

8 October 2025

Immediate release to the ASX

Q1-FY26 Trading Results, Strategic Priorities, & Pipeline Update

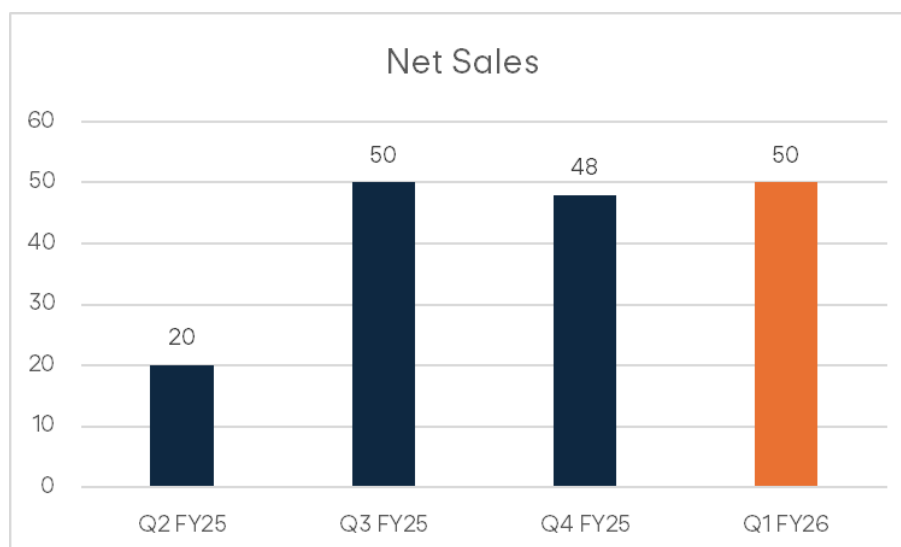
Lifestyle Communities Limited (ASX: LIC) provides the following trading update for the quarter ended 30 September 2025.

The business has made positive progress in Q1-FY26 despite an adverse VCAT finding in relation to the Deferred Management Fee (DMF) and a generally soft residential property market in Victoria. The operating environment is showing signs of stabilisation and our business performance is becoming more consistent across quarters.

The business has amended the DMF calculation method for new customers to be consistent with the VCAT findings to strong effect and the Q1-FY26 results demonstrate the market acceptance of this approach. In addition, Lifestyle Communities launched its new marketing campaign on 14 September 2025, centred around the theme of “Way to Live” leading to an immediate increase in appointment rates.

The team remain laser focussed on maturing the business and delivering against our refreshed strategy as outlined in the FY25 full year results presentation.

Trading Results



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Chief Executive Officer, Mr Henry Ruiz, said, "After a challenging start to the financial year following an unexpected VCAT finding, I am proud of the commitment our team have demonstrated toward our homeowners and future prospects, and this was reflected in the pleasing sales performance in Q1 of FY26. It was also a landmark moment for the company launching the new brand platform "Way to Live" and the supporting marketing campaign which heroes our homeowners across our communities. This is an important pillar of our refreshed strategy which builds on the universal human need for belonging. One of the core aims of the refreshed branding is to position downsizing as an empowering choice – one that unlocks freedom, connection, and agency".

Update on Strategic Priorities

The update on our strategic priorities referenced as part of the FY25 full year results is as follows:

- **Inventory** – Targeted selling in Q1-FY26 has resulted in a continued reduction in inventory balances and further de-leveraging of the balance sheet:
 - As at 30 September 2025, we are carrying 216 unsold completed homes. This is down from 257 reported at 30 June 2025, and represents a 16.0% reduction in the number of inventory homes completed and not sold.
 - As at 30 September 2025, there are 13 unsold homes currently under construction compared with the 12 that were under construction at 30 June 2025.
- **Land Sales** – As advised to the ASX on 9 September 2025, the contract of sale for the Ocean Grove site became unconditional and settlement subsequently occurred on 3 October 2025. In addition, we are pleased to confirm that settlements have occurred for Drysdale, Merrifield and Warragul land sales.
- **Net Debt** – The net debt balance as at 6 October 2025 is \$347.7m, down from \$460.5m at 30 June 2025 which is driven by receipt of \$100.0m of land sales proceeds and approximately \$19.0m working capital release.

Sales and Settlement Pipeline FY26

The status of the sales and settlement pipeline as at 30 September 2025 is as follows:

- 54 new home settlements completed
- 237 contracts on hand

Of the 237 contracts on hand, 160 relate to homes that will be available for settlement in FY26.

Of these 160 contracts available for settlement in FY26:

- 52 customers are booked to settle prior to 30 June 2026 and have unconditional contracts on their current homes.
- 53 customers are actively marketing their own homes for sale. Settlement with Lifestyle Communities will be subject to the timing of the sale of their existing home.
- 55 customers have placed deposits and are yet to list their homes for sale.

Mr Ruiz continued, "The Q1 sales rate is encouraging and early positive responses to the new marketing campaign are resulting in improved appointment setting rates. Important steps are in progress to mature the operating platform in readiness for the strengthening property cycle in Victoria. We head into the balance of FY26 with an appropriately sized landbank, a refreshed marketing strategy and a renewed commitment to deliver outstanding homeowner experiences. The fundamental drivers of demand for homeowners seeking to downsize (financial and lifestyle) remain strong. We are confident that these drivers together with the changes we are driving through our business will underwrite the long-term outlook."

Authorised for release by the Board.

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About Lifestyle Communities®

Based in Melbourne, Victoria, Lifestyle Communities® develops, owns and manages affordable independent living residential land lease communities. Lifestyle Communities® has twenty-nine residential land lease communities under contract, in planning, in development, or under management. Over 5,800 Victorians call Lifestyle Communities their home.

Forward-looking Statements

This announcement contains forward-looking statements, which include all matters that are not historical facts. Without limitation, indications of, and guidance on, future earnings and performance are examples of forward-looking statements. Forward-looking statements, including projections or guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

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