



ASX:LIC

15 November 2022

Immediate Release to the ASX

Lifestyle Communities Ltd releases the attached Chair and Managing Director address for the Annual General Meeting to be held today at 9.00am (Melbourne time).

For further information, please contact:

James Kelly
Managing Director
Ph: (03) 9682 2249
Email: james.kelly@lifestylecommunities.com.au

Authorised for lodgement by the Board.

About Lifestyle Communities

Based in Melbourne, Victoria, Lifestyle Communities develops, owns and manages affordable independent living residential land lease communities. Lifestyle Communities has twenty-six residential land lease communities under contract, in planning, in development, or under management.

Downsize to a bigger life

Lifestyle
COMMUNITIES

A Business for Purpose

Annual General Meeting

15 November 2022

Lifestyle St Leonards

Artist's impression of the lounge
at Lifestyle Woodlea



Overview

*Introduction from Chair -
Philippa Kelly*

Macro themes provide resilience through the cycle

Lifestyle Communities provides a credible option even in a falling market

- First home buyers remain resilient supported by recently announced Government stimulus at both state and federal level
- Affordable suburbs less sensitive to price movements – housing prices not affecting decision to downsize for Lifestyle customers
- Supply in the land lease industry is not keeping up with demand
- New Competitors entering Victorian market but material change in supply still some years away
- Indications for valuation support as industry continues to consolidate – Serenitas and Living Gems transactions currently in the market
- Supply chain pressures easing as new home construction declines and the home builder scheme concludes



Lifestyle's positioning

- Well positioned to navigate the current macro environment – no change in strategy
- Lived experience is a differentiator for our homeowners
- Continued focus on our people and culture – remains central to our growth
- Development pipeline replenished – 7 projects to launch in FY23
- 3-year settlement guidance – 1,400 to 1,700 settlements anticipated between FY23 and FY25
- Recent refinancing increased borrowings to \$525m providing headroom for new acquisitions
- Gearing expected to increase to circa 40% at the half year as land purchases settle and developments commence
- Team focused on scalable growth

I decided to move to Lifestyle Communities so I could spend more time doing the things I love. Lifestyle Wollert has everything you need to live life to the fullest.

Lena at Lifestyle Wollert

Clubhouse at Lifestyle Wollert

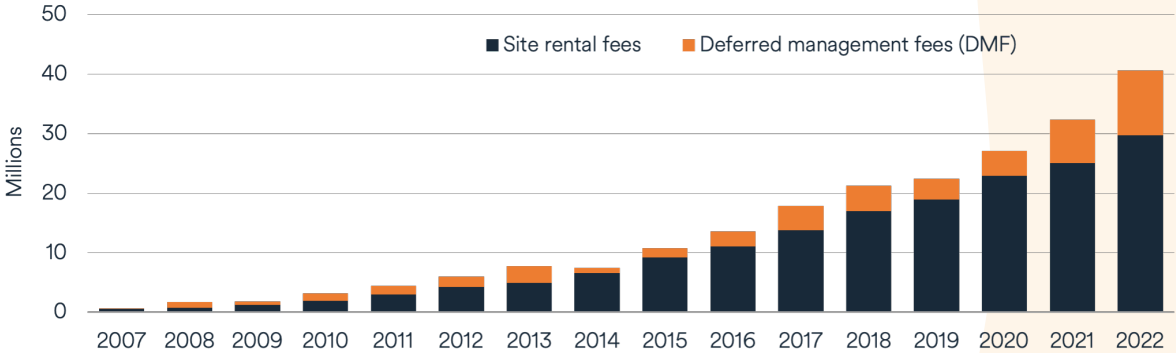


Artist's impression of the kitchen at Lifestyle Bellarine

Presentation
*Managing Director -
James Kelly*

FY22 Review

Completed communities generate recurring revenue streams which are growing as new communities are added to the portfolio.



Total number of homes settled (Cumulative)	100	138	202	305	412	546	695	906	1,146	1,348	1,626	1,947	2,284	2,537	2,792	3,193
Number of resales attracting a DMF	-	-	4	11	8	11	10	23	34	52	73	59	53	80	105	143

DMF of 4% per annum on the resale price of the home, capped at 20% after 5 years.

- Portfolio + Pipeline of 5,391 home sites of which 3,193 home sites are occupied by 4,600+ homeowners
- Opened new clubhouse at St Leonards and welcomed first homeowners at Lifestyle Meridian
- Sold out communities at Mount Duneed and Kaduna Park
- 418 new home sales and 401 new home settlements in a year affected by lockdowns
- 156 resale settlements of which 143 attracted a deferred management fee
- Underlying profit rose 69% from \$36.4m to \$61.4m driven by higher settlements and increased homes under management
- New land acquisitions at Phillip Island, Merrifield, Ocean Grove, and Bellarine



26 Communities.
19 in operation, 7 in planning or development



120 Employees.
68% female, 32% male

Positioning for growth

- Lifestyle’s key point of difference is our customer centric culture
- At the forefront of this is our recruitment strategy
- Employee experience and benefits continue to attract key talent
- We are increasing the investment in our team and their training to build both competency and customer service skills
- The Lifestyle culture is the primary driver of our high referral rate for sales

Leadership and careful recruitment drives our customer-centric culture



FY23 update

- 126 sales and 96 settlements achieved to date
- 7 project launches planned – 3 completed to date
- Construction program progressing on plan
- New home settlements will be second half weighted due to project timing
- Debt Facility extended by \$150m to \$525m
- Next refinancing due June 2025
- Land settlements and construction ramp up have increased drawn debt to \$340m



Artist impression of Lifestyle Woodlea Clubhouse

FY23 project launches

Settlement Profile of Communities in Development

Community	FY23				FY24				FY25			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Mount Duneed	●											
Kaduna Park	●											
Wollert	●	●	●	●	●	●	●	●	●			
Deanside	●	●	●	●	●	●	●	●	●			
St Leonards	●	●	●	●	●	●	●	●	●	●	●	●
Clyde (Meridian)	●	●	●	●	●	●	●	●	●	●	●	●
Woodlea				●	●	●	●	●	●	●	●	●
Bellarine				●	●	●	●	●	●	●	●	●
Pakenham						●	●	●	●	●	●	●
Clyde (Riverfield)						●	●	●	●	●	●	●
Phillip Island						●	●	●	●	●	●	●
Merrifield							●	●	●	●	●	●
Ocean Grove										●	●	

● Represents typical settlement rate ● Represents tail of development which is often a slower settlement rate



180 homes



160 homes



160 homes



260 homes



230 homes



187 homes



175 homes

Outlook

- FY23 progressing well. 3 out of 7 planned project launches completed
- No change to forward guidance released in August
- FY23 settlements anticipated to be similar to FY22 before a step up in FY24 and FY25 as new projects come online
- FY23 is expected to see a large increase in activity levels as we launch 7 projects for sale during the year. This will translate into the higher settlement numbers forecasted in FY24 and FY25
- Macro tailwinds are supportive of continued demand through the cycle
- Currently funded and resourced to acquire three new sites per year, subject to identification of appropriate sites
- Operating cash flow is underpinned by the ongoing rental annuities and deferred management fees
- Commenced rollout of our updated homeowner experience strategy which will seek to offer benefits and experiences to Lifestyle Homeowners beyond the boundaries of their direct community



Important notice and disclaimer

This Presentation contains general background information about Lifestyle Communities Limited (LIC) and its activities current at 15 November 2022 unless otherwise stated.

It is information in a summary form and does not purport to be complete. It should be read in conjunction with LIC's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au

This Presentation has been prepared by LIC on the information available. To the maximum extent permitted by law, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions in this Presentation and LIC, its Directors, Officers, Employees, Agents and Advisers disclaim all liability and responsibility (including for negligence) for any direct or indirect loss or damage which may be suffered by any recipient through use or reliance on anything contained in or omitted from this Presentation.

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

This Presentation contains certain "forward-looking statements" and prospective financial information. These forward-looking statements and information are based on the beliefs of LIC's management as well as assumptions made by and information currently available to LIC's management, and speak only as of the date of this Presentation. All statements other than statements of historical facts included in this Presentation, including without limitation, statements regarding LIC's forecasts, business strategy, synergies, plans and objectives, are forward-looking statements. In addition, when used in this Presentation, the words "forecast", "estimate", "expect", "anticipated" and similar expressions are intended to identify forward-looking statements. Such statements are subject to significant assumptions, risks and uncertainties, many of which are outside the control of LIC and are not reliably predictable, which could cause actual results to differ materially, in terms of quantum and timing, from those described herein. Readers are cautioned not to place undue reliance on forward-looking statements and LIC assumes no obligation to update such information.

The information in this Presentation remains subject to change without notice.

In receiving this Presentation, you agree to the foregoing restrictions and limitations.

This Presentation is not for distribution or release in the United States or to, or for the account or benefit of, US persons.



Level 1/9 – 17 Raglan Street
South Melbourne VIC 3205
1300 50-55-60

lifestylecommunities.com.au