdictions outside Australia, to whom an offer of New Shares may be made without registration, lodgment of a formal disclosure document or other formal filing in accordance with the laws of that foreign jurisdiction (except to the extent to which AVJennings, at its absolute discretion, is willing to comply with such requirements)</li> </ul>
Institutional Sale Proceeds	has the meaning given in Section 5.3

Institutional Shareholder	a Shareholder on the Record Date who is an Institutional Investor
Investor Presentation	the presentation released to ASX on 11 October 2023 in connection with the Entitlement Offer, a copy of which is set out in Section 8
Issue Price	\$0.20 per New Share
New Shares	the Shares offered under the Entitlement Offer
Record Date	the time and date for determining which Shareholders are entitled to an Entitlement under the Entitlement Offer, being 7.00pm (AEDT) on 13 October 2023
Registry	Link Market Services Limited (ACN 083 214 537) or any other person appointed as registry by AVJennings from time to time
Retail Bookbuild	the bookbuild sale process conducted after completion of the Retail Entitlement Offer, as described in Section 5.2(c)
Retail Closing Date	5.00pm (AEDT) on 1 November 2023. This is the final date that Eligible Retail Shareholders can take up some or all of their Entitlement
Retail Entitlement Offer	the offer of New Shares to Eligible Retail Shareholders as part of the Entitlement Offer as described in Section 5.2(a)
Retail Entitlement Offer Period	the period commencing on the opening date of the Retail Entitlement Offer, as specified in the 'Key Dates for the Entitlement Offer' in Section 2, and ending on the Retail Closing Date
Retail Offer Booklet	this booklet dated 18 October 2023
Retail Sale Proceeds	has the meaning given in Section 5.2(c)
SC Global	SC Global Developments Pte Ltd, a company incorporated in Singapore, and its subsidiaries and where relevant in the context includes nominees holding shares for and on behalf of SC Global Developments Pte Ltd and its subsidiaries
Section	a section of this Retail Offer Booklet
Securities Account	The securities account maintained by a Singapore CDP Depositor with CDP but does not include a securities subaccount
Share	a fully paid ordinary AVJennings share
Shareholder	the registered holder of an Existing Share
Singapore Application Form	the application form for New Shares to be issued to Entitled Singapore CDP Depositors (for Corporate Accounts only) or the notification to Eligible Singapore CDP Depositors (for automated teller machine applications only) of their provisional allotment of New Shares, as the case may be
Singapore CDP Depositor	persons (being CDP account holders or CDP depository agents) with Share(s) entered against their names in the CDP Register
TFN	tax file number
U.S. or United States	United States of America, its territories and possessions, any state of the United States and the District of Columbia
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Underwriter	Bell Potter Securities Limited (ACN 006 390 772), the underwriter and

	bookrunner for the Entitlement Offer
Underwriting Agreement	the underwriting agreement dated 11 October 2023 between AVJennings and the Underwriter, as described in Section 9.17

## **11 Corporate Directory**

### **AVJennings Limited**

Level 4, 108 Power St

Hawthorn VIC 3122

[www.avjennings.com.au](http://www.avjennings.com.au)

### **AVJennings Shareholder Information Line**

1800 500 095 (within Australia) or

+61 1800 500 095 (outside Australia)

Open 8.30am to 5.30pm (AEDT)

Monday to Friday (excluding public holidays in Australia)  
during the Retail Entitlement Offer Period.

### **Registry - Australia**

Link Market Services Limited

Level 12, 680 George Street

Sydney NSW 2000

### **CDP – Singapore**

The Central Depository (Pte) Limited

11 North Buona Vista Drive #01-19/20

The Metropolis Tower 2

Singapore 138589

### **Australian Legal Adviser**

Allens

Level 28, 126 Phillip Street

Sydney NSW 2000

### **Underwriter**

Bell Potter Securities Limited

Aurora Place, Level 38, 88 Phillip Street

Sydney NSW 2000