

13 August 2024

## Immediate release to the ASX

### FY24 Reporting Suite and FY25 Pipeline Update

Lifestyle Communities Limited (ASX: LIC) today releases its reporting suite for FY24.

FY24 Operating profit after tax was \$52.9m (FY23: \$71.1m) impacted by lower new home settlements (FY24: 311 v FY23: 356) and increased pre-sales and marketing costs for new projects commenced during the year. This impact was partially offset by a 16% increase in annuity income from site rentals and deferred management fees, which were up from \$47.2 million in FY23 to \$54.7 million in FY24 due to an increased number of homes under management and strong price growth in established home resales.

The increased annuity income and deferred management fees from its 3,850+ homes under management resulted in Lifestyle Communities shareholders receiving a final fully franked dividend of 5.0 cents per share, taking the total dividend for the year to 10.5 cents per share.

Co-Founder and Managing Director, Mr James Kelly, said “We are cognisant of the headwinds currently facing the business including the impact of recent media coverage and the continued softness in the residential property market. We will remain disciplined in our approach and will make changes as appropriate to navigate these headwinds.”

Key areas of focus in FY25 include:

- Strength of the balance sheet
- Targeted strategies to sell through inventory
- Land acquisition programme decelerated
- Adjusting the speed of the build program to match market conditions
- Disciplined cost management and right sizing of teams
- Restore trust impacted by recent unbalanced media reporting
- Position the business for when conditions improve
- Expeditiously resolving the matter before VCAT

Lifestyle Communities provides the following update on the status of its pipeline as at the 12<sup>th</sup> of August:

- Customer sentiment has been negatively affected due to recent media coverage
- 27 new home settlements completed
- A total of 348 new home sale deposits are in hand. Of these:
  - 228 homes will be completed and available for settlement in FY25
  - 120 homes will be completed and available for settlement in FY26
- Contracts exchanged on a new land site in Armstrong Creek

Mr Kelly continued “Our team has done a fantastic job engaging with our customers following the media coverage in July. Whilst a small percentage of customers in our future pipeline have chosen to cancel their deposits at this time, the overwhelming majority remain on the journey to move into one of our communities.

We are however determined to learn from this experience and make improvements to our business and processes where appropriate. We are in the process of appointing an independent expert to run a ruler over the business to see if we need to recalibrate any aspects of our model. We will update the market on the outcome of the review if there are any proposed changes at the appropriate time.”

### **Conference Call Details**

James Kelly (MD) and Darren Rowland (CFO) will be available for a teleconference call at 9.00am (AEDT) on 14 August 2024 following the release of the FY24 results.

To listen to the presentation, participants must pre-register using the pre-registration link below:

[https://vistra.zoom.us/webinar/register/WN\\_ieJDBAsQQ-qZw1QFBOVASw](https://vistra.zoom.us/webinar/register/WN_ieJDBAsQQ-qZw1QFBOVASw)

Once pre-registered, participants will receive an email with a calendar invite that contains a unique link and dial-in number, Webinar ID, and passcode. To join the conference call, participants can either use the unique link or by dialling-in details provided in the email. They will then be connected directly.

Participants will have the opportunity to ask written or verbal questions during the conference call. Written questions can be asked through the ‘Q&A’ function. Verbal questions can be asked through the ‘Raise Hand’ function available on the conference platform.

Authorised for release by the Board. For further information please contact:

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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 thirty-three residential land lease communities under contract, in planning, in development, or under management. Over 5,500 Victorians call Lifestyle Communities their home.