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LIFESTYLE COMMUNITIES LTD

PRO RATA ACCELERATED NON-RENOUNCEABLE ENTITLEMENT OFFER

NOTIFICATION TO INELIGIBLE RETAIL SHAREHOLDERS

Dear Shareholder

29 February 2024

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**").¹

The Offer entitles both eligible institutional shareholders and eligible retail shareholders to subscribe for 1 new Lifestyle Communities share ("**New Share**") for every 6.08 existing Lifestyle Communities shares ("**Shares**") held at 7.00pm (Melbourne time) on 26 February 2024 ("**Record Date**"), at an offer price of \$16.00 per New Share ("**Offer Price**"). These are referred to as **Entitlements**.

The Offer is made up of:

- an offer to eligible institutional shareholders ("**Institutional Entitlement Offer**"); and
- an offer to eligible retail shareholders to participate on the same terms ("**Retail Entitlement Offer**").

You are receiving this letter because you do not satisfy the eligibility criteria to participate in the Offer. As a result, you will not be able to subscribe for New Shares under the Offer.

Further information on the Offer, including the eligibility criteria and how your Entitlements will be dealt with, are set out below.

You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Offer that you should be aware of.

INSTITUTIONAL ENTITLEMENT OFFER

On 23 February 2024, Lifestyle Communities announced that it had completed the Institutional Entitlement Offer.

Shareholders who were eligible to participate in the Institutional Entitlement Offer ("**Eligible Institutional Shareholders**") were those:

¹ The Offer is being made by Lifestyle Communities without a disclosure document in accordance with sections 708AA and 708A(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**").

- (a) to whom ASX Listing Rule 7.7.1(a) did not apply; and
- (b) who successfully received an offer under the Institutional Entitlement Offer (as the lead manager for the Offer determined in its discretion),

provided that, if they are a nominee, they were only an Eligible Institutional Shareholder to the extent that they held Shares for beneficiaries who would have been Eligible Institutional Shareholders, had they held the Shares themselves.

Institutional shareholders who did not meet these eligibility criteria were not able to subscribe for New Shares under the Offer ("**Ineligible Institutional Shareholder**").

RETAIL ENTITLEMENT OFFER

The Retail Entitlement Offer is being made to Eligible Retail Shareholders. As detailed above, Eligible Retail Shareholders are able to subscribe for 1 New Share for every 6.08 Shares held on the Record Date.

An information booklet in relation to the Retail Entitlement Offer was lodged with the Australian Securities Exchange ("**ASX**") on 29 February 2024 ("**Retail Information Booklet**") and made available to Eligible Retail Shareholders.

Shareholders who are eligible to participate in the Retail Entitlement Offer ("**Eligible Retail Shareholders**") are those who:

- (a) were registered as a holder of Shares on the Record Date;
- (b) as at the Record Date, had a registered address on the Lifestyle Communities share register in Australia or New Zealand;
- (c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States);
- (d) 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
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer,

provided that, if a shareholder (including a nominee or custodian) is acting for the account or benefit of a person in the United States, it may not participate in the Retail Entitlement Offer on behalf of such person.

Retail shareholders who do not meet these eligibility criteria are not able to subscribe for New Shares under the Retail Entitlement Offer ("**Ineligible Retail Shareholder**").

ELIGIBILITY CRITERIA

Unfortunately, according to our records, you are not an Eligible Institutional Shareholder or an Eligible Retail Shareholder (as set out above). Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act 2001 (Cth), Lifestyle Communities wishes to advise you that it will not be extending the Offer to you, and you will not be able to subscribe for New Shares under the Offer.

The restrictions on eligibility to participate in the Offer arise because of the legal and regulatory requirements in certain countries, the relatively small number of shareholders in certain countries, the small number of Shares that are held by shareholders in certain countries, the relatively low value of New Shares to which shareholders would otherwise be entitled in certain countries and the potential cost of complying with regulatory requirements in certain countries.

Lifestyle Communities has determined² that it would be unreasonable to make offers under the Retail Entitlement Offer to Lifestyle Communities shareholders in countries other than Australia and New Zealand and to make offers under the Institutional Entitlement Offer to Lifestyle Communities shareholders outside of the eligible jurisdictions listed in the investor presentation for the Offer. This is due to the potential cost to Lifestyle Communities of complying with legal and regulatory requirements in those countries. Lifestyle Communities and the manager for the Offer, each of their respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees,

² Lifestyle Communities has made this determination pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Corporations Act.

advisers, representatives and agents disclaim any liability (including for fault or negligence) in respect of any determination of the eligibility of a shareholder to the maximum extent permitted by law.

NO ACTION REQUIRED

This notice is to inform you about your status as an Ineligible Institutional Shareholder or Ineligible Retail Shareholder under the Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. **You are not required to do anything in response to this letter.**

Ineligible Institutional Shareholders and Ineligible Retail Shareholders are unable to participate in the Offer and cannot take up their Entitlements. The Offer is non-renounceable, which means Entitlements are non-transferrable and cannot be traded on ASX or any other exchange, cannot be sold nor can they be privately transferred or disposed. Instead, the Entitlements of Ineligible Institutional Shareholders and Ineligible Retail Shareholders will lapse. Ineligible Institutional Shareholders and 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 Offer.

If you have any questions in relation to anything in this letter, please contact the Lifestyle Communities Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) at any time between 8.30am to 5.00pm (Melbourne time) Monday to Friday (excluding public holidays) during the Retail Entitlement Offer period.

We thank you for your continued support of Lifestyle Communities.

Yours sincerely

Anita Addorisio
Company Secretary
Lifestyle Communities Ltd

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. It is for information purposes only and does not constitute an offer, invitation, solicitation, advice or recommendation to subscribe for, retain or purchase any Entitlements or shares in Lifestyle Communities in any jurisdiction. 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 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 to be offered and sold in the Offer have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "**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 taken up or exercised by, and the New Shares in the Retail Entitlement Offer may not be offered or sold, directly or indirectly, to persons in the United States or to any person that is acting for the account or benefit of any person in the United States, except in a transaction that is exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. The Entitlements and the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold to persons that are not in the United States and that are not acting for the account or benefit of a person in the United States, in each case 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.