

A photograph of two women walking a small white dog on a leash along a paved path. The woman on the left is wearing a black and white striped long-sleeved shirt and dark green pants. The woman on the right is wearing a bright pink jacket, blue jeans, and white sneakers. The dog is wearing a blue bandana. In the background, there is a modern, light-colored house with a white railing and a clock on the wall. The scene is set outdoors with some landscaping and a clear blue sky.

Lifestyle

COMMUNITIES

A Business for Purpose

Annual General Meeting

18 November 2019



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Section 1

Introduction from Chair
Philippa Kelly

Aerial shot of the entry at Lifestyle Ocean Grove

Overview

- A long-term business that is focused on the balance between a sustainable lifestyle for our homeowners and a growing return to our shareholders
- Long term Director and Chair, Tim Poole, stepped down in August. Recruitment process is ongoing for a replacement Director who will also Chair the Audit Committee
- The Board reiterates the current strategy and balance sheet settings
- Property market sentiment improving following interest rate cuts and APRA easing mortgage serviceability tests. Assists Lifestyle customers sell their existing properties
- Industry fundamentals remain supportive of Lifestyle's product offering
 - Ageing Baby Boomer generation
 - Population growth in Victoria
 - Supportive planning legislation
- Funded and resourced to acquire two new sites every 12 months subject to identification of appropriate sites
- Land acquisition strategy remains focused in Victoria's growth corridors



Fishing boat at Lifestyle Ocean Grove

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Section 2

Presentation from Managing Director
James Kelly



FY19 Review

- Achieved 209 sales, 337 settlements, and 53 resales that attracted a Deferred Management Fee
- Lifestyle welcomed our 3,000th homeowner
- Acquired two additional sites located at Plumpton and Tyabb as well as acquiring additional land to expand our development at Wollert
- Total portfolio of homes settled, in development, and in planning has increased to 3,563
- Secured \$225 million senior debt facility to fund future growth
- Continued to develop our people, systems and processes to support future growth whilst maintaining our unique organisational culture and customer centricity



Clubhouse at Lifestyle Mount Duneed

FY20 Update

- 101 new sales, 78 settlements, and 37 resales that attracted a Deferred Management Fee (up to 14 November)
- Settlements weighted to the second half due to commencement of settlements for Mount Duneed and Kaduna Park
- Acquired a new site at St Leonards on the Bellarine Peninsula
- Lifestyle Bittern, Berwick Waters and Geelong have been fully sold and will settle out in FY20. Lifestyle Shepparton has 5 homes remaining to sell
- Lack of provision by the respective vendors of key access roads at Mount Duneed and Ocean Grove have impacted sales for both projects
- Lifestyle Mount Duneed construction is on plan with first homeowners moving in during December 2019
- Construction has commenced at Lifestyle Kaduna Park. First settlements expected in Q4 of FY20
- Construction has commenced at Lifestyle Wollert. First settlements expected in Q1 of FY21



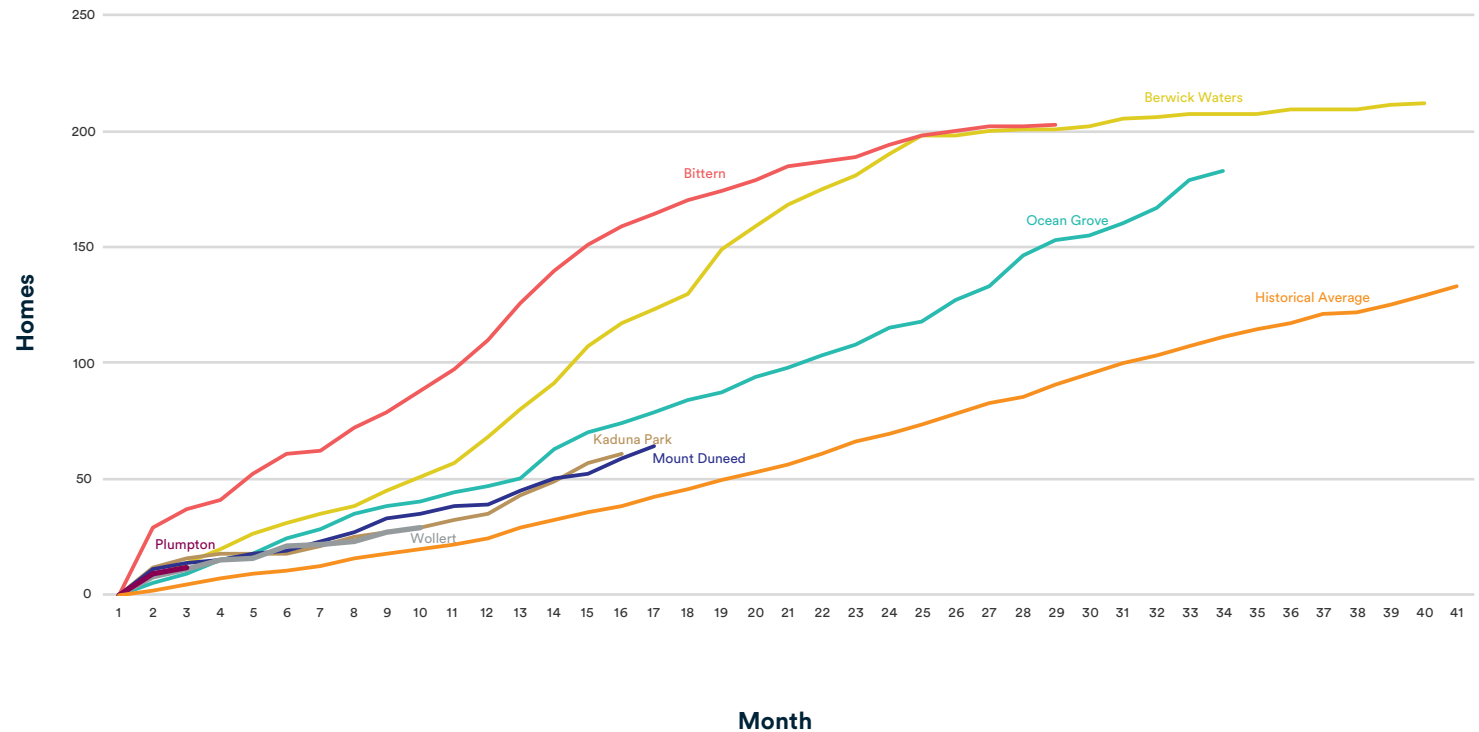
Pickle Ball game at Lifestyle Ocean Grove

Sales rates

The higher the sales rate, the faster capital is recycled to undertake more communities

- Sales rates continue to be driven by homeowner referral, brand awareness and sales team training
- Market strategy focusing on the driver for downsizing and bringing the decision forward
- Kaduna Park and Wollert pre-sales impacted by planning delays (now resolved)
- Lack of provision by the respective vendors of key access roads at Mount Duneed and Ocean Grove have impacted sales for both projects

Sales profile from date of first sale



Land Acquisitions & Development Update



- Community construction completed
- Fully sold and will settle out in FY20



- Clubhouse, aqua club & community facilities completed
- Grubb road access delayed which has impacted sales and settlements
- Forecast to sell out in FY20



- Sales launched in August 2018
- Construction is tracking to programme
- First settlements expected in December 2019



- Planning permit delays impacted FY20 sales and settlements
- Construction commenced in August 2019
- First settlements expected in Q4 of FY20



- Planning permit delays impacted FY20 sales and settlements
- Construction commenced in August 2019
- First settlements expected in Q1 of FY21



- Land settled in September 2019 and sales launched in October 2019
- Planning permit application submitted
- Commencing initial earth works in November 2019



- Land contracts conditional on receiving a planning permit
- Planning permit application lodged in August 2019
- Settlements expected to occur in Q4 of FY21

Portfolio Overview

19 Communities in planning, development or under management

Community	Homes	Settled
Brookfield at Melton	228	100%
Seasons at Tarneit	136	100%
Warragul	182	100%
Casey Fields at Cranbourne	217	100%
Shepparton	300	95%
Chelsea Heights	186	100%
Hastings	141	100%
Officer	151	100%
Lyndarum at Wollert	154	100%
Geelong	164	99%
Berwick Waters	216	98%
Bittern	209	93%
Ocean Grove	220	52%
Mount Duneed	191	-
Kaduna Park	169	-
Wollert	246	-
Plumpton ¹	265	-
Tyabb ²	185	-
St Leonards ¹	170	-
	3,730³	63%

Correct as at 14 November 2019

Notes:

1. Commencement of construction is subject to planning approval
2. Commencement of construction is subject to planning approval and the contracts becoming unconditional
3. Represents gross numbers not adjusted for joint venture interests at Cranbourne and Chelsea Heights

Greatest growth opportunity remains in Victoria with low saturation and accessible land



SIMPSON ARTS PRIZE

Lifestyle's major art competition was named the Simpson Art Prize to celebrate Warren and Pauline Simpson who were the first homeowners to move into a Lifestyle community in 2005. Pauline still lives at Lifestyle Brookfield today

- 10 Categories
- 400 Entrants
- Over 600 attended the final held at the Melbourne Pavillion



Missed the Simpson Arts Prize?
Watch here:
<http://bit.ly/2JyAfEM>



Summary

- FY19 was a year of getting match fit for the next phase of growth
- We continue to evolve our customer service and delivery of amazing experiences to our current and prospective homeowners
- Constantly updating and adapting our product offering as the baby boomer becomes our primary customer
- Forecast settlement range for FY20 and projections for FY21 remain unchanged



Our Pet-ential event and electric car

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