



LIC
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Dear Shareholder

29 February 2024

YOUR OPPORTUNITY TO PARTICIPATE IN LIFESTYLE COMMUNITIES' \$275 MILLION FULLY UNDERWRITTEN PRO RATA ACCELERATED NON-RENOUNCEABLE ENTITLEMENT OFFER

On 22 February 2024, Lifestyle Communities Ltd ("**Lifestyle Communities**") announced that it had launched a fully underwritten pro-rata accelerated non-renounceable entitlement offer to raise approximately \$275 million (the "**Offer**").

The proceeds raised under the Offer will be used to provide balance sheet flexibility to fund strategic growth initiatives, including 5 identified land acquisition opportunities, which if executed are expected to underpin LIC's future earnings growth.¹

This letter is important, and you should read it in full as it relates to options that you have under the Offer.

Specifically, this letter sets out:

- **some of the key terms and conditions of the Offer and the options you have under the Offer;**
- **information to help you work out whether you are able to participate in the Offer. Retail shareholders that can participate are referred to as Eligible Retail Shareholders and are described in more detail below; and**
- **how Eligible Retail Shareholders can access additional information on the Offer.**

If you are an Eligible Retail Shareholder, you will be entitled to subscribe for 1 new Lifestyle Communities share ("**New Share**") for every 6.08 existing Lifestyle Communities shares ("**Existing Shares**") you hold at 7.00pm on 26 February 2024 ("**Record Date**"). These are referred to as your **Entitlements**.² The price you will need to pay for each New Share is \$16.00 ("**Offer Price**").

Any New Shares which are issued to you under the Offer will not be entitled to the 1H24 dividend of 5.5 cents per share, but will otherwise rank equally with Existing Shares.

The Offer is made up of:

- an offer to eligible institutional shareholders ("**Institutional Entitlement Offer**"); and
- an offer to Eligible Retail Shareholders to participate at the same Offer Price and the same offer ratio ("**Retail Entitlement Offer**").

¹ See slide 15 of the Investor Presentation lodged with the ASX on 22 February 2024 for further details on the identified land acquisition opportunities, including the status of those opportunities. There is no guarantee those opportunities will result in acquisitions.

² Fractional entitlements will be rounded up to the nearest whole number of New Shares.

The Offer is being made in accordance with sections 708AA and 708(12A) of the Corporations Act 2001 (Cth) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73) ("**Corporations Act**"), meaning that no prospectus, product disclosure statement or disclosure document needs to be prepared.

Are you an Eligible Retail Shareholder?

You are an **Eligible Retail Shareholder** and able to participate in the Retail Entitlement Offer if you were registered as a holder of Existing Shares on the Record Date and if you:

1. have a registered address in Australia or New Zealand recorded on the Lifestyle Communities shareholder register;
2. are not in the United States and are not acting for the account or benefit of persons in the United States (to the extent such persons hold Existing Shares and are acting for the account or benefit of a person in the United States);
3. did not receive an offer to participate (other than as nominee or custodian in respect of other underlying holdings) or were otherwise ineligible to participate in the Institutional Entitlement Offer; and
4. are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

If you are a retail investor and were registered as a holder of Existing Shares on the Record Date but do not meet the requirements above, you will be an "**Ineligible Retail Shareholder**". This means that you cannot participate in the Offer.

Where can you access the Retail Information Booklet and your personalised payment details?

Full details of the Retail Entitlement Offer are set out in an information booklet ("**Retail Information Booklet**").

Eligible Retail Shareholders may access the Retail Information Booklet and their personalised Entitlement and Acceptance Form (containing details of your Entitlement and personalised payment details) at www.computersharecas.com.au/licoffer. To access this website, Eligible Retail Shareholders will need their SRN or HIN which is displayed at the top of this letter.

Before deciding whether to participate in the Retail Entitlement Offer, you should read carefully and in full:

- the Retail Information Booklet; and
- Lifestyle Communities' ASX announcements, including the announcement containing the results of the Institutional Entitlement Offer, available at www.asx.com.au.

If you would like to receive a hard copy Retail Information Booklet and/or personalised Entitlement and Acceptance Form, please call the Lifestyle Communities Shareholder Information Line using the details below.

Action required by Eligible Retail Shareholders

If you are an Eligible Retail Shareholder, it is important that you determine whether to:

- **Option 1:** take up some or all of your Entitlements before 5.00pm on 14 March 2024; or
- **Option 2:** do nothing in which case your Entitlements will lapse and you will not receive any payment or value for your Entitlements and you will have your percentage holding in Lifestyle Communities reduced as a result of the Offer.

If you have any questions on how you should proceed, you should seek professional advice from an adviser licensed by ASIC to give that advice as soon as possible.



Option	Important information
<p><u>Take up some or all of your Entitlements before 5.00pm on 14 March 2024 (Option 1)</u></p>	<p>You may elect to take up some or all of your Entitlements to purchase New Shares at the Offer Price before 5.00pm on 14 March 2024.</p> <p>To do so, you need to either:</p> <ul style="list-style-type: none">• pay your application moneys via BPAY® pursuant to the instructions set out on your personalised Entitlement and Acceptance Form and instruct your bank to make the payment well before 5.00pm on 14 March 2024 to enable its receipt before 5.00pm on 14 March 2024; or• if you cannot pay by BPAY®, contact the Lifestyle Communities Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) at any time from 8.30am to 5.00pm Monday to Friday (excluding public holidays) to obtain other payment instructions. <p>Lifestyle Communities will treat you as applying for as many New Shares as your payment will pay for in full. If you pay for more New Shares than you are entitled to, Lifestyle Communities will refund you the extra amount (unless that refund is for a nominal amount of less than \$2.00, in which case no refund will be made). No interest will be paid on any application monies received or refunded (wholly or partially).</p> <p>The New Shares issued under the Offer will not be entitled to the 1H24 dividend of 5.5 cents per share because the record date for that dividend (being 13 March 2024) occurs before those New Shares are issued. The New Shares issued under the Institutional Entitlement Offer are also not eligible for that dividend.</p> <p>If you take up only some of your Entitlements, those Entitlements not taken up will lapse and you will not receive any payment or value for them (see Option 2 below).</p> <p>If you do not take up your Entitlements, you will have your percentage holding in Lifestyle Communities reduced as a result of the Offer.</p>
<p><u>Do nothing in which case your Entitlements will lapse (Option 2)</u></p>	<p>You do not need to do anything with your Entitlements. If you do not take up your Entitlements, your Entitlements will lapse.</p> <p>Your Entitlements are non-renounceable, which means they are non-transferrable and cannot be traded on ASX or any other exchange, cannot be sold nor can they be privately transferred or disposed.</p> <p>If you do not take up your Entitlements, you will not receive any payment or value for them and you will have your percentage holding in Lifestyle Communities reduced as a result of the Offer.</p>

The tax consequences of taking up your Entitlements, or of doing nothing, may be different. You should seek your own tax advice before you decide whether to participate in the Retail Entitlement Offer. You should also read the tax disclosures contained in the Retail Information Booklet which will provide information on potential tax implications for you.

Are Ineligible Retail Shareholders able to participate?

Ineligible Retail Shareholders are unable to participate in the Retail Entitlement Offer and cannot take up their Entitlements. Instead, their Entitlements will lapse. Ineligible Retail Shareholders will not receive any payment or value for their Entitlements, and they will have their percentage holding in Lifestyle Communities reduced as a result of the Entitlement Offer.

Indicative timetable for the Retail Entitlement Offer

Activity	Date
Record Date for determining eligibility for the Retail Entitlement Offer (7.00pm)	26 February 2024
Retail Entitlement Offer opens (9.00am) and Retail Information Booklet and payment details available at www.computersharecas.com.au/licoffer	29 February 2024
Retail Entitlement Offer closes (5.00pm)	14 March 2024
Settlement of New Shares under the Retail Entitlement Offer	20 March 2024
Allotment of New Shares under the Retail Entitlement Offer	21 March 2024
New Shares issued under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	22 March 2024
Dispatch of holding statements for New Shares issued under the Retail Entitlement Offer	22 March 2024

This timetable (except where historical) is indicative only and subject to change without notice. All times and dates in this letter refer to the time and date in Melbourne, Australia. Subject to the requirements of the Corporations Act, the ASX Listing Rules and any other applicable laws, Lifestyle Communities has the right, with the consent of the underwriter, to amend the timetable, including extending the Offer period or accepting late applications, either generally or, in particular cases, without notice.

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

Cooling off rights do not apply to your application. You cannot withdraw your application once it has been accepted.

What should you do if you have any questions?

If you have any questions or need any further information about the Retail Entitlement Offer, then please either:

- **Phone:** Call the Lifestyle Communities Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) from 8.30am to 5.00pm Monday to Friday; or
- **Online:** visit www.computersharecas.com.au/licoffer which contains the Retail Information Booklet and details of your Entitlements and how to make payment.

If you have any further questions, you should seek professional advice from an adviser licensed by ASIC to give that advice.

Yours sincerely

Anita Addorisio
Company Secretary
Lifestyle Communities Ltd

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Important information

This letter is issued by Lifestyle Communities Ltd (ACN 078 675 153) ("**Lifestyle Communities**") and is to inform you about the Offer. This letter is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia and New Zealand. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in Lifestyle Communities. This letter does not constitute, and should not be considered as, financial product advice and does not and will not form part of any contract for the acquisition of Lifestyle Communities entitlements or shares.

Not for redistribution in the United States

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States, or in any other jurisdiction in which, or to any person to whom, such an offer would be illegal. No action has been or will be taken to register, qualify or otherwise permit a public offering of the Entitlements or the New Shares under the Retail Entitlement Offer in any jurisdiction outside Australia. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**"), or the securities laws of any state or other jurisdiction of the United States.

Accordingly, the Entitlements under the Retail Entitlement Offer may not be purchased, traded, exercised or taken up by, and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States or persons that are acting for the account or benefit of persons in the United States (to the extent such persons are acting for the account or benefit of persons in the United States). In the Retail Entitlement Offer, the Entitlements may only be purchased, taken up or exercised, and the New Shares may only be offered, outside the United States 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. No documents relating to the Retail Entitlement Offer may be sent or distributed, in whole or in part, to persons in the United States or to persons that are acting for the account or benefit of any person in the United States.

Nothing contained in this document constitutes investment, legal, tax or other advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Please read the Retail Information Booklet lodged with the ASX on 29 February 2024, and if you are unsure of your position, contact your accountant, tax advisor, stockbroker or other professional advisor.